CHAPTER XXXI

SOUTHEASTERN ASIA

1. NATIONALISM IN THE AREA

It has already been pointed out that the developments of the war made it impossible for the Japanese effectively to implant and organize the conception of regionalism in Greater East Asia. The net effect, consequently, of the Japanese occupation of the European colonies in Southeastern Asia and the Southwest Pacific, and of the Philippines, was to deepen and widen the channels of nationalism and anti-colonialism. These channels had already begun to be cut before the war, especially in the Philippines, where the movement toward independence was well under way, and in Burma, where British policy had initiated a movement toward Dominion status. The effect of Japanese policy and actions in some respects was thus to ensure that movements already begun would be continued, with the rate of movement not necessarily under the control of the metropolitan country.

While this was not fully appreciated during the war, the colonial powers, nevertheless, in varying degree, had indicated some awareness of the fact that the status quo ante 1941 would have to be modified toward self-government, autonomy, or independence. Formal commitments as to change, however, were avoided, apparently for two principal reasons: (1) on the ground that no precise commitment could wisely be made in the absence of fairly exact knowledge of the situation which would actually exist at the end of the war; and (2) on the assumption that the colonial power would be welcomed back into its colony because of a general acceptance of the beneficence of its rule in contrast with that of the Japanese, and that, consequently, it would have freedom to determine the nature and the rate of modification of prewar relationships. Exceptions to this were the commitment of the United States to meet, or possibly advance, if war circumstances permitted, the schedule set up for Philippine independence, and a broad statement by Queen Wilhelmina (December 7, 1942) committing the Netherlands to the establishment of a new form of relationship to the Netherlands Indies. Nevertheless even these exceptions assumed that the power of decision rested exclusively with the colonial power, substantially unmodified by local circumstances resulting from the applications of Japanese policy which strengthened local nationalism and gave it the means of expression. The validity of the
assumptions made can, however, best be determined by an examination of postwar developments in each colony.

2. INDO-CHINA

Indo-China was the only colonial territory from which the Japanese did not immediately displace completely the authority of the colonial power. Upon the fall of France, Governor Decoux accepted the authority of the Vichy government and attempted to maintain the French position by adapting his position to Japanese demands. In this, however, he was in effect carrying out agreements made directly between the Vichy government, under German pressure, and the Japanese government. The initial agreement, of August 30, 1940, “not only gave Japan right of passage through French Indo-China and the use of bases in the colony, but recognized the predominant interest of Japan in the Far East in both the economic and the political domain.” 1 From this position in Tongking, established apparently to facilitate operations against the Chungking government, the Japanese moved forward in Indo-China to the point where, by the outbreak of the Pacific war, the entire colony was under their influence and their military position was such that they could launch their southward drive on the British and Dutch colonies from southern Indo-Chinese bases. A striking indication of the strength of their political position was given when, as “mediators” between Thailand and Indo-China, they were able to compel acceptance of an award which transferred four provinces of Cambodia and Laos from Indo-China to Thailand. This settled a war undertaken by Thailand (Siam), with Japanese encouragement, to regain territory earlier lost to the French.

This collaboration of the French authorities with the Japanese, while it enabled the fiction of French rule to be maintained until shortly before VJ day, had the effect of lowering French prestige in their colony as much as the ease of Japanese conquest of Singapore did British prestige. The fact that a European colonial régime actually took its direction from Tokyo, even to the point of acquiescing in the military occupation of the colony, pointed up the new, even if temporary, relations of the East and the West. Its significance was not obscured by the fact that anti-Vichy Frenchmen were assisted by a native underground in reaching Chungking, nor by the fact that an underground anti-Japanese movement of some proportions developed in Indo-China.

**Indo-chinese Nationalism**

This underground movement represented in effect the direction given by the war to the Indo-Chinese nationalist movement. It was consequently

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directed against colonialism itself rather than being exclusively an anti-Japanese and anti-Vichy movement. This nationalism had its initial growth as a reaction against the early French policy of assimilation. It expressed itself particularly in Annam and Tongking. It was stimulated by the Japanese victory over Russia in 1904–1905, by the use of Annamites by France both as laborers and as soldiers in World War I, and by the development and course of the Nationalist revolution in China. The intellectuals who furnished it leadership were educated in the French liberal tradition. “Though France naturally never wanted an indigenous nationalist movement to destroy her sovereignty, French institutions were so impregnated with the liberal ideas of 1789 that they unconsciously fostered patriotism and a love of political liberty in subject peoples,” 2 who had an opportunity to become acquainted with them through education. But Annamite traditionalism, which was Chinese in its origin, was strong enough to bring France to modify her attempts at direct rule, and to replace it by indirect government through native institutions in Annam and Tongking. Thus the conception of cultural independence was maintained in the face of the new intellectual orientation of the Annamite intellectuals toward French political ideals. The fact that those ideals were strongly at variance with the practice of colonial government made the intellectuals nationalists rather than supporters of the French régime and of assimilation.

That the nationalist movement before World War II had not developed more strength was due to a number of considerations. One important reason for its lack of strength lay in the lack of homogeneity of the peoples of Indo-China. The Annamites, the most vigorous single element, comprising 16 million of the total of 23 million people of Indo-China, occupied only 11 per cent (285,000 square miles) of the available land of the country.

Moreover the land that they occupy is laid out in a uniquely strange pattern. It extends from the Tonkin delta in the north to the southern tip of Cochin China, a distance of 750 miles. At its northern extremity it embraces 5,800 square miles and at its southern extremity, some 20,000 square miles, but between these two termini it is extremely narrow. In some parts of Annam the territory that is truly Annamite is only a few kilometers wide, and consists of coastal fishing villages some distance behind which lie, first, former lagoons, now filled in and occupied by villages and rice fields, and then mountains which the Annamites have not approached and in which, at a short distance, the first Moi hamlets appear. In some sections Annamite territory is only a narrow corridor; elsewhere, as in certain mountain passes, no Annamites at all are to be found. 3

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2 Emerson, Mills, and Thompson, Government and Nationalism in Southeast Asia, p. 198.
The Annamites, moving south from Tongking, thus occupied the coastal plains but not the hinterland, as far south as Cochin China. But administratively even this area was broken up. French authority was first established in Cochin China, which was erected into a colony and brought much more under French cultural and political influence than were the protectorates of Annam and Tongking. And the other two protectorates, which completed French Indo-China, Cambodia and Laos, were non-Annamite in population and more affected by Indian than by Chinese culture. Both of these protectorates had looked to France for support against Thai encroachments, as well as against the further expansion of Annamite influence. Thus Annamite nationalism had not penetrated Cambodia or Laos, and it was less firmly rooted in the colony, Cochin China, than in either Annam or Tongking. Furthermore, before the war, it was divided into several parties with somewhat different aims. One (the Pham-Puyenhau Tongking Party) "did not aim at separation from France, and struggled only to obtain constitutional reforms. There was also the revolutionary party of the young Annamites, which united nationalists and Communists until 1928, when the latter broke away. In addition, there was the nationalist Annamite party, terrorists in close alliance with Cantonese groups. . . . Finally and most important, there was the Annamite party headed by Nguyen-Ai-Quoc, which was well organized and also relied on Canton and Moscow."  

None of these parties had mass support, except in times of economic distress. "The Annamite masses are, of course, not affected by ideological considerations, but the hardness of their lives makes them susceptible to any propaganda leading toward a change in which they would have nothing to lose and everything to gain." 5 But in terms of economic contrasts, the position of the Chinese (numbering some 400,000) made them almost as much of a target, especially in Cochin China and Cambodia, where about 85 per cent of them were found, as the French themselves. Their position as economic middlemen, 6 and as political intermediaries between the ruling Europeans and the native peasants and workers, identified them as supporters of the rulers and lessened the possibility of development of close relationship between Annamite nationalism and that of China itself.

When defeat was accepted as a certainty by Japan, the Japanese withdrew their support from Admiral Decoux (March 9, 1945) and gave it to a puppet government headed by the Emperor of Annam, Bao Dai. This government's authority, however, was immediately disputed by the nation-

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5 Emerson, Mills, and Thompson, op. cit., p. 204.
alists who had been waging underground resistance against both Japan and the Vichy-controlled colonial régime. Organized as the "Viet Minh, or Viet Nam Independence League" under the leadership of Ho Chi Minh, "veteran nationalist leader and Communist," the nationalists took over from the Japanese-sponsored government immediately upon the capitulation of Japan in August, 1945. Bao Dai abdicated on August 25, and a Declaration of Independence of the Republic of Viet Nam was issued by the nationalists on September 2.

French Postwar Policy

France, however, had no intention of withdrawing from Indo-China. Faced with the possibility that the United States might propose a trusteeship to replace the prewar colonial régime, and also faced with the reaction to Vichy policies, the French government, during the period between the overthrow of Decoux by Japan and the Japanese capitulation, drafted plans for a new colonial régime. As drafted, and as accepted in the new French Constitution, the French Empire was to be transformed into a Union of the metropolitan countries and the colonies. Within the Union, Indo-China was to be transformed into a federation of the four protectorates and the colony of Cochin China.

Neither race, religion nor national origin would bar Indo-Chinese from any federal office in the Federation, the higher echelons of which had hitherto been all-French, while many of the lower ranks had been inadequately manned by a "white proletariat" that also came from France. A dual citizenship of the Indo-Chinese Federation and the French Union would open jobs to Indo-Chinese throughout the empire. Although foreign affairs and defense were to remain a French preserve, the Federation would have its own armed forces which would be open equally to Indo-Chinese and to nationalists from elsewhere in the Union. On every front the Indo-Chinese were to receive encouragement to develop socially, culturally and economically. . . . Hitherto linked economically to France, to the detriment of its more natural ties with the Far East, the country was to develop closer relations with China and other non-French territories. For the first time under France, Indo-China was to enjoy freedom of thought, press, religion and assembly.

Since this program fell far short of independence, or even, actually, of autonomy, its implementation required that France should have reasonably firm control of the situation at the end of the war. The possibility of control was, however, initially reduced by the transfer by Japan of authority to Indo-Chinese governments. It was still further lessened on account of the fact that sufficient time elapsed between the Japanese surrender and the arrival of Allied forces to take over from the Japanese

\[6\] Harold Isaacs, New Cycle in Asia, p. 156.

forces to enable the proclaimed Viet Nam Republic to establish itself in Tongking, Annam, and Cochinchina. The Allied forces which initially arrived to receive the Japanese surrender were British in the south and Chinese in the north, not French. The British at Saigon released French troops from internment, armed them, and transferred control of the city to the French. In the process the Viet Nam régime was forcibly driven from Saigon. "This touched off a bloody guerrilla war, first in Saigon itself and then spreading to the Saigon delta and the whole of Cochinchina. British, French, and Japanese troops were employed against the Viet Minh guerrillas. After the coup, the French offered to negotiate with the Viet Minh on the basis of the French government Declaration of March 23, 1945, but this was rejected as being wholly inadequate to meet Vietnamese demands for independence." 6 Full French control had, however, been established in Saigon by the end of 1945, when the British forces were withdrawn since the Japanese had been disarmed and the British mission had thus been completed. This was possible because of the arrival of well-equipped French troops in sufficient strength to support French authority.

A somewhat different situation developed north of the 16th parallel, where the Chinese had the function of receiving the Japanese surrender. There the Viet Nam government was not impeded by the Chinese in the exercise of its functions, including the holding of elections and the establishment of a parliament. The Chinese used their position to persuade the French to agree to a revision of the conditions of relationship between Indo-China and China. In the agreement signed February 28, 1946, Chinese nationals were promised a continuation of the "rights, privileges, and exemptions which they traditionally possessed in Indo-China"; most-favored-nation treatment for Chinese nationals with respect to "the right to travel, reside, conduct commercial, industrial, and mining enterprises, to acquire and possess real property; equality of taxation with Indo-Chinese nationals; and the same treatment as French nationals" in matters of legal procedure and administration of justice. It was further agreed that a special zone, under Chinese customs control, with the necessary facilities, should be established at Haiphong for the service of imports into and exports from China, and that "commercial exchanges between China and Indo-China shall be regulated by a commercial agreement on the basis of most-favored-nation treatment." And, finally, provision was made for a restoration to China of the Indo-China-Yunnan Railway. Following the conclusion of this agreement, the Chinese troops were withdrawn from their zone of military occupation, leaving to the French the remaining problem of adjustment of their relations with the Viet Nam Republic.

6 ISAACS, op. cit., pp. 136-137.
France and Viet Nam

To pave the way for peaceful entry of French troops into the northern part of Indo-China to replace the Chinese, an agreement was made between France and Viet Nam on March 6, 1946. By this Hanoi agreement France recognized "the Republic of Viet Nam as a Free State, having its government, its Parliament, its army, and its finances, and forming part of the Indo-Chinese Federation and the French Union."9 The territorial extent of Viet Nam (whether it would include Cochin China) was to be determined by referendum. It was further stipulated that, a favorable atmosphere having been created, negotiations would be instituted to "deal particularly with the diplomatic relations between Viet Nam and foreign states, the future status of Indo-China, and economic and cultural interests." On the basis of this agreement French troops were able to reenter Tongking without opposition. During the period of negotiations, consequently, France was in effective control of Hanoi in the north and of Saigon in the south of the territories claimed by the Republic, and thus had ports of entry from which, as her military establishment was augmented, she could, if necessary, move to extend her control into the hinterland.

It was quickly revealed that the Agreement of March 6 did not carry the same meaning to the French and to the Vietnamese leadership. The fundamental points at issue were defined at conferences at Dalat, in the spring, and at Fontainebleau, in the summer of 1946. One of these concerned the nature of relationships between Viet Nam, on the one side, and Cambodia and Laos on the other. The Viet Nam conception was limited to "federation" of three independent states, with federation in turn construed to mean limited coördination of economic policies, such as customs arrangements and currency. Federation meant to the French, on the other hand, close coördination of policy through the French High Commissioner, who would not only represent France, and the conception of the French Union, but also the Indo-Chinese federation, of which he would be the President. In spite of this fundamental disagreement, however, a modus vivendi was signed at Fontainebleau on September 14, 1946. This provided for "one legal currency throughout Indo-China. A mixed commission including representatives of the different states in the Federation was to study the creation of an issuing agency to replace the Bank of Indo-China, and would also coördinate customs and foreign trade. There was also to be an Indo-Chinese customs union, and no internal customs barrier. . . . Another committee was to study the reéstablishment and improvement of communications between Viet Nam and other coun-

9 Text of the Agreement in ibid., p. 169.
tries in the Indo-Chinese Federation and the French Union. And in response to Vietnamese insistence on their own diplomatic representation abroad, a Franco-Vietnamese commission was to arrange for Vietnamese consular representatives in neighboring countries and for Vietnamese relations with foreign consulates.”

The other fundamental difference between Viet Nam and France was over the question of inclusion of Cochin China in Viet Nam, and thus over the frontiers of the republic. In spite of the provision in the March Agreement for a referendum on the question, France set up an autonomous government in Cochin China which could be expected to respond to French direction. Since they had already effectively resumed control of Cambodia and Laos, three of the five prewar parts of Indo-China could then be “federated” under the High Commissioner. These actions made it possible for the French to act in military support of an Annamite government of Cochin China presented as an alternative to that of the Viet Minh, headed by Ho Chi Minh, who was not only a nationalist but also a Communist in his ideology.

The net effect of these differences was the continuation of civil war, with actions on both sides enabling each to accuse the other of bad faith. Viet Nam did not have sufficient military power to dislodge the French from the cities and the coastal area within its claimed territory, nor to force the French to accept its conception of a federation which would be close to independence. It did have the power, however, in spite of augmentation of the French forces in the country, to prevent the restoration of peace and the establishment of French authority throughout Annam and Tongking. There was little enthusiasm for the French-controlled Cochin China government which the French presented as the alternative to that of Viet Nam.

The Bao Dai “Provisional” Central Government of Viet Nam, which asserted authority over the prewar protectorates of Annam and Tongking and the colony of Cochin China, was supported, after its institution, by France as an “associated” state, in the conflict with the Democratic Republic of Viet Nam, which was controlled by the Viet Minh party, and which was popularly referred to as Viet Minh. This Bao Dai government, during 1948 and 1949, negotiated the conditions of Viet Nam’s relationship as an “associated” state with France. The general principles of relationship were embodied in the “Agreement of the Bay of Along” (June 6, 1948). Agreements reached by Bao Dai in Paris on March 8, 1949, known as the “Agreements of the Elysée,” while generally confirming the stipulations of the Bay of Along Agreement, extended it somewhat and gave it greater precision. Thus by 1950, upon acceptance of these agreements by the French.

Parliament (February 2), the conception of an Indo-China federation within the earlier formulation of the French Union had been replaced for Indo-China by that of "independent" states (Viet Nam, Cambodia, and Laos) associated with one another and each in separate association with France. This was designed to make it appear that the internal issue did not involve independence. It did have the effect of focusing attention on the Communist, as distinguished from the nationalist, aspects of the Viet Minh and thus of bringing the struggle in Indo-China out of the context of a purely colonial war into that of the larger international conflict. This was facilitated by the victory at about the same time of the Chinese Communists over the National government in mainland China and by the intervention of Communist China in the Korean War. The Communist victory in China brought the Viet Minh into territorial contact with a Communist-controlled state which could assist it against the non- or anti-Communist Viet Nam state. This new situation was crystallized by the recognition by Peking and Moscow of the Ho Chi Minh government, thus legitimizing assistance to it, and by recognition of the Viet Nam "associated" state by the United States and other Western states. India, Indonesia, and other Asian "neutralist" states, however, refused to recognize the Bao Dai régime because they viewed it as being actually confined within the framework of colonialism and thus not truly independent.

The United States and the Conflict in Indo-China

One important reason why France had not been able to find a solution for the Indo-China question after 1946 was doubt as to actual French purposes and intentions. It was, however, increasingly evident that French resources were not great enough simultaneously to cope with the rebellion in Indo-China and with the problem of domestic reconstruction. The latter was being carried forward with American assistance and, until after 1950, the United States, which was unwilling to support colonialism against nationalism in Indo-China, increasingly objected to the use of American supplies in France to replace French military and economic resources which were transferred to Indo-China to put down the revolt there. After 1950, however, Washington began to view the war in Indo-China as one front in the general struggle against the Soviet Union. The United States, consequently, took a different view of aid to France, translated into assistance to the French in Indo-China. By the time of the armistice negotiations in Korea, the war in Indo-China, with Ho Chi Minh supported by the China which had intervened in the Korea War was associated in American thinking with the war in Korea to the point where the new (Eisenhower) administration in Washington could declare, in effect, that no solution in Korea would be acceptable which did not carry
with it assurance against Chinese Communist support of the Viet Minh. In these terms the United States was prepared, as it had not been previously, to give direct assistance both to France and to the Associated States of Indo-China to prevent successful Chinese intervention in that area.

By abruptly revealing the danger of aggression in Asia and the expansionist character of Asian Communism, the Korean war contributed to speeding American decisions. On June 27 President Truman announced that economic and military aid would be extended to Indo-China in order to enable it to resist aggression. Programs for the provision of arms and supplies were drawn up in the course of Franco-American conversations. The most delicate matter requiring a decision had to do with whether the direct beneficiaries of American aid should be the French army and administration in Indo-China or the still embryonic Vietnamese army. Although Vietnamese nationalist circles were most anxious to receive American aid directly, practical considerations of efficiency finally led to the adoption of a compromise solution: economic aid was given directly to the Associated states through the intermediary of an ECA mission, while military aid would be distributed through the agency of the experienced General Staff of the French army in Indo-China, assisted by an American military mission. ¹¹

As it proved, this decision was taken too late. The stabilization of the military solution in Korea during the armistice negotiations enabled the Chinese to increase their assistance to the Viet Minh régime sufficiently to enable the latter to enlarge the scope and area of its military operations. Armies were moved into Laos and Cambodia in support of the guerrillas previously operating there, and pressure against the French in Viet Nam was increased. This pressure prevented the French from carrying out their plans for transferring defense responsibilities to Viet Nam because there was no opportunity afforded to recruit, officer, equip, and train Vietnamese armies. Thus France could maintain itself and the Associated States against Viet Minh only by increasing its own military effort. This it was prepared to do only if given assurances of full support by the United States. These assurances were not given.

The Geneva Armistice

Under these circumstances the French insisted that the question of an armistice in Viet Nam should be placed on the agenda of the Geneva Conference of 1954, called initially to seek a solution of the Korean problem. The negotiations at Geneva resulted in an Agreement by which Viet Nam was partitioned at approximately the 17th parallel. The territory to the north, including the Red River delta, Hanoi, and the port of Haiphong came under the authority of the Viet Minh government. The part of Viet Nam south of the demarcation line was left under the control of the

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French-supported Viet Nam government. The governments of Laos and Cambodia were left undisturbed, but with the two states neutralized and their armed forces limited to those necessary for self-defense.

This partition, like that of Korea earlier, was designed as a temporary solution of a military problem. Consequently it was agreed that elections would be held throughout Viet Nam within two years. These elections were to be held under supervision of the neutral committee agreed upon for supervision of the armistice. The committee was composed of Poland, India, and Canada, each member having a veto on decisions. This meant, in effect, that the committee was not in a position effectively to discharge its responsibilities. The states which signed these Armistice Agreements guaranteed their application. The United States refused to sign the Agreements, but Washington accepted them in principle and agreed not to undertake military action to upset them.

The Agreements represented a substantial victory for Communist China. The cessation of hostilities put the Viet Minh, and through it China, in a position to employ the methods of conquest—propaganda, infiltration, and subversion—at which they were most adept, not merely in South Viet Nam but also in Cambodia and Laos. The United States, in its attempt to contain communism, was forced to define a new line of defense.

Up to this time the United States had backed away from proposals for other than bilateral defense commitments in the Far Eastern area. In order to secure acceptance of its proposals for a peace treaty with Japan, Washington had concluded separate security agreements with Australia and New Zealand, the Philippines, and Japan. The United States was also committed to the defense of South Korea. As the situation in Indo-China deteriorated, however, the attitude changed, and following the Geneva Conference the United States urged that a conference be held with a view to concerting methods of defense against a further extension of Communist power in Southeast Asia. The American proposals for such a conference were rejected by India, Ceylon, Burma, and Indonesia. Consequently the only Asian states represented at the Conference convened in Baguio, the summer capital of the Philippines, were Pakistan, Thailand, and the Philippine Republic. They, with the United States, Britain, France, Australia, and New Zealand were the signatories of the Manila Treaty, which established the Southeast Asia Treaty Organization (SEATO). The Pact established no binding obligations for joint military action and had no formal organization, except for a secretariat established at Bangkok, beyond a Consultative Council made up of the Ministers to Thailand of the signatory states. Annual meetings of the Foreign Ministers were held each year after 1955, also for consultative purposes.

Since Viet Nam, Laos, and Cambodia were, by definition, outside the
sphere of direct military support of SEATO, the new collective defense system, as such, had little significance for those countries. What did affect development in South Viet Nam was American military, economic, and technical assistance, which totaled some $250 million a year in the years 1955–1958. This was essential to the establishment of the authority of the government and for the solution of pressing economic problems of rehabilitation and reconstruction. Similar aid was extended to Laos and Cambodia.

The Diem Régime in South Viet Nam

Bao Dai continued as Chief of State in Viet Nam until 1955, exercising his power from France. On the eve of the Geneva Conference, and in the midst of a steadily deteriorating situation, Bao Dai appointed (June 16, 1954) Ngo Dinh Diem as Premier, complying with Diem’s demand that as Premier he be given full powers to govern. It was Diem, a strong nationalist with the apparent confidence of all the non-Communist elements in the country, who faced the difficulties growing out of long-continued civil war and the partition of the country. Under the Armistice Agreements, which he had not signed, his government was denied authority in North Viet Nam and was confronted with the requirement that elections should be held throughout the country in 1956.

The holding of elections which would be really “free” posed the same type of problem in Indo-China as in the Korea of 1947. Northern Viet Nam was unified under the control of a monolithic, authoritarian party, the Communist Party of Ho Chi Minh. If that party should be able to determine the conditions of voting, certainly the outcome in the north would be readily predictable. The southern parties would not be permitted to compete north of the 17th parallel whereas the Communist Party could effectively compete south of it. Thus the probability was that the elections would result in Viet Minh control of the entire country. This probability was certainly an important consideration in causing Premier Diem to avoid, as far as possible, application of the provision for elections in the Geneva Agreements, to which in any case he did not feel at all bound since they had not been accepted by his government. At first he had to proceed cautiously, and on the basis of principle, because of the intermittent pressures of the states which had guaranteed the fulfillment of the terms of the Armistice Agreements. By 1957 when, in July, the Vice-President of the Democratic Republic of Viet Nam (the northern regime) proposed discussions between north and south to consider unifying Viet Nam by free elections, the Diem government felt strong enough to ignore the proposal. Agreement on the conditions of unification seemed no nearer at the end of 1958 for Viet Nam than for Korea.
By that time, however, political stability in the south had been established by the Diem government comparable to that existing in 1954 in the north. When he first assumed the premiership, Diem confronted serious armed factional opposition in South Viet Nam, as well as conflict with the northern government. His difficulties were enhanced by the possibility of appeal from his decisions to Bao Dai, the Chief of State, who continued to exercise influence from France and with at least some measure of French support. To counter this the Diem government was given American support in the form of pressure on Bao Dai to order the Chief of Staff, a leading dissident, to come to France, thus removing him from the local scene. Diem was also strengthened by the American decision to send aid direct to Viet Nam rather than channeling it through France. With American support, furthermore, Diem was able to establish his authority over the sects which, each with its own army, attempted to dispute the authority of the government in different parts of the country. Having thus disposed of the local opposition, Diem took steps to eliminate the absentee influence of Bao Dai. On June 16, 1955, under his persuasion, the “Council of the Imperial Family” dismissed the Emperor from his position as Chief of State. Thereupon Diem assumed office as President of a Republic. This change not only affected Bao Dai but also completed the process of ending the colonial régime in Indo-China, since Cambodia and Laos as well as Viet Nam increasingly established direct relations with the United States and other states, with their governments exercising authority internally independent of France as well as one another.

3. THAILAND (SIAM)

In spite of the fact that it alone of the countries of Southeast Asia had been able to maintain its independence, Siam was placed among the countries of the colonial area from the standpoint of geographic location, having French Indo-China as a neighbor to the west and north, British Burma in the east and northeast, and British Malaya to the south. In this buffer position between French and British territory was to be found a large part of the explanation of the maintenance of its independence, preserved somewhat precariously historically by playing off the British against the French. While maintaining its independence Siam did lose some of its Malay provinces to Britain and provinces bordering Cambodia and Laos to France. Much of this territory was temporarily regained during the period of Japanese ascendancy only to be lost again as a consequence of Japanese defeat. Thus Siam in its modern form as an independent state included some 200,000 square miles of territory. It thus “makes up less than a third of the Indo-Chinese peninsula and contains only one of its five major waterways, the Menam, though with her neighbors she shares two others, the Mekong
and the Salwin. The country’s four main rivers, the Meping, Mewong, Meyom, and Menam, form a network that offers easy communication between the upland and the sea.”

The total population of the country is about 16 million. “Of this number slightly more than 13 million are Thai or regard themselves as Thai, whatever their origin. About 1,600,000 are Chinese or Sino-Thai whose primary loyalty is to China. . . . Between 300,000 and 400,000 Malays live in the extreme south below Satul on the west coast and Songkhla on the east coast.”

Another consideration in the maintenance of the independence of Siam was the policy followed by its rulers. Its original orientation toward China was changed with the revelation of China’s weakness vis-à-vis the West. The Asiatic-type monarchy was changed into an “enlightened despotism,” and serious attempts at westernization of the country were made. The rule was sufficiently enlightened at any rate to prevent the development of internal conditions such as frequently invite foreign intervention. “By decorous and diplomatic statesmanship Thailand progressively cast off the shackles of a semi-colonial status and transformed an Asiatic feudality into a modern, and in many ways model, state—with official friendship for all and little malice toward any but the Chinese within her frontiers. Only with the revolution of 1932 has there appeared a more aggressive, supernationalist policy.”

**Thai Nationalism**

The revolution, or coup d’etat, of 1932 was an expression of the desire of an essentially Western-trained intelligentsia to exercise a more decisive influence within the state. Since its creation was the result of the “enlightened” policy followed by the rulers, it may be said that their reforms created the instrument which was to overthrow them. Assumption of control in 1932 was followed by the introduction of a constitutional system of government which was originally pointed toward democracy of the English type. Internal conflicts within the group in control, however, led quickly to the elimination of the liberal and radical elements in the government and control by military elements. This military coup in 1933 was followed by the abdication of King Prajadhipok in 1935, in favor of a minor, Ananda Mahidol, who was being educated in Switzerland. Concurrently, freedom of speech and the press were limited, and authoritarian rather than democratic tendencies were clearly predominant.

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14 Thompson, *op. cit.*, p. 211.
15 Emerson, Mills, and Thompson, *op. cit.*, p. 118.
by 1938. This did not mean, however, that a static internal policy of an illiberal sort was followed. Reform continued to be promoted from above after 1932, just as it had been during the period of the absolute monarchy. There was substantial progress made in education, with a trebling of appropriations in the three-year period following the fiscal year 1933–1934, and with literacy rising to 30 per cent of the population. Similar progress was made in the field of public health. Communications were extended, particularly with the construction of motor roads. “In agriculture, the government has emphasized cooperative societies and irrigation projects. The land and labor policy of the government has aimed at improvement of the peasant farmer class, the development of a diversified agriculture, and the creation of a Thai middle class.”

The entire internal program of development was nationalistic in the sense that it was designed to strengthen the state, and so to put it in a position to maintain its independence. But a new expression of nationalism marked the attempt to create a Thai middle class. The large numbers of Chinese were the dominant commercial element in the country. The Thai interested themselves in agriculture, in government, and in the professions, so the Chinese had come to fill an economic vacuum rather than to displace the Thai from commerce and from tin and rubber production. Performing a necessary function, they were viewed with tolerance as long as the control which they had over the economic life of the country was not fully perceived. It was only in 1911 that they were classed with other foreigners from the standpoint of payment of the capitation tax.

The tax produced a strike among the Chinese, which brought the economic life of the country to a standstill. This for the first time made the Siamese aware of the extent to which the Chinese controlled the trade of the country, and from this time onwards, not only did the Siamese seek to encourage their own people to enter increasingly into trade, industry and commerce, but they also sought by legislation to limit the flow of Chinese immigrants, to assimilate those Chinese who were already in the country, and to place obstacles in the way of further development of trade and industry.

The natural inclinations of the Thai limited the scope and the success of this anti-Chinese movement until after 1932. In the following decade, however, it was accentuated, in application of the view of Luang Pradist Manudharm “that the poverty of the Thai peasant is directly traceable to the absence of a Thai commercial class.... Luang Pradist believed that the forcible ejection of aliens from commerce would create a vacuum

16 Landon, op. cit., p. 115. The statements in this paragraph are based largely on this article.
17 George W. Keeton, China, the Far East and the Future, pp. 315–316.
that would suck Thai automatically into the business world.” 18 It was, however, only after 1939, when the military authoritarian government had consolidated its control of the country, that a vigorous program of exclusion of Chinese from the economic life of Thailand was put into effect, although the issue had been of importance before then in the development of nationalist support behind the government.

**Japan in Thailand**

The new, essentially intolerant nationalism of the 1930's coincided with an orientation of the foreign policy of Siam toward Japan as the new strong power in the Far East. The failure of the Western states, through the League, to restrain Japan in Manchuria in 1931-1932 threw Siam back on her historic policy of either playing one power against another, if the situation was one of balance, or of conciliation of the predominant power. The government of Siam evaluated the situation as establishing Japanese predominance. Consequently it abstained when the vote on censure of Japan was taken at Geneva in 1932. Thereafter its ties with Japan were steadily drawn closer. In relation to the internal program, the new relationship with Japan made it possible for Japanese to begin to replace Chinese in commerce and industry, thus paving the way for the more vigorous anti-Chinese policy followed after 1938 since under the terms of the commercial treaty of May, 1938, “Japanese were placed in Siam on the same footing as Siamese from the standpoint of leasing or owning houses, factories, warehouses, cemeteries and charitable institutions.” 19 Thus, instead of Thai being sucked into the vacuum in trade and industry created by the attempted elimination of the Chinese, the vacuum was partially filled by Japanese traders and by Japanese goods.

In foreign affairs a new treaty of friendship with Japan was signed in June, 1940, and ratified in December. This coincided with Japan's move into Indo-China, following the defeat of France in Europe, and with the demand by Siam (renamed Thailand in 1939) for the retrocession of four provinces lost to France at the end of the nineteenth century. The people involved were Thai as well as some Cambodians, and it has been suggested that the change of name to Thailand indicated a desire to extend the territories of the state to include all Thai. 20 However that may be, the weak spot in 1940 was Indo-China, and the new relationship with Japan gave Thailand the support of the then strongest Far Eastern Power in presenting her demands at a time when Japan was beginning to move southward ostensibly to strengthen her position against China but, as it

18 Landon, op. cit., p. 115.
19 Keeton, op. cit., p. 317.
20 Emerson, Mills, and Thompson, op. cit., pp. 219-220.
developed, also to pave the way for the operations undertaken after December 7, 1941.

In her new role as predominant Power in the Far East, Japan offered her services as mediator between Siam and French Indo-China and compelled a settlement which gave the former the part of the territory in dispute in which she was most interested. This friendly mediation further strengthened the tie between Japan and Thailand while at the same time underscoring Japan's new position in Indo-China. This position of dominance in Indo-China, of course, brought Japanese power, and the ability to exercise it, to the borders of Thailand and thus paved the way for enforcement, if necessary, of the demand made on December 8, 1941, for the right to move Japanese troops across Thailand for an invasion of Malaya. This demand was debated by the Thai government for some five hours, during which time a token resistance was made to the Japanese. The demands were then accepted and thereafter Thailand (December 21, 1941) signed a treaty of alliance with Japan. Shortly thereafter war was declared on Britain and the United States. The latter did not respond by finding itself in a state of war but maintained relations throughout with those Thai officials, especially the Minister in Washington, who refused to concur in the decision of the government, which they held to have acted under Japanese duress.

For the period of the war, Thailand was a Japanese puppet state under the direction of one of its prewar military leaders, Luang Pibul Songgram. The leader of the People's Party, Luang Pradit, remained in office as a member of the government, although he had stood against acceptance of the Japanese demands and refused to vote for the declaration of war. Under his leadership an internal resistance movement was organized which was of considerable service to the wartime United Nations in military operations and internal sabotage toward the end of the war. Thus Thailand and the Philippines were the two Far Eastern countries subjugated by Japan which had governments-in-exile and developed important internal resistance movements.

Postwar Thailand

When the war ended with the Japanese surrender Britain, which had been at war with Thailand (the older name Siam had been resumed until 1949 when the state again officially took the name Thailand), received the Japanese surrender since that area of operations had been brought within the Southeast Asia Command. There had been no prior agreement between the United States, Britain, and China concerning the treatment of Siam at the end of the war, and Britain, when the Japanese were eliminated, presented "the Siamese authorities with a series of far-reach-
ing demands. The British insisted that the whole of Siam's civil administration be placed under British authority, that all Siamese exports be regulated solely by the British government, and in general and until such time as Siam might eventually be received into the membership of the United Nations, that Siam become a British protectorate . . . these demands not only were vigorously objected to by the leaders of the Siamese people but they were also vigorously denounced by the Chinese government and less openly but equally condemned by the Government of the United States." 

As a consequence of this reaction the British position was quickly modified, and the treaty was negotiated (January 1, 1946) with the new government of Siam headed by Luang Pradit by which "Siam restored British rights and territories as they existed on 7th December, 1941, and undertook to pay compensation for losses or damage sustained by British subjects." This meant that the Malayan provinces transferred to Siam by Japan during the war were restored to British control. The treaty also guaranteed Britain the air rights possessed before the war and reëstablished the obligation on Siam's part not to consent to the cutting of a canal across the Kra Isthmus except with British approval. The British, on their side, together with India, sponsored the admission of Siam to the United Nations. This took place without opposition on April 28, 1947. Thus the war ended with a revival of the pre-1932 British predominance in Siam, but with Siam's sovereignty secured.

The end of the war also brought about a revival and amendment of the 1932 constitution. The limited monarchy was restored under King Ananda Mahidol (who was, however, assassinated on June 9, 1946, being succeeded by Phumiphon Adunet who remained in Switzerland until 1950 to continue his studies). A bicameral assembly was instituted in place of the unicameral legislature. The entire membership of the lower house was made elective, instead of half being appointive, and, under the provisions of a new constitution, both houses were made elective. Thus the democratic impulses of the revolution of 1932 expressed themselves constitutionally in 1946.

These political moves, however, did not release Siam from the consequences of the instability and disorganization that the war had brought to the world. In Siam, as elsewhere, there were acute shortages of food and other essential consumer goods during the immediate post-surrender period. To solve the economic problem the government attempted to put into effect plans for control of the national economy. The situation even called for the rationing of rice "in a land that is and has been traditionally one of the world's major rice-producing areas. This decision

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21 SUMNER WELLES, Where Are We Heading?, p. 309.
22 KEEVON, op. cit., p. 320.
coincided with the conclusion of a tripartite agreement with Great Britain and the United States to apportion and restrict domestic consumption of rice to facilitate export. . . . at a fixed rate of $80 per ton. Neither this nor the other measures taken prevented a serious deterioration of the economic situation.

Songgram's Return to Power

This economic situation, together with dissatisfaction with the behavior of the political groups in power, paved the way for a successful coup d'état in November, 1947. This was engineered by the wartime collaborationist leader, Field Marshal Luang Phibul Songgram, who had rehabilitated himself sufficiently by the end of 1946 to be able to resume active political life. While the coup was engineered by Phibul, its immediate consequence was to return governing power to the conservative civilian leaders (it was viewed as expedient for the military leaders to remain in the background until there was a greater assurance of foreign acquiescence in control by those who had been tainted by collaboration with the Japanese). The new government, consequently, was headed by Khuang Aphaiwong, known as a democratic leader and one who had previously served as Premier.

To meet expressions of popular discontent, the new government promulgated a revised constitution, which was designed to re-establish the position of the Crown as it existed in 1932 under the then existing constitution. New elections were also promised and were duly held in January, 1948. Since the elections gave the civilian rather than the military elements in the governing coalition a majority, Phibul then faced the choice of waiting to resume power legally after the next elections or of overthrowing the government again by the method of the coup d'état. He chose the latter, displacing the Aphaiwong government on April 8, 1948, with one headed by himself. He was able to maintain his position as the dominant influence in and on the government until 1957, when he was deposed by the same method he had initially selected to attain power. This was possible because of a split on questions of both foreign and internal policy between the three leading military figures. There was also growing popular indignation over the way in which the government manipulated elections. Following the "bloodless revolution" executed by Field Marshal Sarit Thanarat, one of the governing triumvirate, the other two (Phibul and General Phao, the chief of police) left the country and General Sarit ruled through Nai Pote Sarasin who was temporarily designated Prime Minister. After new elections, held in 1957, Thanon Kithikacharon became Prime Minister, General Sarit continuing to remain in the background.

Improvement in economic conditions, partly as a result of American aid,

during the decade of Phibul’s rule, helped to make Thailand one of the few orderly and stable and relatively prosperous countries in the area. Beginning with the 1946–1947 harvests, rice production reached and sometimes surpassed the prewar level, making possible export surpluses. The postwar demand for rubber and tin, for stockpiling by the United States as well as for current consumption, stimulated production of those commodities. The foreign demand for Thailand’s staple exports enabled the country to maintain fairly consistently a favorable foreign trade balance. The restoration of production, furthermore, enabled the government to support increased expenditure out of current income.

**Thailand and the Chinese**

In the politics of the area, as well as in international relations in general, Thailand generally aligned itself on the same side as the United States. This was only partly because of American economic assistance in the development of the country and of the establishment of a direct trading relationship. The export of rubber and tin from Thai ports directly to the United States, rather than into the channels of world trade through Singapore, certainly had the effect of increasing American influence over the economic life of the country, with a corresponding decrease of that of Britain. But relations with China after the establishment of the Communist Party in power on the mainland had considerable effect in shaping Thailand’s foreign policies.

From the start, the Communist People’s Government sought to enlist the large Chinese population of Thailand in its behalf as a means of bringing pressure to bear on the government of Thailand. Communist China’s actions in late 1949 and early 1950, to be sure, could equally be viewed as a reaction to Thai nationalist actions, which adversely affected and were primarily directed against the large Chinese minority in the country. Nevertheless the indications were that the government of Thailand was aware of the fact that an increasingly strong China might be tempted to seize upon the Thai government’s treatment of the Chinese minority as an excuse for intervention in Thai affairs. Thus the presence of these Chinese, coupled with threats of Communist Chinese action in their support, caused Premier Phibul to follow an anti-Communist policy similar to that of the United States after 1949, although he was unwilling to associate himself with proposals from the Philippines, Formosa, and Korea for an anti-Communist Asian alliance until the United States led in its creation in the form of SEATO.

The North Korean attack on South Korea, followed by the Chinese intervention in the Korean War, had the double consequence of immediately relaxing Chinese pressure on Thailand and of further aligning
Thailand with the United States against China, since Thailand sent troops to Korea. These troops, as a component of the United Nations force, fought in Korea against Chinese as well as North Koreans. It was, however, Communist China's direct and indirect pressures in the south which reshaped Thailand's foreign policy and caused the government to join SEATO. The terms of the Indo-China armistice, coupled with the then weakness of South Viet Nam, threatened to establish the Viet Minh, under China's influence, on or at least much closer to the borders of Thailand. Commitment to the United States' side in the "cold war" was not a large price to pay, under the circumstances, for commitment of the United States to give military assistance in amounts sufficient to enable Thailand to maintain itself against its neighbors, so long as they were only indirectly assisted by China. Thus it was able to maintain and even strengthen its position vis-à-vis Cambodia, in the face of recurrent border incidents. Its alignment with the United States, furthermore, facilitated the establishment of more cordial relations with the Philippines, Laos, and Nationalist China, while not precluding improvement of relations with such generally neutralist states as Burma, which itself had a problem of border relations because of its not completely stabilized frontier in the north. Thus Thailand supported Burma in its attempt to secure the repatriation of Nationalist Chinese troops, who had come to rest on the Burma side of the frontier when driven out of China by the Communists. Subsequently Thailand gave such support as it could to Burma when the Nationalist troops were replaced by Chinese Communist troops who were not seeking asylum but readjustment of the frontier along lines favorable to China. Cooperative police relations with Malaya were also established to assist in the suppression of Communist guerrilla activity on both sides of the border.

Thus in a period of relative internal stability, external conditions necessitated constant concern with and activity in foreign relations. The new role of Thailand in international, and especially in United Nations, affairs was recognized with the elevation of Foreign Minister Narathip (Prince Wan) to the presidency of the General Assembly in 1956, as well as in the active role assigned to the country in SEATO affairs.

4. BURMA

"Burma, wedged between India on the west and China and Thailand on the east," has a land area of 261,789 square miles and a population of 20 million people. About 66 per cent of the total population was Burman, the remainder being the "frontier" peoples, the Shans, Karens, Kachins, Chins, Nagas, and others, together with a foreign population made up of

over 1 million Indians, less than 200,000 Chinese, 19,000 Anglo-Burmans, and upwards of 11,000 Europeans. Some 80 per cent of the people were Buddhist, including all the Burmans; the Indian population was Hindu; 4 per cent were Moslem; and slightly more than 2 per cent were Christian.

The entire country had been brought within the British Empire by 1886. It was made administratively a part of India in 1867, remaining an Indian province until 1937. During this period the principal change made in government was the application to Burma in 1923 of the Montagu-Chelmsford reforms. Up to that time no attempt had been made to associate the Burman with the processes of government, the Burma Council in 1922 containing “only two elected members, who represented dominant European interests.” 25 This meant that Burma was developed fairly typically as an exploitation colony along lines considered advantageous to the metropolitan country. Its agricultural production was mainly rice, with 70 per cent of the total cropped area being in paddy. Of the total prewar production of 6 million tons, approximately half was exported, principally to India, which was also the principal market for the most important non-agricultural commodity, petroleum, of which there was an annual production in the decade 1929–1939 of 250 million gallons. These as well as such other forms of production as that of teak (also primarily an export industry) were administered so as to give

a fat return to the fortunate shareholders, with a margin for new capital equipment foreshadowing still larger profits. All this was wholly the product of about a hundred years of British rule, based on law and individual freedom: freedom for everyone to make money within the limit of laws intended to protect the liberties of property and person. Not without reason those connected with the development of Burma under British rule could look on their handiwork with honest pride. 26

The Burman, however, had not been connected with this development, except as a cultivator. The period of development had brought him into debt to the Indian money-lender, with the result that by 1938, 25 per cent of the ricelands in the thirteen principal rice-growing districts had passed into Chettiar hands. (The Chettiyars were the hereditary banking caste of Hindus from the Madras Presidency.) Like the Thai and the Annamite, the Burman was not attracted into industry and commerce, nor did he find himself adapted to the new capitalistic type of agriculture. But, whereas in other countries of Southeast Asia the industrious and business-like Chinese supplemented the European in playing the role of capitalist, thereby ultimately incurring the hostility of the native peoples, in Burma it was the Indian who played that role and whose unpopularity supplied

25 Emerson, Mills, and Thompson, op. cit., p. 139.
one of the pillars of the nationalism which began to express itself after the first World War. ²⁷ The first result was, as previously stated, the beginnings of the association of Burmans with the processes of government through the introduction of the Indian scheme of dyarchy. Of greater importance was the decision taken on separation in 1935. This reflected public opinion, as well as financial and administrative difficulties resulting from Burma's status as a province of India. Under the Government of Burma Act (1935) which went into effect in 1937, a bicameral largely elective legislature was set up which "controlled all of the administration of Burma except defense, foreign affairs, ecclesiastical affairs (relating solely to the maintenance of fewer than a dozen Anglican chaplains), the excluded areas, and monetary policy. The last related to actual coinage and the external debt, and not to the budget." ²⁸ These important exceptions were powers reserved to the Governor who also had extensive emergency powers.

**Burmese Nationalism**

In spite of the reservations, the Act put the Burmans a fairly long step ahead of the Indians in the move toward self-government and ultimate Dominion status. In so doing, of course, it increased the desire and demand for complete self-control, and, in the legislature and Council of Ministers, provided agencies for the expression of the desire. All of this, however, was in advance of the preparation of an essentially naive and provincial people to assume and effectively discharge responsibility for their own affairs. Prior to 1923 their only association with government had been below the level of management. "In the routine of general administration Burmans were indispensable, and here many found a subordinate place as clerks, magistrates and judges." The educational system, in a country which had had a tradition of education when the British first arrived, had been directed by the British toward "training men for the employment market" in subordinate and mainly clerical capacities.

As there was no employment for Burmans as engineers and doctors, the scientific branches of education were neglected. In 1936–1937, according to the last prewar quinquennial report on education, only seven Burmans obtained a degree in natural science, four others in medicine and two in engineering. Similarly, as there was no opening for Burmans in industry and commerce, the study of

²⁷ "Though some observers trace the nationalist movement back to 1905, it may be said generally that the Burmans showed no interest in politics until the World War. The great Hindu-Muslim and caste problems of India did not affect Burma, and the Congress movement found barren soil there." Emerson, Mills, and Thompson, op. cit., p. 160.

economics was neglected. The new educational system did practically nothing to give Burmans an insight into the working of the modern world. From about 1920, on an average some half-dozen men were sent annually to England for various special studies, but most of them were absorbed into government service. . . . Apart from officials and lawyers, there were probably not more than a couple of dozen Burmans, if so many, who knew anything of the world outside Burma.

"And if Burmans knew little of the outer world, they knew perhaps even less of modern Burma," since there was not laid in education the basis for appreciation of the internal problems which the modern economic order brings in its wake. After World War I "the people were allowed to criticise the government, but they had no material for informed criticism," although they had sufficient right of participation in it to begin the process of bringing into being a professional political leadership which, especially after 1937, had some experience with the operations of government.

With the elections of 1936 for the new House of Representatives it was revealed that the basis of democratic government would have to be party coalition, with the parties essentially personal groupings within the general framework of nationalism. "Multiplicity of parties has been the rule, and every Burmese Cabinet formed under the constitution since 1937 has been a coalition. All Burmese politicians claimed to be nationalists, but there was no uniformity of program or method. When the first legislature of 132 members was elected it was said to contain 132 parties." The resulting situation led the Governor from the outset to use his special powers of intervention. It also led to the conclusion, as of 1942, that "There is no reason to suppose that the Burmese politicians . . . could form any stable and competent government without some measure of outside assistance during a period of transition." 29 This conclusion shaped the thinking about the future of the exiled government of Burma established at Simla for the period of the war.

**Effects of the War in Burma**

The war itself introduced some important changes in the situation which were not fully appreciated by the British at the outset. In the first place, the circumstances and the rapidity of the Japanese conquest of Burma so lessened British prestige that, in spite of Japanese conduct, it was impossible for them to reclaim the position of 1937-1941. And in the second place, by the end of the war a new leadership had emerged which had gained experience and assurance and a feeling of power through organization and operation of an anti-Japanese movement within Burma.

29 FURNIVALL, op. cit., p. 6.
30 CHRISTIAN, op. cit., pp. 121-122.
The Japanese invasion had been assisted by anti-British extremist elements in the Thakin party who had previously been pressing for complete independence. They formed a relatively small (about 4,000) Burma Independence Army which set up "Free Burma Administrations" in the wake of the Japanese armies. "These, however, acted in such a violent and high-handed way that the Japanese soon suppressed them and governed the country under military rule." 31 This Japanese military administration outwardly transferred governing power on August 1, 1942, to the Burma Executive, headed by Dr. Ba Maw "a former Premier who at the time of the invasion was interned after serving a sentence for sedition." 32 In spite of the formal grant of independence a year later, it was made ever more apparent that the collaborationist government actually enjoyed little freedom of action and that, under its auspices, Burma was being utilized to serve Japanese purposes. As elsewhere, Japanese propaganda, which had met with considerable success before the invasion, was sufficiently contradicted by Japanese behavior to lose its effectiveness. Consequently, even many of those Burmans who had participated in the invasion went into the anti-Japanese opposition which was organized under the name of the Anti-Fascist Peoples Freedom League (AFPFL).

The Anti-Fascist Peoples Freedom League was quite unlike any Burmese political organization the British had experienced. It was new and different. The Japanese had scarcely overrun Burma before Aung San and the rest of the "Thirty Heroes" who had helped them were organizing to drive them out. A number of groups seem to have been at work, but the most successful were the People’s Revolutionary Front, the Communists, and the Burma Defense Army commanded by Major General Aung San. By August 1944 these revolutionary groups had united to form the AFPFL. 33

The fact that the AFPFL had an army as one of its component groups meant that the British, on their return, were faced for the first time by a political group which had a measure of organized power behind it.

[When the British returned] There was a vast difference between the land to which they returned and that from which they had been driven three years earlier. Then it had been rich in things that measure the material wealth of a nation. . . . Now after little more than three years, they came back to find their work in ruins. During those three years the country had been twice invaded; British and Japanese armies had fought stubbornly throughout the length and breadth of Burma, and each in turn had scorched the earth to cover its retreat. The mines, oil fields and plantations had been deliberately wrecked, and the management and technicians, wholly foreign, and most of the labour, very largely foreign, had fled to India. Agriculture had been unprofitable and

32 Ibid.
rice, of which formerly more than three million tons had been exported annually, was worth so little that it was fed to pigs. . . . The productive capacity of the country had fallen by about two-thirds. . . . The moral damage was even more lamentable than the material damage. For three years the youth of Burma, which should have been learning in the towns and villages how to live as citizens, had been apprenticed to the more exciting and less laborious art of guerrilla warfare, without even the benefit of military discipline. 84

Postwar Government

British plans for meeting the requirements of the postwar situation in Burma were announced in May, 1945, concurrently with the reoccupation of Rangoon. They had been prepared by the Government of Burma in India (the Simla government) and were embodied in the White Paper of the above date. Broadly stated, the plan involved the restoration of substantially the prewar status as quickly as possible. At first there was to be direct rule by the Governor, assisted as rapidly as possible by non-official Burmans. Elections were to be held and the government reconstituted, if possible within a three-year period, on the basis of the 1935 Act. It was then planned that the parties in Burma should agree on a constitution, after which negotiations would be instituted designed to establish Dominion status for the country. On the economic side, the Simla government had prepared a number of projects designed both to stimulate production and to facilitate a return to the "normalities of competitive business as soon as possible."

The British army was welcomed by the Burmans when the country was liberated from the Japanese. "No one has accused the Burmans of not co-operating fully and effectively against the Japanese from the time of their rising against the latter in March, 1945 until the fighting was concluded well after VJ day." 86 The initial attitudes were, however, soon changed. During the period of military government, administration was in the hands of a Civil Affairs Service (Burma) composed exclusively of returned British residents and "official" Burmans who had been in exile during the three-year period of the Japanese occupation. This disregarded the authority exercised and the services rendered by those Burmans who had not left the country, especially the leaders of the AFPFL. The resulting situation was not materially improved when, upon the return of the Governor, Sir Dorman-Smith, it was realized that, under the terms of the White Paper, he was required to exercise exclusive powers for an indeterminate period, and that only after the restoration of the status of 1937 could the future position of Burma be brought under consideration. The principal source of opposition to the government was the leader-

84 Furnivall, op. cit., pp. 3-4.
85 Hendershot, op. cit., p. 133.
ship of the AFPFL which refused to cooperate with the British on the terms defined by them. "The strength of the AFPFL lay first in their unity and public support, second in their capacity for obstructing the government, and finally in their military strength."\textsuperscript{86} The demonstrations of its ability to maintain its unity and direct the activity of its supporters, especially against the threat presented by returned Burmese politicians who were anxious to regain their prewar position of power, made it expedient for the new Governor, Sir Hubert Rance, to constitute an Executive Council of eleven members, six from the AFPFL and five from other parties, in August, 1946. The negotiations which thereafter were instituted resulted in a conference in London between the British Government and a delegation (headed by Aung San, leader of the AFPFL) from the Executive Council of the Governor of Burma. This conference was preceded by a statement by the British Prime Minister on December 20, 1946, that Burma would be granted Commonwealth status or independence, as it desired, "by the quickest and most convenient way possible." Thus the conference really had as its purpose the working out of arrangements away from the policy defined in the 1945 White Paper and toward the nationalist goal of independence. The conclusions reached in January, 1947, were for the convocation of an elective constituent assembly instead of a legislature under the 1935 Act. Until it had met and established a permanent framework of government, a transitional government was to be instituted, with an interim legislative council, as provided by the 1935 Act, of 180 members nominated by the Government from those elected to the Constituent Assembly; an interim government made up of the Executive Council of the Governor; and a High Commissioner for Burma to represent the Burmese government in London. The British government was to support an application of Burma for membership in the United Nations as soon as possible, and to request of other governments an exchange of representatives with Burma, as desired by that country. The problem of relationship with the frontier areas was to be considered by a committee to be constituted, which committee, it may be noted here, proposed federation of those areas with Burma.

This agreement did not meet the extreme demands of the Burmese nationalists for immediate and unqualified independence. It was held by Aung San, however, to be a sufficiently long step forward to warrant its acceptance, and he was able to carry the country with him over the opposition of the Communist leaders and of leaders of some non-Communist elements.\textsuperscript{87} Consequently elections were held in April, with the AFPFL

\textsuperscript{86} Ibid., p. 134.

\textsuperscript{87} Dr. Ba Maw, for example, refused to sign the agreement as one of the Burmese representatives at London.
securing an overwhelming majority of the seats. The new constitution was adopted on September 24, 1947, and by the Treaty with Britain of October 17, in force from January, 1948, the independence of Burma was recognized.

The constitution of the new state provided it with a President, elected for a five-year term by secret vote of the combined Chambers of the Parliament; a Cabinet, responsible to a majority in the Chamber of Deputies, which, with the President, exercised the executive power; a bicameral legislature, with the upper House a Chamber of Nationalities in which "indigenous minorities control 72 of the 125 seats," an elective Chamber of Deputies, the strongest organ of government; and an independent Supreme Court.

After the elections, and before the completion of the new constitution, the political situation was changed by the assassination July 19, 1947, of Aung San and six other members of the Executive Council by agents of opposition groups led by U Saw. "The objective was apparently to spread confusion preparatory to the overthrow of the government." 38 As indicated in the adoption of the constitution and the proclamation of independence, the action did not attain the desired result, although it did remove some of the ablest and most experienced of the AFPFL leaders. Thakin Nu, in succession to Aung San, as Premier held both the government and the party to the agreed course.

The establishment of independence removed the central issue on which the unity of Burma's political leaders had been based. Consequently the new government was certain sooner or later to encounter opposition. One source of opposition had been revealed late in 1945 and had expressed itself at the All-Burma National Congress of 1946, when the Communist Party began to put itself in the position which led to the expulsion of the Burma Communist Party from the AFPFL in November, 1946. Before this, internal division in the Communist ranks had led to a split and to the formation of the Communist Party of Burma as an opposition group both to the Burma Communist Party and the AFPFL. Since the Government Party's program was one of socialism in the economic reconstruction of the country, it was almost inevitable that a rightist opposition should also develop. And a third source of difficulty came to be presented, after the adoption of the constitution, in the attitude of the Karen people, whose representatives had accepted federation but who did not seem prepared fully to accept the consequences of that decision, and who also were prepared to oppose any Communist influence in the government.

Postwar Politics

In its first years the new government had to develop the power to exercise its authority against the Communists who sought to displace it, and against anti-Communist minorities alike. This was a major problem in a country with an established tradition of violence, and one in which the impoverishment of the masses gave them an incentive to lawlessness.

By the end of 1950, although the Karens and the Communists continued to defy the authority of the government, its position had been substantially strengthened. The larger rebel groups had been broken up and scattered in smaller groups throughout the country. Thus the rebels had been weakened but not completely eradicated. These smaller groups were hard to locate and eliminate. They continued to ravage the teak forests, some of the best rice lands in the Irrawaddy Delta, and the tin mines and rubber plantations in Tenassirim.

By 1952 the government was sufficiently in control of the situation so that the period of transition, during which the Constituent Assembly had exercised the legislative power, could be terminated and elections, as provided for in the constitution, be held. These elections, extending from the fall of 1951 to February, 1952, gave the AFPFL a strong majority (about 80 per cent of the 235 seats) in the Chamber of Deputies and thus renewed that party’s mandate. The elections of April, 1956, continued the AFPFL majority, although the National United Front (Communist) gained seats in the Chamber and became the leading opposition party. With this AFPFL majority U Nu, the first Prime Minister after independence, continued in that office until his resignation in 1958. He did not therewith give up power, however, since he named his successor and the new Cabinet members. U Nu resumed the premiership in March, 1957, but resigned again in September, 1958, designating General Ne Win as Premier.

The general lines of internal policy followed by the U Nu government during this first decade of independence may be described as those of moderate socialism. Communications were nationalized, as was the basic understructure of the national economy. Compensation was made, however, to the original owners, mainly British and Indian interests. Both Britain and India acquiesced in the application of this policy, viewing it as appropriate under the circumstances. Britain, as a matter of fact, assisted financially in its execution. Assistance, under the Colombo Plan, and from the United Nations and the United States, thus enabled the government to maintain itself, to execute some of its plans, and to bring about such recovery as the initially disturbed internal conditions permitted. The British withdrawal, together with the conditions of foreign financing, had the effect of bringing Burma into international relations uncomplicated by the question of imperialism or even that of colonialism.
Foreign Relations

Nevertheless Burma was unwilling to align itself, as did Thailand, with the United States and Britain. In general it may be said that its foreign policy was oriented largely along the lines of Indian neutralism, although without acceptance of Indian leadership in Asian affairs because of fear of possible Indian imperialism. Thus Burma took part in the Colombo Conference of 1954, which took the initiative in calling the Bandung Conference of Asian and African states of April, 1955. Previously Burma had recognized the Central People’s Government of the People’s Republic of China (December, 1949), and representatives were exchanged with Peking in June, 1950. The government of Burma, like that of India, refused to sign the Japanese Peace Treaty, among the grounds assigned being the continued presence on Japanese soil of foreign (i.e., American) troops. A separate treaty with Japan was signed, however, on November 5, 1954, Japan having agreed to make reparations payments of some $350 million in materials and technical aid. And Burma refused an invitation to attend the Baguio (Manila) Conference and to join SEATO.

On the other hand Burma cooperated, short of military participation, in the United Nations attempt to prevent aggression in Korea and in the embargoeing of trade in strategic materials with China. For a time, furthermore, it tolerated the presence within its territories of Chinese Nationalist refugees and of Nationalist troops driven across the frontier. As these troops began to overassert themselves, however, the tolerance came to an end and a demand was made in the United Nations for their evacuation. A three-nation military committee made up of representatives of Thailand, the United States, and Nationalist China undertook the supervision of the evacuation of these troops in 1953 and ended its work in 1954, having removed from Burma all of the guerrillas who could be persuaded to leave. About 6,000 anti-Communist Chinese seem to have remained. Their presence led to continuing demands for United Nations action in 1954. The question fell into abeyance, however, in 1956 when Communist Chinese troops were found on the Burma side of the frontier. This Chinese move was designed to bring about a redefinition of the frontier in China’s favor. Negotiations to bring about the withdrawal of the Communist troops were carried on during 1956 and 1957, when agreement was reached on the conditions for redrawing the frontier.

The most serious problem confronting the government, however, was that of finding ways and means of disposing advantageously of the country’s rice surplus as it approached the prewar level. The economy of the country had long been dominated by rice, which was grown on more than 10 million of the 17 million cultivated acres. Under postwar conditions the government found it difficult in 1951 to dispose of the surplus at the
high prices set on the world market. The problem of profitable disposal in the normal markets thereafter began to be complicated by increased production elsewhere, thus lowering the price, and by the policy followed by the United States of relieving distress in some Asian countries through selling its own agricultural surplus below the market prices. Consequently Burma found it necessary to deal more and more with Communist bloc countries on a direct barter basis. Thus in 1955 the Soviet Union agreed to buy 200,000 tons of rice and to supply industrial equipment in return. Similar agreements were made with Communist China, Poland, Hungary, East Germany, Czechoslovakia, and Rumania. By these agreements Burma committed on fixed terms its major foreign trade asset to the Communist countries and soon found itself unable to finance necessary purchases from the sterling and dollar area countries. A rise in the price of rice on the world market, furthermore, meant that Burma was committed to the exchange of its rice surplus at lower values than would otherwise have been possible. And the failure of the Communist countries to meet Burma's requirements, especially for consumers' goods in exchange for rice, produced considerable dissatisfaction with the earlier barter arrangements.

Consequently in 1957 the economic problem was approached by a partial return to trade with non-Communist countries. To enable this to be done a loan of $40 million was accepted from the United States and a similar loan was made by India. Credits were also extended to Burma by the World Bank and on the part of a number of interested countries. A four-year plan was substituted for the previously announced overly ambitious eight-year plan. In this planning, provision was made for the return to private interests of some of the government enterprises.

5. MALAYA

British Malaya projects as a peninsula southward from Thailand and Burma toward what in prewar days was known as the Netherlands East Indies (Indonesia). Thus it is the link between the latter and the continental territories of Southeast Asia. The geographical orientation is strengthened by the cultural, since the Malay peoples in both Malaya and Indonesia are predominantly Moslem.

In the prolonged period of British rule before the Japanese occupation, a pattern of both direct and indirect rule had been evolved, the former for the Crown colony (the Straits Settlements) and the latter for the five Unfederated Malay States and, to a lesser extent, for the four Federated States. "The five independent states retained their predominantly Malay structure of government although their rulers were required to take the advice of British Advisers on all matters except Malay religion and reli-
gious customs." The same qualified autonomy existed in each of the Federated States on state matters, defined to include "education, forests, some aspects of public health, agriculture and Islamic law." On other questions the High Commissioner, consulting with the Federal Council, had jurisdiction. The same individual represented British authority as Governor of the colony and as High Commissioner in the "protected" states, but in the former the machinery of government was similar to that in other Crown colonies, while in the latter authority was exercised under the High Commissioner through the Resident adviser in each of the states. He, in turn, had his advice translated into policy through the Malay structure working downward from the Sultan.

Prewar and War Developments

One of the peculiarities of the situation which developed in Malaya, giving some of its direction to political development under British auspices, was the racial composition of the peninsula. The Malays, "the only permanent population that look upon the country as their native land, apart from a small though increasing minority of Chinese and Indians," constituted at the end of 1937 only 42.4 per cent of the total population of Malaya, with the Chinese having 41.3 and Indians 14.8 of the total. The Chinese were a decisive numerical majority in the Straits Settlements. It was only in the Unfederated States that Malay predominance was beyond question.

In the economy of the country the Malay found his place as a rice grower and in other agricultural pursuits as a small peasant proprietor, and as a fisherman. Plantation production of rubber; industry, including the mining and smelting of tin; and commerce were financed and managed by Europeans or Chinese, with some Indian and a slight Japanese participation, the latter controlling the iron mines. Thus, apart from the British, the Chinese had assumed the strongest economic position in Malaya.

If, under these circumstances, there had been a strong nationalistic sentiment developed among the Malays before the war, it would probably have taken an anti-Chinese direction because of their greater numbers and their closer relationship to the people. The British, in spite of their predominant economic influence, were looked upon by the Malays (and also the Chinese and Indians) in fact as well as in name as "protectors"

40 Ibid.
of one from the other. But it took the war to bring into being anything like a vigorous nationalism. The Malay was essentially unpolitical in the Western sense, and the Chinese and Indians, before 1941, even though Malayan-born, developed their political interests and affiliations in relation to China or India rather than the country of their domicile. This, with the Chinese, resulted in some anti-British sentiment at times of Sino-British tension in China, but without changing their non-political role in Malaya or causing them any the less to look to Britain for the fair and full protection of their interests.

The colony and protected states were financially self-supporting except for the outlays made necessary for Imperial defense. And even for that purpose, for which the colony of the Straits Settlements was expected to bear a share of the cost, the states made voluntary contributions. The conception of the problem of defense was based upon the probability of attack from the sea so that expenditure was concentrated upon the building of the great naval base at Singapore and on air bases, with only a small military establishment. It was this, incidentally, which accounted for the ease with which the peninsula was overrun by the Japanese.

Release from the burden of defense made it possible for income to be devoted to the development of public services. Communications facilities were developed, including hard-surfaced roads and a railway line, 1,188 miles long, running from Singapore to Bangkok in Siam. The Public Health and Sanitation services were highly developed. Elementary education, free for the Malays in the vernacular schools, and limited secondary and college education, were provided for out of the public funds. An excellent medical school was maintained and Raffles College was established in 1928 but “A diploma from Raffles College was unacceptable for graduate work in English universities although Raffles trained teachers for the Malayan schools.” 42 A few selected students were sent each year to England for their higher education. The revenue to support these services and the civil service was derived, in the Straits Settlements, from duties on tobacco, liquor, and petroleum; from an opium monopoly; and from fees for services of various sorts. Customs and excise taxes were a principal source of revenue in the Unfederated States. And the Federated States had an additional major source of revenue from an export tax on tin as well as that on rubber, from which also the Unfederated States derived considerable revenue. Thus it was possible to provide services from revenue which was not extracted directly from the Malay peasant or the smaller producers. This helps somewhat to explain the greater acceptance of British rule as beneficent than in some of her other colonies, although it should be added that in Malaya, as in many other areas,

42 Barnett, op. cit., p. 66.
British rule was synonymous with the introduction of the rule of law and of its impartial administration.

Just as Burma and the Philippines, as staple-crop exporting countries, found the measure of their prosperity in terms of external conditions, Malaya was dependent on the outside world as a market mainly for its tin and rubber. In both of these industries the major investment interest was British. "In the tin industry, while the bulk of the Western capital was British, the capital came also from several European countries, notably France, and from the United States. The bulk of the Asiatic capital invested in tin has been Chinese, but the mining of iron ore was solely in Japanese hands." The rubber estates were 75 per cent European-owned, 16 per cent Chinese, 4 per cent Indian, and 5 per cent Japanese and other Asians. "This excludes 1,250,000 (almost the European-owned acreage) in the possession of smallholders, principally Malay but also Chinese and Indian." The main market for tin and rubber was the United States, but, in spite of the free-trade policy followed for Malaya until the inauguration of Imperial preference, the main source of imports, until cheaper Japanese-made goods began to invade the market in the 1930's, was Britain. Some of the restrictions on free trade introduced in the decade before the war were designed to restrict Japanese imports.

The war, for Malaya as for other southeastern Asian countries, had important consequences. One of these consequences was, of course, that represented by economic disruption and destruction. The fighting itself, coupled with some application of the "scorched earth" policy and with some guerrilla warfare after the Japanese occupation, accounts for much of the destruction. But the inability of Japan to replace the United States, Britain, and Europe in general, as a market for tin and rubber and her inability to maintain necessary imports into Malaya for a period of four years had not only a disrupting but a deteriorating effect on the economy of the country. Thus the end of the war saw Britain faced with a problem of economic reconstruction of some considerable proportions. And the restoration of production in Malaya was of importance to the rest of the world because of its nature.

The cultural program of the Japanese also had postwar implications, as did native resistance to it. The conditions of the occupation had the consequence of developing political self-consciousness among the Malays especially, and of increasing their political maturity. The local barriers to the development of a Malay nationalism, represented by the existence of nine states and a colony, were at least somewhat weakened by the common resistance, on an essentially centralized basis, to Japanese military rule. The Japanese attempts, toward the end of their occupancy, to in-

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48 Winsted, op. cit., p. 104.
introduce or extend some of the institutions of self-rule also had an effect in developing political self-consciousness. Thus even in Malaya the British did not have, as it proved, complete freedom of decision in planning the postwar political reconstruction of the country.

*Malayan Union and Federation*

"The British reentered Malaya early in September 1945 with the military force they had intended to use to oust the Japanese had the Japanese surrender not already occurred. Contact was made with the underground army and civil government was transferred to British Military Administration (BMA) authority." 44 The country was to continue under military administration until plans which had been matured for a change in the system of administration could be put into effect. The general plan, as announced in October, 1945, was to establish a Malayan Union comprising the nine "protected" states and all of the former Crown colony except Singapore, which was to remain a colony. There was to be a common Malay citizenship within the Union. Thus the plan was designed to break down the separatism of the Malay states rather than to destroy the Malay structure of government within the states. British authority was to be represented by a Governor for the Union, and a different individual serving as the Governor of the Colony of Singapore. Both Governors were to have fairly wide powers of legislation and appointment. But, within limits, the plan extended the institutions of self-government, lessening official control of the legislative councils which were to be constituted and establishing a Council of Sultans to advise the Governor on matters which he submitted to it and to enact legislation on religious questions, as recommended by Malay advisory councils.

The preliminary step to the institution of the Union was the revision of the prewar treaties between Britain and the several Sultans on which the protectorates rested. But within the short time it took to secure agreement of the Sultans, considerable opposition to the Union plan developed in Malaya. Among the Malays a "United Malays National Organization" was formed for purposes of opposition. The grounds of opposition were: (1) the inconsistency of the new treaties with Malay custom and tradition, and (2) that the integrity and independence of the Malay race would be undermined by the conditions of Union, especially those providing for Malayan Union citizenship.

After discussion, the British plan for Union was modified along lines proposed by a Malay-British Working Committee. Federation was substituted for Union. More rigid qualifications for citizenship were accepted; a High Commissioner was to represent British authority in place of a

44 Barnett, op. cit., p. 69.
Governor for the Federation; and the authority of the Council of Sultans, the federal legislative council, and state executive and legislative bodies was increased. The new plan required renegotiation of the treaties with the Sultans.

This plan was supported by the United Malays National Organization which had led the opposition to the plan for the Union, its views, as well as those of the Sultans, having been taken into account by the British. The opposition to the new so-called constitutional proposals was led by a newly formed organization called the Pan-Malayan Council of Joint Action, an amalgamation of Chinese, Indian, and Eurasian groups. Another opposition group—the Malay Nationalist Party—dropped out of the Council of Joint Action after its initial meeting but formed a Malay Council of Joint Action which followed a parallel program. The opposition demanded "a united Malaya, including Singapore, responsible self-government through a fully elected central legislature for the whole of Malaya, and equal citizenship rights for all permanent residents of Malaya." 48

The two major areas of conflict were over: (1) the issue of citizenship, and (2) the amount of self-government to be instituted. The question of complete union, including Singapore, was to a considerable extent tied in with these two. The issue of citizenship obviously grew out of the major political interest of the Indians in India, especially as independence for India became a reality, and of the Chinese in the politics of China rather than in Malaya. Regardless of the place of birth, both groups felt that their primary allegiance was to the "home" country, and they tended to reproduce the party organizations and affiliations of India and China in Malaya. Thus the Indians, in August of 1946, formed the Malayan Indian Congress, and Chinese divided into a Kuomintang and a Communist organization. What each group preferred was a dual citizenship. Neither wanted to accept as its sole allegiance that of a Malay state. Each wanted local security and neither attempted to play a political role in Malaya until the protection of its interests required local political action.

Self-rule was a demand growing naturally out of war experiences and out of the general climate of opinion at the end of the war. It was a demand, in Malaya, however, of a liberal minority rather than of a majority of the Malays, represented in the United Malays National Organization which supported the position of the Sultans and advocated Federation under Britain rather than self-government, whether or not coupled with independence. The opposition Malay Nationalist Party, on the other hand, "is dominated by liberal Malays from the professional, student and labor groups who have a strong Indonesian orientation.

48 Ibid., p. 73.
Its program aims at an independent Malaya, composed of both the Malayan Union and Singapore, which would cooperate with Indonesia. The Party is anti-British and anti-Sultan." It also advocated greater local self-government but with safeguards for Malay control.

The postwar plan of government for Malaya, in spite of continued opposition remained that of federation, with a slow pace in the development of self-government, along the lines accepted in 1947, until after 1953. The promotion of labor organization after the war, the increase in the organs for free expression of opinion, and the maintenance of opposition as well as majority parties, all, however, indicated that the problem of government had been complicated for the colonial Power and also for the ruling class, as compared with the essentially apolitical atmosphere of the peninsula in the days before 1941. The nature and tempo of developments, after apparent stability had been reached in 1948, changed, however, under the impact of new political and economic conditions in the non-Malayan as well as in the Malayan world. Malayan rubber production began to be restored, but it had to regain its position in a market in which it had to face the new competition with synthetics. And, in addition to the problem of normal economic readjustment, there was the complication of the problem of restoring order and maintaining production which resulted from the tactics involved in the spread of communism in eastern Asia. In a politically stable world and Far Eastern environment, at least the prewar measure of prosperity could have been rapidly restored in Malaya and with it general acceptance of the newly established postwar scheme of Malayan organization.

**Communism in Malaya**

It was this element of world political stability, however, which was lacking. The existence of a Communist opposition in Malaya, as well as in the other countries of the area, assured that disturbance would accompany attempts at political and economic reconstruction. The tactics in Malaya were more those of terrorism and of economic sabotage than of organized revolt on a mass basis because of the nature of the internal situation. But this merely changed the problem of establishment and maintenance of public order. The stimulus to "Communist" action was applied from the outside, largely through the medium of those affiliated with the Chinese Communist Party, and it became more positive as Kuo-mintang resistance within China weakened and the Communist armies moved south. This brought the struggle within the limits of the covert conflict between the United States and the Soviet Union and caused the United States, which also, directly and in relation to the Marshall Plan, had an interest in the restoration of Malayan production, to author-

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48 Ibid., p. 73.
ize the sale of arms to the Malayan government for use against the rebels. The soil to be cultivated by Communists in Malaya was poorer than in other countries, from the point of view of a possible seizure of power, but their activities were sufficient to retard economic reconstruction and to add this to other areas of conflict.

The Communists in Malaya were able to maintain themselves against the British forces thrown against them for some time because their bases were in jungle country difficult of access and because they were able, following Mao Tse-tung’s dictum, to swim as fish in the sea of the people. Fear of the consequences of non-support was, of course, one reason for this covert support. The growth of nationalistic feeling was another. In terms of the latter consideration, consequently, Communist terrorism was part of the pressure on Britain to make ever-larger concessions to nationalism itself, since the problem could most readily be solved if there was complete local cooperation with the augmented forces operating against the Communists.

The Communist threat was sufficiently grave by 1952 to cause the British government to send General Sir Gerald Templer to Malaya as High Commissioner, his predecessor having been assassinated in October, 1951. Under the new High Commissioner a vigorous campaign against the terrorists was waged with some success but not to the point of their eradication. The terrorists, according to General Templer, had, by 1954 when he retired, withdrawn into the jungle to avoid attack and surrenders had become more difficult to obtain. The Communists’ main objectives were: (1) to establish bases for their higher command; (2) to strengthen control of villages and towns on the jungle fringes so that they could get supplies; and (3) to penetrate political parties and trade unions and to build underground organizations in the towns. 47

The Advance to Self-Government

By this time British policy toward Malaya had been moved in the direction of the establishment of self-government. General Templer, when appointed, had been instructed to “go on with the work of building up a Malayan nation and to give the peoples of Malaya an increasing responsibility for the management of their own affairs.” 48 The further this went the more possible it became for the Federation government to develop its own approach to the Communist problem in Malaya. The policy followed was similar to the Magsaysay policy in the Philippines. Thus in 1955

47 From General Templer’s farewell press conference, as summarized in Chronology of International Events (London, Royal Institute of International Affairs), vol. 10, no. 11, p. 354.
48 From A Monthly Survey of Commonwealth and Colonial Affairs, issued by the Conservative Research Department in conjunction with the Conservatives Overseas Bureau, no. 18, p. 1.
amnesty was offered to Communist rebels, with an assurance that all giving up Communist activities would be assisted in regaining their normal positions in society and that any who wished to go to China would be permitted to do so. There were, however, very few surrenders. Consequently military operations were resumed, following the breakdown of truce talks. The choice continued to be offered of the olive branch or the sword during 1956 and 1957, with sufficient success so that by the end of 1958 the ten-year struggle against the Communists in the jungle appeared to be nearing an end. Of importance in attaining this result was the fact that by 1958 the olive branch was being extended and also the sword wielded by a Malayan Commonwealth government, materially assisted, to be sure, by Britain, but not as a colonial ruler.

In the Federation which in 1948 superseded the Malayan Union established in 1946, the federal administration included a High Commissioner appointed by the British Crown, an Executive Council, and a Federal Legislative Council, the latter non-elective and designed to give representation to official and communal interests rather than to the people except as organized in occupational or nationality groups. This division into separate communities gave a large measure of control of the powers of government to the High Commissioner and the Executive Council.

The Malays were divided politically into the United Malays National Organization and the Nationalist Party. The former initially supported the policy of federation under the British, as pointed out above, and the position of the Sultans, rather than that of popular self-government, whether or not coupled with independence. An important reason for this was fear of the Chinese minority which remained in the Federation, even with the exclusion from it of Singapore. The opposition Nationalist Party, on the other hand, initially aimed at an independent Malaya—composed of the Malay States, the Settlements, and Singapore—which would cooperate with Moslem Indonesia. Because of its objectives the Nationalist Party was anti-British as well as anti-Sultan, the latter because the party advocated greater local self-government, although with safeguards to ensure Malay control.

The Chinese and Indians tended to reproduce in Malaya the party organizations and affiliations of India and China, although becoming more and more assertive in Malayan affairs. Thus the Indians, in August, 1946, formed the Malayan Indian Congress and the Chinese, as well as being organized in the Malayan Chinese Association, were initially divided between Kuomintang and Communist organizations. Neither group for some time was willing to confine its allegiance to a Malay state. Each wanted local security, however, and neither attempted to play a political role in Malaya until the protection of its interests against the new Malay
nationalism necessitated local political action. In bringing this about, the association of Chinese with Communist terrorism also played a significant part.

The discharge of the accepted obligation "to give the peoples of Malaya an increasing responsibility for the management of their own affairs" was held to require the establishment of some system of elections. The problem of elections brought together the questions of citizenship and of self-government. The first question especially served at the outset to separate the Malay, Chinese, and Indian communities. During the negotiations the British dealt mainly with the two organizations, one of Malays and the other of Chinese, which sought development within the existing framework rather than independence or any other fundamental change in the system of federation. These two conservative organizations—the United Malayan National Organization (UMNO) and the Malayan Chinese Association (MCA)—sent a joint delegation to London early in 1954 to raise such questions with the Colonial Secretary as the right of native officials to stand for election to the Legislative Council and the right to vote of designated categories of non-citizens, and an increase to three-fifths of the total membership of the Council of its elected members. While some concessions were made by the British, the demand for three-fifths elective members of the Legislative Council, as against a balance of elected and nominated members which had earlier been proposed, was rejected. This led to a decision by the UMNO and the MCA to withhold coöperation in government by withdrawing "all of their members from all administrative councils on which they serve, from the federal executive down to town council levels."

Despite this threat of non-coöperation the British authorities decided to go ahead with the holding of elections in Singapore as well as in the Federation. Since the holding of elections would be a positive step toward the self-government all parties were now demanding, the Malays National Organization and the Malayan Chinese Association decided to participate in the elections and for that purpose formed an alliance, into which the Malayan Indian Congress also entered. The Alliance slogan in the campaign was that of complete independence at the end of the four-year term of the new Legislative Council.

The Alliance was successful in capturing 51 of the 52 elective seats in the 98-member Legislative Council in the Federal elections held in July, 1955. As a consequence its leader, the head of the UMNO, Tengku Abdul Rahman, became the Chief Minister in the government as reconstituted, with 6 Malay, 3 Chinese, 1 Indian, and 4 European members. This represented a real move toward self-government, attaining the limits set and earlier agreed upon in the constitution. The objectives of the Alliance had, how-
ever, been set in advance of those limits. This was indicated in its campaign platform and in post-election statements.

Commonwealth Status Achieved

Tengku Abdul Rahman consequently immediately began to press for constitutional revision, especially with respect to the High Commissioner’s veto powers. In the light of the overwhelming victory of the Alliance in the elections, he was able to say: “Today, with support enjoyed by no other government in the world, the alliance represented people. If the High Commissioner vetoed Bills passed in the Council, the alliance would not be working for the people and might as well walk out.” Coupled with the pressure which he was able to bring to bear because of his domestic support as Chief Minister, Rahman was able to utilize the problem of Communist terrorism in demanding immediate self-government by insisting that the British government must realize that “unless it gives self-government it is inviting Communism and we have had enough of that during the past seven years.” This was because the Communists had been exploiting successfully in Asia the issue of colonialism.

In the new situation produced by the elections the British, consequently, were moved to further concessions. As a result of conferences held in London in January, 1956, it was agreed that full self-government and independence within the Commonwealth would be proclaimed, if possible by August, 1957. Immediately after the London Conference a commission (the Reid Commission) 40 was constituted to draft a constitution for an independent Malaya.

The Reid Commission presented its report on February 20, 1957, including a draft of a constitution. In July the Malayan Legislative Council and also the British Parliament approved the proposed constitution. And at midnight on August 31, Merdeka (independence) was proclaimed and Malaya became an independent member of the Commonwealth. The country was accepted as a member of the United Nations on September 17; acquired membership in the International Bank and the International Monetary Fund on September 26; and became a member of GATT, under sponsorship of the United Kingdom, on October 24. The close working relationship with Britain that was viewed as desirable was provided by the terms of a treaty of defense and mutual assistance which was signed at the capital, Kuala Lumpur on October 13. Thus, by the end of the year 1957, the new state had entered fully upon the international scene.

40 “The members were the Right Honorable Lord Reid and Sir Ivor Jennings from Britain, Sir William McKell from Australia, Mr. B. Malik from India, and Mr. Justice Abdul Hamid from Pakistan. A Canadian was also appointed but withdrew for reasons of health and was not replaced.” Far Eastern Survey, October, 1957, note 11, p. 147. Thus the Commission was essentially Commonwealth in composition.
The new constitution, for a federal state, made provision for a Head of State, elected for a five-year term by the rulers of the states from among their own number. On September 2, Sir Abdul Rahman officially became Head of State. The constitutional decision was naturally for the establishment of the parliamentary type of government. Thus the constitution provided for a legislature of two Houses: a Senate of 16 members, appointed by the Head of State to represent sectional or minority interests, together with 2 members elected by the Legislative Assemblies of the separate states; and a House of Representatives, originally of 104 (later 100) members elected by constituencies on the territorial basis. The government was, of course, constituted on the basis of majority support in the House of Representatives. Until new elections could be held the existing Legislative Council was to serve in place of the House of Representatives. This meant that Tengku Abdul Rahman (not a relative of the newly elected Head of State) continued as Prime Minister and would be able to remain in power as long as the major parties remained in alliance. As one writer said: 50

Some observers believe that the continued existence of the Alliance is precarious now that independence has been achieved. Yet, the Alliance has already survived the public debate on the constitution, and independence was not its only raison d'être. Of equal or greater importance was the need for the propertied Chinese to have political connections in order to protect their economic interests and also the need of the Malays to have financial assistance. This justification is still valid, although the need of the Malays is now less while that of the Chinese is greater. If the Alliance does stand, its member parties may lose such popular support as they possess to parties willing to exploit communal issues. The UMNO may have to choose between its Chinese allies and the continued support of the Malay community. As elections cannot be held until 1959, any early disintegration of the Alliance government will probably be averted, but should the Alliance split apart, no strong parties exist which can fill the void. Politics will not take definite shape until political leaders come to grips with the issues.

REFERENCES FOR FURTHER STUDY


CHAPTER XXXII

THE PHILIPPINES AND INDONESIA

I. THE PHILIPPINES

In comparison with Burma, the Japanese occupation found the Philippines considerably further along the road to complete self-government and independence. Under the terms of the Commonwealth Act, Philippine independence was to be proclaimed in 1946 rather than to be achieved at an indeterminate time in the future. Consequently debate over its readiness for independence did not have to be undertaken as a complicating factor in the establishment of government after liberation, as was the case in Burma. With its independence dated, furthermore, the establishment of a constitution and a suitable framework of government had been speeded up, as had also the assumption of governmental and administrative responsibility at all levels by Filipinos. Thus, whereas in 1941 it was proper to conclude that there were not enough Burmans available with sufficient training and experience successfully to operate the government of an independent state, the same conclusion was not warranted for the Philippines. The American policy of Filipinization of the government of the Islands, despite all of its shifts in consistent application after 1905, had developed a much larger and more competent governing class for the Philippines than British policy had produced in Burma. In this respect the contrast was not in the difference in time between the enactment and application of the Commonwealth Act for the Philippines and the Government of Burma Act, of 1935 and 1941, but the difference in experience in government between at least 1916 and 1941 for the Philippines and 1937 and 1941 for Burma.

The Philippine Constitutional System

Under the Commonwealth constitution adopted in 1935, as amended in 1940, and as restored with the liberation of the Philippines, the government was of the presidential type. The President and Vice-President were directly elected for a four-year term, with immediate reelection restricted to one additional term. The two Houses of the legislature were also constituted by direct election. The Senate was composed of 24 members elected at large for six-year terms, one-third being elected each two years. The membership of the House of Representatives was constitutionally fixed at “not more than 120 members,” apportioned among the provinces...
on the basis of population. Given a status independent of the legislature, the Executive had greater constitutional powers in relation to the definition of public policy than even the American President, since he had an item as well as a general veto and could have his views defended in the legislature through the personal appearance in either House of the appointive heads of the several departments of government. On the other hand, the constitutional provision for a Commission on Appointments, made up of twelve members elected from the Senate and twelve from the House, which had to approve all appointments to important offices, including that of head of an executive department, carried with it the possibility of enhancement of legislative influence in the event of a struggle for power between leaders in the legislature and the President.

This constitutional system of self-government was in full and, on the whole, satisfactory operation at the time of the Japanese invasion of the Islands. The political class, under the strong leadership of the elected President, Manuel Quezon, the Vice-President, Sergio Osmeña, Senator Manuel Roxas, and others, had been united, after an initial split, in the overwhelmingly predominant Nacionalista Party. Since the President was generally accepted as the leader of the party which controlled the government, there was substantial Executive direction in the development of policy and its enactment into law by the legislature.

When it became apparent that formal military resistance to Japan could not be sustained successfully in the Islands, President Quezon and Vice-President Osmeña were evacuated, as was General MacArthur; and what was in the nature of a “government-in-exile” was established in Washington. ¹ Through General MacArthur’s Headquarters established in Brisbane, it maintained such contact as was possible with the guerrilla movement which came into being in the Philippines after the cessation of formal military resistance. In this way the continuity of Commonwealth constitutional government was maintained during the period of the Japanese occupation, even though the war situation made necessary some constitutionally irregular actions. Furthermore, President Roosevelt not only reiterated the pledge of independence within the period set in the Commonwealth Act but proclaimed a willingness to advance the date if war circumstances permitted. Congress, by Joint Resolution of June 29, 1944, “pledged complete independence and authorized the President to proclaim it prior to July 4, 1946.” ²

² Ibid., p. 307.
Liberation of the Islands

By the time of liberation President Quezon had died in exile and had been succeeded as President by Vice President Osmeña. It was the latter, consequently, to whom the powers of government were transferred by the Americans on February 27, 1945. No military government was formally instituted even for interim purposes, Osmeña and the Commonwealth authorities with him having begun to exercise civil authority in the liberated provinces shortly after the landings at Leyte.

While American military government was not instituted in the Philippines, it was nevertheless true that the American military had a fairly decisive influence over government almost to the time of independence, since the Commonwealth authorities were almost completely dependent on the Americans, and the Americans on the military, for all of the facilities essential to government. Either in the course of military operations or as a result of deliberate destruction by the Japanese much of the inter-island shipping and the land transportation facilities had been destroyed. Planes, motor transport of all kinds, and ships, where available, were American military equipment usable by the Commonwealth authorities only as put at their disposal at the discretion of General MacArthur’s Headquarters. Such telephone, telegraph, and radio facilities as existed were American and military. Materials and technicians for the restoration of utilities, public and private buildings, newspapers and radio, docks and wharves, roads and bridges were similarly immediately available to the Commonwealth government only through release to them by the American military authorities. Beyond this immediate and local dependency of the Commonwealth government on the American authorities, there was the larger long-run dependence on the United States for assistance in rehabilitation and reconstruction of the national economy. As it appeared to the Filipino, the destruction of the war had been visited upon him and his country because the government had been loyal to the United States rather than because of the pursuit by the Philippine government of policies which had embroiled the country with Japan. Public statements had led him to believe that this view was accepted in the United States and that the American government accepted the obligation to compensate for the damage resulting from the war and to restore the Philippine economy. With this was inevitably tied up the question of definition of economic relations between the United States and the Philippines after July 4, 1946, when the Commonwealth was to be terminated and the Republic established. The power of decision in all these fundamentally important questions lay with the American Congress, and the undertaking of the needed reconstruction and rehabilitation work was necessarily delayed until, after some months of discussion, Congress enacted the Philippine Reha-
bilitation Act of 1946 and the Philippine Trade Act of 1946. The two were tied together through a provision in the latter that no payments in excess of $500 (for war damages) under the terms of the former should be made until after completion of an executive agreement by which the Philippine government would accept the stipulations of the Trade Act.

Economic Relation to the United States

The major problem posed at the time of enactment of the Commonwealth law came from the virtually complete economic dependence of the Islands on the United States. As succinctly put by Paul V. McNutt, testifying before a Congressional Committee on February 15, 1946:

In the Philippines the national economy was geared before the war entirely and completely to export trade. And 95 per cent of that export trade was with the United States. Except for rice and fish, which are locally consumed, 98 per cent of all other production in the Philippines, amounting to $266,000,000 in 1941, is produced for export. . . . And I might and should say here and now that we, the United States, managed it that way. We are responsible for the sole dependency of the Philippines on the American market. Our businessmen and our statesmen in the past years allowed the Philippines to become a complete economic dependency of the United States to a greater degree than any single state of the Union is economically dependent on the rest of the United States.

The Commonwealth Act made provision for a gradual readjustment of the conditions of Philippine access to the American market with a view to lessening the economic shock at the end of the ten-year period when independence would be attained. The war situation went further than had American planning in severing completely, for a four-year period, all economic exchanges between the Philippines and the United States. This gave an opportunity to assist financially in the reconstruction of the economy so as to begin and carry forward the diversification of production which would have made the Philippines as nearly as possible economically independent. Such reconstruction would have been slower as a method of restoration of economic activities and processes than the attempt to restore established and customary production for prewar markets, but its attempt would have been more consistent with the declared purpose of establishing an actually independent state.

For a variety of reasons, however, the Trade Act was apparently constructed on the assumption that the relationships of 1941 should first be reestablished so that they could then be gradually modified. "The Philippine Trade Act of 1946 is based on the principle of a prolonged period

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8 The necessity of enacting this legislation was a consideration in President Truman's decision not to advance the date of independence.

of free and preferential trade, and perpetuates the economic dependence of the Philippine Republic on the United States. The Act established exclusive preferential treatment for the United States in such extreme terms that the amendment of the Constitution of the Philippines was required, despite the protection of American rights afforded by the Constitution. This amendment of the Philippine Constitution was made necessary by the stipulation in the Trade Act that American citizens should be put on a footing of equality with Philippine citizens so far as acquisition of title to land and engaging in exploitative and industrial activity were concerned. This gave the American an economic position in the Republic that he had not been conceded when the Philippines were a dependency of the United States.

Beyond these economic definitions of relationship, since the United States assumed responsibility for the future defense of the Islands against external aggression it asked for bases in the Islands. After protracted negotiations agreement was reached on the number and location of bases which was satisfactory to the United States and to the Philippine government, although there was criticism of some of the provisions of these agreements. The base agreement was approved by the Philippine Congress on March 26, 1947. It should also be noted, in connection with these security arrangements, that the United States Congress by Act of June 26, 1946, authorized the President to provide military assistance to the Philippine Republic "in establishing and maintaining national security, and to form a basis for participation by that government in such defensive military operations as the future may require."

The consequent military assistance agreement was signed on March 21, 1947, by the United States Ambassador and President Roxas. For the Philippine Army, over $38 millions had been set aside for 1948, well over half of this sum to be spent on the Military Police.

The Problem of Collaboration

While the conditions of reconstruction and of independence were being defined in Washington, political activity was rapidly resumed in Manila. To restore the constitutional machinery of government required the reconstitution of the legislature. This presented the complication that a large proportion of the members of both Houses had collaborated with the Japanese. American policy, as stated by President Roosevelt in signing two resolutions dealing with the Philippines on June 29, 1944, was that "Those

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5 ibid., p. 98.
6 "An agreement was finally signed on March 14, 1948, leasing a number of bases for a 99-year period. The principal base would be at Fort Stotsenberg, near but not in Manila. Ten other army bases and four naval operating areas were specified." Campbell, op. cit., p. 310.
7 Jenkins, op. cit., p. 96.
who have collaborated with the enemy must be removed from authority and influence over the political and economic life of the country.” The first apparent breach in this policy came when General MacArthur separated Manuel Roxas from captured members of the collaborationist government and declared him “liberated” and thus freed without undergoing even the usual clearance procedure. This enabled Roxas to resume his participation in politics and government as the President of the Senate. Its reconstitution, together with the House of Representatives, without the prior holding of new elections, meant that legislation on which action against collaborators would be based would have to be enacted by a legislature many of whose members, except as they were held covered by legislative immunity, were liable to action because they had held positions under the Japanese-sponsored “independent” government. Under these circumstances it was virtually impossible for President Osmeña to respond quickly and decisively to the initial pressures from Washington to proceed against those charged with collaboration, even though this was raised as the primary issue in Philippine politics during the year prior to, as well as immediately after, the establishment of the Republic.

The issue of collaboration in the Philippines, as elsewhere, was one complicated by the question of motive and thus had in it subjective as well as objective considerations. At the one extreme were those who had merely carried on their normal administrative activities as a method of earning a livelihood and of holding the local communities together. Their assistance to the Japanese was passive rather than active. At the other extreme were those who had actively assisted the Japanese in organizing the puppet government and in shaping policy along the lines set in Tokyo. Some of these men had seized the opportunity presented by the Japanese invasion and occupation for personal aggrandizement. Others, it could be subjectively argued, had been initially forced into collaboration. Still others, as nationalists and patriots, had accepted Japanese promises and had served Japan as a means of ensuring the early independence of the country; or they had used collaboration as a cover for their anti-Japanese leadership.

Roxas was apparently put in one of these latter categories by the Americans themselves, but without the categories having been clearly established and proclaimed. His position as President of the Senate, coupled with his unclarified status as a collaborator, put him in a position of leadership, with tacit American support, against the government in its

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8 Laurel, Aquino, Osias, and Vargas (the leaders in the Japanese puppet government) were evacuated to Japan and returned to the Philippines by the American occupation authorities to stand trial by the People's Court. Laurel was released on bail, ostensibly to prepare his defense. He used the freedom to campaign for political rehabilitation and power.
attempt to establish machinery for dealing with collaboration in the simplified terms of black and white. A bill was finally enacted establishing People's Courts to try those in custody.

Few prominent collaborators have been tried. As 1947 wore on, the People's Court trying the cases was finding it more and more difficult to secure the necessary witnesses, and many of those appearing seemed no longer anxious to testify. Laurel and his puppet associates were still at liberty, appearing at public functions, making addresses, and enjoying a surprising amount of public support. Their trials have been repeatedly postponed, and they appear confident of their eventual acquittal. 9

Under the circumstances collaboration could have been best dealt with decisively by the Americans during the immediate post-liberation period when their influence was dominant. It could then have been dealt with for what it actually was—action against the United States. Turning the problem back to the Philippine government and then pressing that government, although ever less strongly, to act decisively, merely had the effect of embarrassing the restored government and making it more difficult for it to maintain itself against the opposition which quickly arose.

The Hukbalahap

One area of disturbance was in central Luzon where the Hukbalahap (People's Army against the Japanese) movement had its principal center. This movement, while anti-Japanese, had strong overtones of social and economic reform. During the war it had operated equally, as a guerrilla movement, against the Japanese, and against the landlords, who, as a class, collaborated with the Japanese and organized “peace preservation” corps to maintain their own and Japan's position against the guerrillas. Because of a fear that their reforms would be lost and that they would not only lose their influence but possibly also their lives, the Huks refused to surrender their arms upon the liberation of the Islands. Consequently their forces were not incorporated in the Philippine Army. Thus they immediately lost some of their standing as anti-Japanese guerrillas and much of their respectability in the eyes of the Americans. Nevertheless their leaders were among the most consistent that the government bring collaborators to trial and punishment. This subjected the Osmeña government to a double pressure, from the left represented by the Hukbalahaps and the right led by Senator Roxas.

Provision was made by the United States Congress in December, 1945, and by the Philippine Congress in January, 1946, for the holding of the first elections since 1941 so that the Republic, after its inauguration on

9 Jenkins, op. cit., p. 89. Laurel, it may be noted here, was a candidate for the presidency in the 1949 elections. He ran second but polled a substantial vote.
July 4, 1946, might have a government which did not represent a holdover from prewar days. The collaborationist issue, as well as personal rivalry, had split the old Nacionalista Party into two wings, one headed by the incumbent President, Osmeña, which retained the party name, and the other by Senator Roxas, calling itself the Liberal Party. Since the attempts which were made to bring Osmeña and Roxas together proved unsuccessful it was inevitable that they should compete in the 1946 elections for the presidency. It was almost equally inevitable that a large part of the old party leadership should follow Roxas into his new Liberal Party since they had stayed in the Philippines during the war and were consequently in need of Roxas' protection against the possible charge of collaboration.

Osmeña, consequently, had to combine his own following from the Nacionalista Party with an alliance of the Huks and similar groups, called the Democratic Alliance, in order to make a respectable showing. He was unable to wage a very aggressive campaign because of lack of both resources and facilities. Roxas was supported by the wealthy elements in the Islands as well as, tacitly, by the Americans. More vigorous and less handicapped by scruples than Osmeña, Roxas was able to emphasize in his campaign the failure, even though it was explainable, of the government to bring about a more rapid reconstruction, as well as some of its less excusable mistakes, and to leave the impression that American assistance would be given more readily to a government which he headed than Osmeña had been able to secure. Thus he secured election with 54 percent of the total popular vote, and his party gained 13 of the 24 seats in the Senate and 58 seats to the opposition's 40 in the House of Representatives.

The Osmeña government, during its short tenure at the end of the Commonwealth period, had of necessity followed a policy of compromise and conciliation toward oppositional elements. Thus it had accepted the Huks' demand for a more liberal division of the crops between landlord and tenant, although not accepting their full program in this respect nor in connection with land redistribution. The attempts made to bring distinguished guerrilla leaders into high governmental position, partly of course to ensure their political support, had had to be compromised because of the control of the legislative Commission on Appointments by Senator Roxas. Competition for the favors of the United States had led to compromises on independence and aid conditions.

President Roxas, on the other hand, while extremely conciliatory toward the United States, immediately indicated an intention to rule with the strong hand of a Quezon. His first move was to prevent the seating of some of the opposition candidates in the legislature who had been
certified by the Electoral Commission as having been elected. All but four of the eleven whose election was challenged were, however, finally seated after almost a year of delay. In this action, in the handling of the question of revision of the Constitution to give Americans parity with Filipinos, and in the seating in the House of Representatives of a Spanish-born citizen, the Roxas administration showed a desire to bend the Constitution to serve its own purposes.

The policy followed toward the Hukbalahap Party was also a strong one of forcible suppression, with, however, ultimately an attempt at conciliation marked by some double-dealing on both sides. A primary need, unquestionably, was the restoration and the maintenance of public order. But some of the instruments used, such as the landlord-organized Civilian Guards, were certainly questionable. Some of the terroristic activities they engaged in were more in the nature of feudal vengeance than of attempts to support the public order, and they gave color to the charge that the state was actually using its power against one private interest in support of another. And of course terrorism gave rise to reprisals in kind, regardless of which side initiated it. At the beginning the administration recognized that there was a real question of social and economic policy at issue in which there was much right on the side of opposition when, in conference with peasant leaders, President Roxas agreed to check Military Police atrocities, and to sign a new crop-sharing agreement on a 70-30 basis—a measure which was later passed but which was not complied with in many instances. But in spite of this agreement, although partly because of its lack of effective execution, sanguinary fighting continued, with the emphasis put more and more on forcible suppression by all available means until, after the assassination of President Roxas, adjustment was again, although unsuccessfully, attempted by his successor, Elpidio Quirino.

From the beginning the Huk leaders' charge that their opponents were ex-collaborators with the Japanese was countered by their movement being labeled Communist. This label was justified in terms of the Communist affiliation of Louis Taruc, Castro Alejandrino, and Jesus Lava, who became the leaders of the Huks. "The peasants themselves, of course, knew little of Marxism. . . . They were simply men sick of exploitation and injustice, and they did not care what outsiders called their leaders." 10 Both charges tended to divert attention from the real and pressing issue of reform of the conditions of land tenure and use. As the Communist label came to be generally accepted, especially outside of the Philippines, with the justification that some of the Huk leaders were professed Communists and others were socialists, suppression, without the removal of the causes of

the movement which gave it justification after the end of the war, came
to be viewed as sound public policy. Nevertheless President Quirino tried
negotiation of a settlement as well as forcible suppression. An amnesty
agreement was negotiated which enabled Louis Taruc to take the seat
in the House of Representatives to which he had been elected. After a
short time, however, he was again back among his followers who had
not been persuaded that they could safely give up their arms in exchange
for amnesty. The end of this period of agreement brought about resump-
ton of the fighting.

Postwar Elections

Another aspect of postwar politics was revealed in the election campaign
of 1949 when Jose P. Laurel proved to be the leading opposition can-
didate. He made his appeal on strictly nationalist grounds, repudiating
the extreme leftist elements in the Osmeña coalition of 1946. The strongest
charge against him—that of heading the Japanese puppet government—he disposed of by taking the position that: “This question was resolved
most decisively by the people themselves in the election of the late President
Manuel Roxas, whose subsequent proclamation of amnesty confirmed
the popular will.” His positive position, besides a declared hostility to com-
munism, involved Philippine cooperation with the United Nations “as
long as that body existed” and the improvement of relations with the United
States. Dr. Laurel said he meant by this the revising of the Philippine
Trade Act of 1946 and adjusting some of its inequalities working against
the Philippines.

“ ‘I believe,’ he said, ‘there is enough local capital here to develop this
country without further immediate assistance from the United States.
But our people lack faith in the present Government and hesitate to
invest their money.’ ” 11 That lack of faith Laurel attributed to the govern-
ment’s corruption, incompetence, and extravagance.

Quirino, on his side, had built toward the campaign by assuming an
initiative in the field of foreign affairs through sponsorship of a Pacific
Pact through which a common front of the Pacific and Far Eastern
countries against communism would be formed. This aligned his govern-
ment with the policies of the United States, an orientation which was
emphasized on the occasion of a trip which he took to the United States.

The campaign and the election held on November 8 were marked by
considerable disorder and violence. The result was the election of Quirino
to the presidency, with Liberal Party control of the legislature. Laurel,
however, polled a large vote, the size of which was a measure both of the
extent of his personal comeback as a factor in Philippine politics and the

11 Interview on October 14, 1949, reported in the New York Times.
persuasiveness of the issues on which he campaigned. Indeed, he might well have been elected had it not been for the use made by Quirino and his supporters of the powers of the presidential office.

Neither the political nor the economic condition of the country was good at the time when President Quirino succeeded himself. The principal threat to the government continued to be presented by the Huk rebellion. In 1950 the “Huks seemed to be everywhere; their strength was estimated at 40,000 fully armed members, with about 2,500,000 reserves. They made attacks on the outskirts of Manila and the capital itself seemed in danger.” 12

At this point the President appointed Ramon Magsaysay, a young Congressman of his party, as Secretary of Defense and made him responsible for operations against the Huks. Magsaysay reorganized and strengthened the army, which he then used in place of the constabulary against the Huks. Guerrilla tactics were developed for penetration of areas under Huk control. Rewards were offered for the capture, or information leading to the capture, of the principal Huk leaders. Thus the war was carried to the enemy. On the other hand, amnesty and resettlement, as well as protection, were promised to those, other than the leaders, who surrendered. Furthermore Magsaysay insisted that promises made and accepted in good faith should be kept. These tactics, which continued to be employed, yielded results. By 1958 the only Huk leader still at large was Jesus Lava, and most of his followers had surrendered.

One of the reasons why Magsaysay was successful against the Huks was the reputation which he established for honesty in the administration of the army and the Defense Department. This was generally viewed as a new development, which seemed to give hope of a movement away from the situation widely accepted as existing at the time of the 1949 elections. The political condition then revealed was one of such widespread corruption, coercion, violence, and disorder as to make people cynical over the possibility of developing a healthy democracy in the country. The current running in 1949, however, was shifted by the time of the 1951 elections. The new army under Magsaysay was given the responsibility for policing the elections. Organizations of citizens interested in honest elections came into being to develop an interest among the voters. In consequence the elections of 1951 were not open to the charges made in 1949. The opposition (Nacionalista) party captured all nine of the Senate seats which had to be filled and elected 26 provincial governors, as against the Quirino Liberal Party’s 20.

As the time for presidential elections approached, Magsaysay began to be talked about as a desirable presidential candidate of his party in place

12 AMRY Vandenborgh and RICHARD A. BUTWELL, Southeast Asia Among the World Powers (1957), p. 89.
of Quirino, who desired re-election and whose control of the Liberals was such as to enable him to secure renomination. This being the case, the Nationalists interested in nominating someone with a good chance of being elected, approached Magsaysay. Under the circumstances he tendered his resignation as Secretary of Defense, thus making himself available as the Nationalist Party candidate. The Liberals renominated Quirino over the opposition of General Romolo, who had served his country as its representative at the United Nations and as Foreign Minister. Romolo thereupon seceded from the Liberal Party, taking his supporters with him and forming a new party, the Democratic Party, which nominated Romolo for the presidency. To avoid splitting the anti-Quirino vote, however, Romolo withdrew his candidacy, the Democrats entering into a coalition with the Nationalists in support of the latter's candidates, Magsaysay for the presidency, and Garcia for the vice-presidency.

Since both Magsaysay and Romolo had explained their withdrawal of support from Quirino on the grounds of corruption and lack of effectiveness of his administration, corruption in government became the principal issue in the campaign.

The elections were held on November 10, 1953. The result was a triumph for Magsaysay and victory for the Nationalist party. It is properly put in this way because Magsaysay ran well ahead of his ticket. Nevertheless the coalition won an impressive victory, winning the eight Senate seats to be filled and gaining control of the House of Representatives. In the new Senate there were 12 Nationalists, 6 Democrats, 1 Citizen's Party member, and only 4 Liberals. The former large Liberal majority in the House was reduced to about one-third of the total membership of the House.

Additional significance, beyond that of party change, was given to the election by the campaign methods employed by Magsaysay and his supporters, who sought to establish direct contact with the people in the villages, instead of reaching them indirectly through contact with provincial and local party leaders. This direct contact Magsaysay as President sought to maintain, inviting everybody in the land, regardless of economic and social status, to bring his complaints directly to the President.

The new President, inaugurated on December 30, 1953, remained in power until the nation was shocked by the news of his death in an airplane accident in 1957. He was succeeded in office by the Vice-President, Carlos Garcia, who pledged himself to continue the Magsaysay policies.

President Garcia, as the Nationalist Party candidate, won the presidency in his own right in the elections held on November 12, 1957. His position seemed to be strong as he entered upon his new term since he had safe party control of both houses of the Congress, and since Senator Claro Recto, who had unsuccessfully disputed the party leadership with Magsaysay, had
left the party to make an independent campaign for the presidency. With the presidency Garcia fell heir to the country's economic difficulties. These difficulties had also been inherited by President Magsaysay from his predecessors.

The Economic Problem

Financial and economic conditions under the Quirino administration had seriously deteriorated. In the early postwar years the new Republic had, with limited American aid in the form of a $70 million loan from the Reconstruction Finance Corporation, attained reasonable financial stability. As reconstruction got under way, both internal and foreign trade revived, and with trade some measure of prosperity. Thus the short-run purposes of the Trade Bill, supplemented by payments for war damages, began to be realized. It soon became apparent, however, that such revival and reconstruction as had occurred had been made possible largely because of American governmental assistance, together with some American private investment, rather than because of sound planning and effective execution of plans based upon development and use of the resources of the Philippines. This was recognized, at least in the United States, as deterioration became apparent. Consequently, when President Quirino appealed to the United States for aid, President Truman sent a mission, headed by Daniel W. Bell, to Manila in 1950 to make a study of conditions. The Mission found, among other things, that while production in general has been restored to almost the prewar level, little of fundamental importance was done to increase productive efficiency and to diversify the economy. . . . almost nothing was done to open new lands for the increased population, to improve the methods of cultivation, or to better the position of workers and tenants. While the standard of living of the mass of the people has not reached the prewar level the profits of businessmen and the incomes of large land owners have risen very considerably. 18

An agreement for the implementation of the recommendations of the Mission was signed on November 14, 1950. Legislation, however, was required before the proposed reforms, such as the reform of the tax structure, could be undertaken. Against opposition the President was able to bring about an adjustment of personal income tax schedules and corporation and excise taxes. The government also placed a 17 per cent levy on foreign exchange and secured the enactment of a minimum wage law for agricultural workers. Following the Mission's recommendation, also, the United States promised financial aid to the Philippines to the amount of some $250

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18 For the complete report, with recommendations, see Report to the President of the United States by the Economic Survey Mission to the Philippines (Dept. of State, Pub. 4010, Far Eastern Series No. 38).
million "chiefly on a project basis and subject to supervision in order to ensure the effective use of funds."

The reforms instituted at this time and the projects executed did not solve the economic problem. Consequently, after his inauguration President Magsaysay undertook to institute further reforms, announcing a five-year development program involving expenditures of $5,000 million. In order to support the program and other increased government expenditures, improved tax collection methods were designed and savings were attempted by such means as the cancellation of the costly international operations of Philippine Air Lines. But the government also had to contemplate further foreign aid if its plans were to be executed. This was subsequently received in the form of Export-Import Bank credits and International Cooperation Administration assistance loans as well as in continuation of direct aid on a project basis. And it was hoped to get a large enough amount in reparations from Japan materially to assist in financing the planned development.

It was, however, not until 1956 that an agreement was reached with Japan. This agreement provided a reparations total of $550 million, mostly in capital goods, but with $30 million in services and $20 million in consumer goods, to be paid in installments. Reparations payments during the first year were limited to materials needed for rural development.

The Magsaysay program also called for land reform. This, as in other Asian countries, was primarily directed against tenancy. The law enacted provided for expropriation of landed estates. After the enactment of the law the government passed out land titles at the rate of some 50,000 a year. Since compensation had to be made for expropriated lands, the land reform program further complicated the problem of finance which was inherited by President Garcia. But fundamentally he faced the economic problem his predecessors had failed to solve—that of too great expenditures on imported luxuries and not enough increase in production to meet the needs of the domestic market and to pay for imports.

**Foreign Relations**

After its independence had been established the Philippine Republic played an active role in international relations and in Far Eastern politics. The precedents had been set before independence. President Quezon had been one of the signers of the United Nations Declaration of June 10, 1942. He, and after his death Osmeña, had served during the war on the Pacific War Council. The Commonwealth government had signed both the UNRRA and the Bretton Woods Agreements, had taken part in the drafting of the United Nations Charter at San Francisco, the Philippines becoming one of the charter members of the United Nations. General
Romolo, as its chief delegate at San Francisco, was active in the attempt made by the smaller states to restrict the Great Power veto. He also sought to make the provisions of the articles on non-self-governing territories as broad as possible. "Romolo's attitude at San Francisco established the pattern of Philippine foreign policy. While in some matters the island republic follows American policy rather closely, it is quite independent in others."  

The active role played by the Philippines in the United Nations after its establishment was recognized with the election of General Romolo as President of the Assembly in 1949, in the election of the Philippines to the Trusteeship Council for the period 1948–1950, and the election to a term, split with Yugoslavia, on the Security Council.

Within the United Nations, as well as occasionally outside it, as at the Bandung Conference, the Philippine government attempted to serve as a bridge between the Asian-African countries and the West. This was difficult because of the unequivocal stand of the Philippines with the United States on many questions and because of the emphasis placed by the Filipino on his Western rather than his Asian background.

The neutralist Asian states viewed Philippine foreign policy as resulting from the dependence of the Republic on the United States. The test, given the circumstances of the times, has been policy with respect to China. Here the United States and the Philippines did see eye to eye, but not necessarily because of dependence of one on the other.

Activities of the relatively small but important Chinese minority in the Philippines had long been of concern to the Filipino and to the government, since Chinese controlled a large share of the retail trade. This concern was increased when the Chinese Communist Party gained control over mainland China, since at that very time the Huk movement, with its Communist leadership, was offering major and military opposition to the government. Support of the Huks by the Chinese Communists would aggravate the difficulties of the government, as would also support of the Chinese in the Islands, against whom the government was impelled to act for economic reasons. Choosing what it viewed as the lesser of the two evils, the Philippine government consequently sided with Nationalist against Communist China. In doing so it, of course, found itself, after 1950, on the same side as the United States.

It was as a member of the United Nations, as well as because of its relations with the United States, that the Philippines sent a military contingent to participate in the Korean War, and generally supported the United States on issues growing out of that struggle.

Manila proceeded independently and in advance of American policy in the attempt to establish a regional Asian collective defense system

14 VANDERBOSCH AND BUTWELL, op. cit., p. 93.
when it called a conference which met at Baguio in May, 1950, but which yielded no results. Thus the Philippine government needed no urging from the United States to associate itself with SEATO.

The Philippines also acted independently in withholding ratification of the Japan peace treaty until it had been able to negotiate a satisfactory agreement on the reparations question.

Nevertheless the country was tied into a relationship with the United States which necessitated that the government move in international relations in the same general direction as the United States. The people and government had not been altogether satisfied with some of the commitments demanded by the United States and had sought, with partial success, to bring about their revision. On such issues, there had been intermittent friction in the direct Philippine-United States relationship, with the Philippine government pressing its point of view beyond what would be viewed as tolerable if it were true, as sometimes charged, that the Philippines stood in the relationship of a satellite to the United States. Fundamentally the not too friendly attitude shown to the Philippines by some of its neighbors, especially Indonesia, resulted from local issues rather than because of the friendly relations of the United States and the Philippines. The charge of subordination to the United States frequently was the excuse rather than the reason for conflict of views.

2. THE REPUBLIC OF INDONESIA

What has come to be called Indonesia (formerly the Netherlands East Indies) is an archipelago extending from Malaya to New Guinea. The chain of islands stretching through 55 degrees of longitude on both sides of the equator extends better than 3200 miles from its western to the eastern limits. These islands supply a remarkably large share of the world output of such tropical products as cane sugar, rubber, tea, coffee, quinine, palm oil, cocoanut products, sisal, kapok, and in the mineral field, oil, tin, and bauxite. Thus Indonesia is one of the world’s richest regions.

Of the estimated (1940) 70,000,000 inhabitants of the islands an overwhelming majority were Indonesians who were, however, divided into a large number of ethnic groups. At the last census year (1930) 59,138,000 of the total population of 60,869,000 were Indonesian.

Of the nonindigenous peoples the Chinese are the most numerous, with a total of 1,233,000 in 1930. The Europeans numbered 223,000, inclusive of Eurasians or Indo-Europeans as they are commonly called in the Indies. Arabs, with 70,000 souls, constituted the third largest nonindigenous group. The Europeans, and the Chinese and Arabs to a lesser degree, play a role in the Indies’ society far greater than their numerical strength. There were also about 30,000 British Indians in the Indies in 1930. 18

The population of Indonesia was heavily concentrated in the islands of Java and Madura which, with an area of only "51,000 square miles, had a population of 41,719,524, or over two-thirds of the total population of the country. The average density per square mile now probably exceeds 900." 16 This contrasts with a density of 2 per square mile of Dutch New Guinea. From the standpoint of religion, Indonesia was overwhelmingly Moslem, Christians numbered over two million, while the million and a half Balinese were Hindu.

In governing their colony the Dutch ruled indirectly as far as possible, maintaining local institutions and especially local (adat) law and customs. Nevertheless, after the Dutch East Indies Company was displaced by the Netherlands Government in 1798 the paramountcy of Dutch authority was kept clearly evident through a centralized and bureaucratic structure. The Governors of the provinces were subordinated to the Governor General who was, in turn, subordinated to the government of Holland. This excessive centralization when "the Governor General at Batavia had minutely controlled the whole government of the Empire, and he in turn had been under the strict supervision of the Government of Holland" 17 began to be modified in the 1920's. More autonomy was given to the colonial government, and the Volksraad (People's Council) created in 1918 gradually assumed more power. "Until 1927 it (the Volksraad) had only advisory powers, but in that year it was given co-legislative powers, which in practice meant that legislative measures normally required the approval of both the Volksraad and the Governor General." 18 Of the 60 members of the Volksraad 30 were Indonesians, of whom 20 were elected, 25 were Europeans, and the remainder were selected by or from among the non-indigenous Asians. Thus the body did not necessarily reflect at all accurately the point of view of the majority of the people.

Development of Indonesian Nationalism

Concurrently with this loosening of centralization in the governmental system and, with it, its earlier counterpart in the form of what was called the "ethical" policy of paying more attention to the social and economic interests and needs of the people, there came the prewar development of Indonesian nationalism. The first nationalist society, Boedi Oetomo (Glorious Endeavor), held its first Congress in 1908. Its purpose was economic and educational improvement of the position of the people. 19 It was fol-

16 Ibid., p. 86.
18 Vandenbosch, op. cit., p. 91.
19 Virginia Thompson, in Government and Nationalism in Southeast Asia, Part III, Nationalism, pp. 184-185.
lowed, and eclipsed, by the Sarikat Islam, first motivated by a desire to effect economic independence from the Chinese. This group held its first Congress in 1913. It grew considerably in the years between 1912 and 1915. Its activities came to be somewhat coördinated with those of the trade unions which came into being during and after the period of the first World War. The more radical members were expelled from the party in 1923, and they went into the Indonesian Communist Party. An attempted Communist insurrection in 1927 was violently suppressed. Thereafter the repressive policy of the government was directed more vigorously against all nationalists, many of whom had the label of Communist attached to them to justify their suppression or exile. An Indonesian Nationalist Party, led by Sukarno, was formed in 1927, but there was not brought into being before World War II, even among the class of intellectuals, one united nationalist organization of a disciplined sort, comparable to the Congress Party of India or the Kuomintang of China, comprehending in its membership all with nationalist aspirations. And, in addition to its disunity, it must be recognized that Indonesian nationalism was not a mass movement, from the standpoint of membership. Political awareness was largely confined to a small but growing class of intellectuals, many of whom were removed in feeling and understanding from the masses. Nevertheless there had been sufficient growth of nationalism to disturb the Dutch and cause them to proceed with some vigor against those who showed political inclinations or who did not formally agree to coöperate, by which was meant accepting the Dutch policy of gradual introduction of self-government, with the pace set by Holland. Numerous Indonesians, where qualified by training, did show their willingness to coöperate by entering the bureaucracy in its lower ranges.

One of the retarding factors in the growth of a competent and experienced Indonesian political leadership was to be found in the lack of emphasis, in Dutch policy, on education. Approximately 93 per cent of the adult Indonesians were illiterate, and only about 400,000 could read Dutch. Those who secured an education in the islands were not encouraged to go abroad even to Holland for advanced studies. But from this small student group came the ideas and much of the initiative which resulted in the prewar nascent nationalist movement. Its ideas were drawn largely from foreign sources, which also provided a basis for ideological division.

Effects of the War on Indonesia

The invasion of the Netherlands by Germany does not seem to have seriously disturbed conditions in Indonesia.
In so far as there was greater interest and concern for the seventy million brown subjects, it was expressed by a strengthened police force, an increase in political arrests, and further restriction of freedom of action. And finally, it was felt that the educated Indonesians could be mollified by pretending to pay attention to their political aspirations. The Visman Commission held hearings to ascertain the political views of the outstanding members of the Indonesian community, but this was the only liberalizing consequence of the occupation of Holland as far as Indonesia was concerned. . . . Experiments (in defense arrangements) with nationalists, who might later be a source of disturbance, were considered unnecessary. The government (in Indonesia) maintained its supercilious attitude right up to the Japanese invasion. 20

This was, of course, the conclusion of a nationalist leader. The Dutch were more impressed with the purposes of the Visman Commission, and saw a larger change of policy being made.

Since Japan immediately utilized the new conditions in Europe to apply pressure on the Netherlands Indies government for economic concessions, Dutch repression of nationalists may have been due not so much to complacency as to fear and to a possibly short-sighted but real suspicion of the motives of nationalist leaders who declared themselves to be anti-fascist and therefore willing to cooperate in the defense of Indonesia.

However that may be, the Dutch attitude changed with some rapidity after December, 1941. But by that time anti-Dutch feeling among the masses and part of the native leadership had grown “stronger and stronger. This was naturally reflected in the nationalist movement and in its leadership, part of which expressed sympathy for the Axis openly.”

“Essentially, the popularity of Japan increased as one aspect of the growing anti-Dutch animus and as a projection of frustrated desire for freedom. . . . The idea grew that the liberation of Indonesia would begin with the expulsion of the Dutch by the Japanese.” 21

However, disillusionment with the Japanese as liberators was quite rapid in Indonesia. As elsewhere in Southeast Asia, the Japanese conquerors moved to Japan, without exchange, as much of everything already produced as possible, and proved unsuccessful in reestablishing production, in the exports’ fields, on a reoriented (to Japan) exchange basis. Thus the years of Japan’s rule were years of increasing economic deterioration and impoverishment. And, until Japan’s eventual defeat was in sight, military rule was not ameliorated by moves toward greater self-government, or even as much as had been introduced by the Dutch; nor by a proclamation of independence as the goal of Japanese policy. The program of cultural assimilation to Japan, attempted in Indonesia as elsewhere, had little effect

20 Soreto Sjaefrid, Out of Exile, p. 218.
21 ibid., p. 219.
in modifying the anti-Japanese feeling which soon replaced that expressed in welcoming the Japanese as liberators.

**Postwar Dutch Policy**

What was known of the adverse effects of and reaction to Japanese rule led the Dutch, until the end of the war, to base their postwar plans on the assumption that they would be able freely to establish the terms and timing of future political development. In this they made the same mistake as the British did with respect to Burma. In neither case did anti-Japanese sentiment and action indicate sentiment in favor of colonialism even if modified in the direction of self-rule and pointed toward an ultimate complete autonomy or even independence. And in Indonesia, as in Burma, the effect of the period of Japanese occupation, and resistance to it, in maturing politically the nationalist leadership was not appreciated.

Dutch postwar policy was announced by Queen Wilhelmina on December 6, 1942. It envisaged at the end of the war a "Conference of the Netherlands Realm" at which there would be "joint consultation about the structure of the Kingdom and its parts in order to adapt it to the changed circumstances." "Ultimately the Queen envisioned 'a commonwealth in which the Netherlands, Indonesia, Surinam, and Curaçao will participate with complete self-reliance and freedom of conduct for each part regarding its internal affairs, but with readiness to render mutual assistance.'""22 More significance was attached to this declaration in the anti-Axis Western world than in the Indies where it was, under the circumstances, not widely publicized. It represented a move which would have met the desires and demands of prewar Indonesian nationalism. And it might have had greater effect in any case if the general lines of application of the policy, from the Dutch point of view, had been amplified and given greater precision by the end of the war.

In any case, however, the march of events at the end of the war presented the Dutch with a new situation and one which seriously modified their control of postwar developments. In and after 1943, the Japanese began to move to associate Indonesian leaders with the government of the country in an advisory capacity. And, on the eve of the Japanese surrender, those who collaborated with the Japanese, apparently in agreement with the leaders of the internal resistance movement,"23 proclaimed the independence of the country and established the Indonesian Republic, with a constitution and an organized government. This government was supported by forces equipped with Japanese arms seized and turned over

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to it after the surrender. By the time, in late September, that British forces of the Southeast Asia Command, of which war theater Indonesia had become a part, arrived to receive the Japanese surrender, it had been able to establish and consolidate its authority in Java, Madura, and Sumatra. Thus it had to be reckoned with by the British as well as the Dutch. 24

For purposes of reoccupation, the Dutch had organized the Netherlands Indies Civil Administration which worked into the Indies from the east as successive islands were recaptured from the Japanese by the forces under General MacArthur.

After the collapse of Japan, NICA established civil government in all of the islands of the Indies accessible to the forces of the Southeast Asia Command, which excluded substantially all of Java, Madura, and Sumatra (except for coastal areas in the vicinity of Batavia and Soerabaya, Java, and around Padang and Medan in Sumatra). In these excluded areas, the Indonesian Republic had established its authority before Allied forces arrived at the end of September, 1945. As of July 15, 1946, all of the Indies under the NICA reverted to Dutch control, and in these regions the government of the Netherlands Indies was reconstituted in its prewar form, in accordance with prewar Dutch colonial legislation. 25

If the Dutch had been authorized to send in forces of their own large enough to receive the Japanese surrender and take over from the Japanese they might have been able to gain control of the situation. But Allied troops arrived (September 29, 1945) only after a period of delay, and the troops were British and under a British commander who initially limited his mission to effecting the Japanese surrender and evacuating Allied prisoners of war and civilian internees, "and resolutely refused to embark on the reconquest of the entire island (Java) against Indonesian resistance." 26 The British attitude expressed a de facto recognition of the Indonesian Republic within the territories under its military control. The enforced delay in entrance of Dutch troops in sufficient strength to attempt the reconquest of Republican territory not only made that reconquest more difficult by enabling the Republican government to perfect its organization and equip its forces but it also created the necessity for prior negotiation with it by the Dutch, thereby giving it still further de facto standing.

In the immediately resulting situation fighting and negotiation went on simultaneously. Initially negotiation was made difficult by the unwill-

24 The Dutch Civil Administration was to take over responsibility, according to invasion plans, after the islands were secure. Here, as elsewhere, invasion plans were not substantially reworked for occupation purposes.
25 Steiner, op. cit., pp. 627-628
26 Ibid., p. 628.
The ingness of the Dutch to treat with a government headed by collaborators. The Republican constitution concentrated executive power in the hands of the President, and the President and strongest single force in the government and in the islands was Sukarno, who had been a leading collaborator during the occupation. Mohammed Hatta, another nationalist leader and member of the government of the Republic, had also been a collaborator. In both cases, however, it could be argued that their collaboration had been because of their nationalism rather than because of sympathy with the Japanese, that it had been somewhat forced by circumstances, and that both had maintained friendly relations during the occupation with the internal resistance movement. Nevertheless the immediate Dutch refusal on principle to deal with Sukarno had to be surmounted if there was to be a negotiated settlement. A way of avoidance was found by transferring, by tacit agreement, the President's powers to a Cabinet headed by Soetan Sjahrir, with whom the Dutch were prepared to negotiate.

A second initial obstacle to negotiations was presented in the Republic's refusal to go back to the point from which it would be appropriate to follow the procedures set forth in Queen Wilhelmina's speech of December, 1942, on which procedure the Dutch were stubbornly insistent. A new statement of policy by the Netherlands government on February 10, 1946, however, introduced sufficient modification to enable negotiations to be undertaken. A growing spirit of accommodation on both sides made possible a truce in November, 1946. This was accompanied by Dutch acceptance of Sukarno, which removed the first-mentioned obstacle to negotiation. "The government declared that it no longer considers it conducive to fruitful negotiations to maintain the distinction between Sjahrir, who could be included in the discussions, and Sukarno, who could not. Since the Republic is in fact a political reality at the moment, the Government accepts its organization as it is. Efforts to realize a practical agreement must take precedence over preference for certain persons." Thus the way was finally cleared for the negotiation and ratification (March 25, 1947) of the Linggadjati Agreement setting forth the principles "which were to guide the two governments in subsequent efforts to achieve a completely effective settlement of all outstanding differences." 27 The Republic was recognized to have de facto authority over Java, Madura, and Sumatra, and it was agreed that Dutch and Allied forces would be gradually withdrawn from the occupied portions of these islands so that the Republic would have them completely under its control by January 1, 1949. A United States of Indonesia, composed of three Republics (Indonesia, Borneo, and the Great East), was to

27 Ibid., p. 635.
be set up. A Union was then to be formed of the Kingdom of the Netherlands and the United States of Indonesia, the latter to be sponsored by the Dutch for membership in the United Nations. On the important economic side, it was agreed that "the government of the Republic of Indonesia recognizes the claims of all non-Indonesians to the restoration of their rights and the restitution of their goods as far as they are exercised or to be found in the territory over which it exercises de facto authority." 28

The necessary steps to make the Linggadjati Agreement effective were not taken. Consequently, when proposals which they contained for dealing with the immediate situation, and which the United States, for example, held constituted a "reasonable basis for negotiation," in July, 1947, were met with unacceptable counterproposals, the Dutch resorted to military action, described as "a police measure of a strictly limited sort." These operations were sufficiently extensive to compress the territory controlled by the Republic into a small district along the southern coast of Java in the neighborhood of Jakarta, the capital of the Republic.

At this point, the Indonesian question was brought before the (United Nations) Security Council by India and Australia. "Responding to the urgency of the appeals, the Security Council began its deliberations on July 31, and within forty-eight hours it had adopted the first cease-fire resolution of its career." 29 Although accepted by both sides the first cease-fire resolution produced no significant diminution of the fighting. A consular commission was consequently set up (August 25) to report on observance of the resolution and concurrently a tender was made of good offices. This was accepted and a Committee of Good Offices was established made up of Belgium (selected by the Netherlands), Australia (selected by the Republic), and the United States (designated by the other two).

By January 17, 1948, the Good Offices Committee had brought the two parties to an acceptance of the Renville Agreement "containing a detailed program for a truce and the principles for a future political settlement." The Committee, however, was continued by the Security Council to observe the application of the Agreement and "to keep a special eye on political developments in Western Java and Madura—both areas in which Dutch separatist efforts were under attack by the Republic." 30

The Renville Truce failed to outlast the year (1948). The attempts of the Good Offices Committee to promote a political agreement on the basis of the principles laid down in the Renville Agreement were unsuccessful. These principles "envisaged a future federated United States of Indonesia, which would become incorporated with the Kingdom of the

28 ibid., p. 637.
30 ibid., p. 71.
Netherlands in an over-all Netherlands-Indonesian Union.” This was, in effect, a revival of the Linggadjati formula. But it was additionally agreed that sovereignty should remain with the Kingdom of the Netherlands until, “after a stated interval, the Kingdom of the Netherlands transfers its sovereignty to the United States of Indonesia” or “conferred appropriate rights, duties, and responsibilities on a provisional federal government of the territories of the future United States of Indonesia” in which “provisional federal Government created prior to the ratification of the constitution of the future United States of Indonesia, all states will be offered fair representation.”

The Dutch interpreted the above to mean that the final right of decision as to the constitution and powers of a provisional government, prior to the establishment of the United States of Indonesia, rested with them. Both sides recognized that “the nature of this provisional Government was the crucial point.” This interpretation the Republic’s Government was unwilling to accept since “they thought that the Dutch Government really aimed at the restoration of the old colonial system. . . . For the Republicans, the separation of de jure and de facto sovereignty meant that they would not surrender their practical attributes of independence to a provisional Government completely under Netherlands authority, but only to a United States of Indonesia.”

The ensuing negotiations held under the auspices of the Good Offices Committee were consequently participated in by mutually suspicious and distrustful parties. They extended over much of 1948 without resulting in agreement. While they were going on the Dutch proceeded to organize the territories under their control with a view to the establishment by themselves of a provisional government. This did not facilitate the conclusion of an agreement. Neither did the deterioration of economic conditions in the territory under the Republic while economic progress was being made in the Dutch-controlled portions of the archipelago since the deterioration was blamed by the Republic on blockade conditions established and maintained by the Dutch. The difficulty of agreement was further increased by charges by each side of violation by the other of the Truce itself.

During this period, in August, internal difficulties within the Republic were brought to a head with a Communist attempt to seize power. This brought about unity for the time being sufficient for promptly putting down the revolt. Most of the Communist leaders were captured and resistance became spasmodic and confined to mountainous districts. The

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82 Ibid., p. 54.
83 Ibid., p. 55.
revolt was symptomatic of the general dissatisfaction with the progress of negotiations.

In December, after failure to agree on a new plan submitted by the United States member of the Committee, the Dutch presented what was essentially an ultimatum to the effect that "a continuation of negotiations would be useless unless the Republican Government bound itself to accept immediately the Netherlands point of view on the basic issues between the parties, including the implementation of the truce." 34 The truce was terminated on December 18, 1948, and the Dutch again resorted to "police" action to resolve the situation. Republican territory was rapidly overrun and the leading members of the government of the Republic were captured.

The Security Council was immediately appealed to for action, and the Dutch, although consistently denying that it had jurisdiction in what they held to be a domestic matter, were again forced to defend their action in an international forum. After protracted discussion the Dutch accepted, under international pressure, the necessity for negotiating rather than imposing a settlement, and, as the sine qua non of negotiation, the release of the captured members of the Republican Government. Again, on August 3, 1949, the two entered into truce arrangements to go into effect August 10, "but both sides made clear that only an armed truce existed for the present." 35 This agreement also provided for a round-table conference to be held in Holland to determine the final conditions of relationship.

The Hague Round-Table Conference

The Round-Table Conference was convened at The Hague in August and continued in session until an agreement was finally reached and signed on November 2. The issues that protracted the discussions were: (1) over financial arrangements; (2) the character of the permanent organs of the union to be established between the Netherlands and Indonesia; (3) the status of the Crown as head of the union; and (4) the territories to be included in the United States of Indonesia (i.e., whether or not New Guinea should be included). 36

The Dutch, in relation to finance, initially asked for veto powers over monetary and some trade policies of the new Republic as long as it was in debt to Holland. This request was, however, withdrawn by October 3. There was, in addition, the question of the amount of the external and internal debt which should be assumed by the new state, the Dutch advancing the figure of 6,100 million guilders which Indonesian figuring

34 Ibid., p. 62.
36 The details of the Conference are taken mainly from the New York Times reports by Sydney Grubon.
reduced by some 3 billion guilders on the score of non-obligation with respect to that portion of the debt contracted and used for military and semi-military purposes. A compromise was finally reached which provided "that Indonesia would take over debts of 4,300,000,000 guilders . . . composed of the entire internal debt of the old Netherlands East Indies Government of 3,000,000,000 guilders and its external obligations of 1,300,000,000 guilders." 37

The other issues were debated to the conclusions embodied in the Hague Statute of Union of November 2, 1949. This established a cooperative union of the two parties "on the basis of voluntariness and equal status with equal rights." (Art. 1, Sec. 1.) It was further stipulated that: "The Union does not prejudice the status of each of the two partners as an independent and sovereign state." (Art. 1, Sec. 2.) The defined purposes of the union were to promote cooperation in the fields of foreign affairs and finance, and also "as regards matters of an economic and cultural nature." (Art. 2. Separate agreements were attached to the Statute on foreign affairs, financial and economic relations, and cultural relations.) A third general article provided that the partners should "base their form of government on democracy"; that they should "aim at an independent judiciary"; and that they should "recognize the fundamental human rights and freedoms enumerated in the appendix to this statute."

The Statute set forth an agreement on Her Majesty Queen Juliana, Princess of Orange Nassau, and her successors, as the head of the Union. Under the Queen, Ministers from the two partners, duly designated for that purpose, were to meet in conference twice a year, and regular contact was to be established between the respective Parliaments of the two partners, their representatives to meet for the first time within eight months of the establishment of the Provisional Parliament of the Republic of the United States of Indonesia. These conference organs were to be served by a secretariat, with each party appointing a Secretary General, "each of whom takes charge of the secretariat by early rotation." (Art. 11.)

The Statute provided for a Court of Arbitration, of three members from each partner, to "take cognizance of legal disputes arising out of the Union Statute, out of any agreement between the partners or out of joint regulations, and brought before the Court by one of the partners against the other or jointly by both partners." Decisions were to be by majority vote, with the President of the International Court of Justice, or another agreed-on international authority, empowered to appoint a person of another nationality to serve as an extraordinary member of the Union Court. Other provisions of the Statute dealt with citizenship and the rights of the citizen of the one partner in the other state; the establishment of

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High Commissioners, with ambassadorial status; the sharing of expenses, and other matters of detail. It was also agreed before the Round-Table adjourned to postpone decision on the question of New Guinea for a year.

Ratification of the decisions of the Round-Table gave a working basis for gradual solution of the Indonesian problem along lines closer to the positions taken initially by the Republic than by the Dutch. On this basis sovereignty was transferred by the Netherlands to the United States of Indonesia on December 27, 1949.

The federal union of Indonesian states shortly collapsed without trial “under hostile attacks, chiefly in the form of organized popular demonstrations. The federal system was not given a decent legal or constitutional burial; it was just abandoned.” 38 The United States of Indonesia was replaced by the unitary Republic of Indonesia on August 15, 1950, by which date a merger of the other states with the Java Republic had been accomplished and an agreement had been reached between the federal government and the several state governments.

The union between Indonesia and the Netherlands had little more life in it than did the United States of Indonesia, even before it was formally brought to an end in 1955. An agreement was concluded in 1954 to terminate the union. It was, however, not ratified by the Indonesian parliament because it did not include modifications of the economic and financial agreements signed at the 1949 Round-Table Conference. Negotiations were resumed in December, 1955, but since no agreement satisfactory to it was reached the Indonesian government denounced the Union agreement and the financial and economic agreements of 1949. In August, 1956, furthermore, Indonesia repudiated its debts, estimated at The Hague at $170 million, to the Netherlands.

The Republic of Indonesia comprised all the territory formerly known as the Netherlands East Indies except for Western New Guinea (called by Indonesia West Irian). The latter remained under Dutch administration pending the conclusion of the agreement on its disposition which was supposed to have been, but was not, reached within a year after the signature of The Hague Round-Table agreements. The question of West Irian thereafter remained as a principal issue affecting adversely the relations of the Netherlands and Indonesia. The Dutch, as they were confronted with unilateral decisions from the other side, became less and less willing to make concessions with respect to West Irian. The Indonesian government, on its side, made determined efforts to bring about what President Sukarno called the “restoration” of West Irian to Indonesia, trying to win support in the United Nations for its claim by defining the issue as one of colonialism.

38 Vandenbosch and Butwell, op. cit., p. 35.
Foreign Policy

In general international relations, the new state followed a policy of neutrality similar to that of India. As with India, the determinant in alignments in specific situations was the question of colonialism, identified from the past with the West rather than with communism. Like other newly independent states, Indonesia was overly sensitive to actions or relationships which carried even a slight suggestion of outside control.

Indonesia’s principal initiative in the field of foreign affairs was that of being host at the Bandung Conference of 1955, following which it participated in other conferences of Asian-African states and aligned itself with that bloc in the United Nations. Following the policy of neutrality, the Indonesian government refused to join SEATO. It signed but refused to ratify the Japan peace treaty. It refused to accept American economic or military assistance carrying any sort of commitment to support or strengthen the West in the “cold war.” And it came into increasingly friendly relations with Communist China when, as a by-product of the Bandung Conference, it proved possible to negotiate a treaty defining the conditions of retention or loss of Chinese nationality on the part of Chinese residing in Indonesia.

Internal Politics

The constitutional machinery of the unitary Republic of Indonesia was relatively simple. The central organ of government was a single-chambered parliament whose members, until elections were held, were appointed by the political parties “under a system of proportional representation established by a presidential committee.” The parliament selected Sukarno as the President and titular head of the state, a position which he continued to hold during the first decade of life of the Republic. The first Vice-President (Hatta) was appointed by the President upon recommendation of the House of Representatives. Hatta served as Vice-President until 1956 when he resigned, thus dissociating himself from any connection with Sukarno’s plan for a “guided” democracy. Governing power, under the constitution, was vested in a Cabinet, composed under the direction of the President but responsible to the parliament. In constituting a government the President had an influence which came close to being determinative. He could invite one or more party leaders to form a Cabinet, and through them determine the composition of the Cabinet—subject to the approval of the parliament.

The postwar governments, consequently, were constituted on the basis of interparty agreements, and, in the absence of single-party majorities in the House, were made up as party coalitions, although invariably including Ministers without party affiliations. The Natsir Cabinet (September 6,
1950, to March 20, 1951), for example, had as Deputy Prime Minister a non-party man, and non-party Ministers of Internal Affairs, Defense, Communications and Transport, and Education and Culture, but with coalition party support in the parliament. The Cabinet announced on July 31, 1953, from the point of view of party composition, had, in addition to the Prime Minister, 3 members from the Nationalist Party; 3 from the Greater Indonesia Party; and 13 from as many splinter parties, representing points of view from left to moderate right. Actually governments, within limits, were constituted from among a group of essentially professional politicians who made up the new governing class. As one writer characterized Indonesian politics:

... in spite of its facade of Western style organization and verbose statements of party principles (Indonesian politics) is carried on in an atmosphere often resembling that of a large, quarrelsome and neurotic family group. ... Leaving aside imposing claims of party membership, Indonesian political life is a kind of poker game played by a few thousand people all of whom have known each other much too long and too well.

Thus governments were made, unmade, and remade partly in terms of personal relations which affected party relationships.

In the years before elections were held, governments were constructed around one or both of the two most important parties—the Nationalist Party and the Masjumi. The former derived its importance from its early leadership by Sukarno and Hatta (a leadership which Sukarno had no hesitancy in recalling from time to time), and from the role it played against the Dutch. The Masjumi was the leading Moslem party with a nationwide following. How large the popular following of any of the parties was could only be determined if and as elections were held, as they were finally in 1955.

A total of 37,785,299 votes were reported as cast in the elections. Six parties received more than a million votes each, the remainder being polled by some twenty-eight other political groups or individuals, who campaigned on a national basis, and forty-four others who restricted their efforts to local areas. Twenty-eight parties and individuals won seats, twelve winning only one seat. The Nationalist Party polled 22.3 per cent of the vote cast for parliament and won 57 seats; the Masjumi secured the same number of seats while getting only 20.9 per cent of the vote; the Moslem Teachers’ Party (an orthodox Moslem party) had 18.4 per cent of the vote, seating 45 members, thus taking third place among the parties; the Communist Party secured 39 seats, with 16.4 per cent of the total vote; the Moslem Association had 2.9 per cent of the vote and won 8 seats, as did also the

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Christian Party with 2.6 per cent. These party positions were substantially maintained in voting later in the year for members of the Constituent Assembly which was to draft a permanent constitution for the country. Thus no party came even close to having a majority in the 257-member parliament, and governments continued to be based on inter-party coalition.

There were two surprises in these elections. One was the strength shown by the Moslem Teachers’ Party in competition with the Masjumi for the vote of the Moslem community. The other was the size of the Communist vote. The elections unexpectedly brought the Moslem Teachers’ Party into a position of real power which it was difficult for it to use effectively since it had neither an experienced nor a strong leadership.

As to the Communist Party, its success may be explained by the care with which its leaders, after its initial period of anti-Republican activity, cultivated the appearance of being national in its interests rather than being part of an international system directed from Moscow or Peking. It had given its support to the government personally sponsored by President Sukarno and headed by his friend Ali Sastroamidjojo, which was in office for the two-year period just before the elections. This Cabinet was “markedly leftist. Among the new ministers was Iwa Kustuma Sumantri, who had spent some time in Moscow and was imprisoned in 1946 for participation in the attempted Communist coup of that year. He was given the sensitive post of minister of defense.” 40 This association with the Nationalists was a very useful cover for the cultivation of support for the Communist Party in the country. The relationship was not really anomalous since at the time the anti-Dutch program which the Nationalists followed, partly, at least, to divert attention from internal difficulties, fitted into the strategy and tactics of international communism.

This Nationalist-Communist collaboration complicated the problem of constructing a government after the elections, since the Moslem parties refused to participate in any government with Communists. The Nationalists, however, were reluctant to give up or seriously jeopardize their alliance with their strongest supporter.

Going against Sukarno’s view that the Communists should be included in a coalition Cabinet, Ali Sastroamidjojo formed his second government in 1956 with the parliamentary support of his Nationalist Party, the Masjumi, the Moslem Teachers’, and five smaller groups. The coalition controlled a total of 189 votes in the 257-member parliament. Faced by opposition threatening civil war, the Sastroamidjojo government resigned in 1957. Since a government commanding the necessary parliamentary support could not be formed, President Sukarno formed an extra-parliamentarian government headed by Djuanda as Premier.

40 Vandenbosch and Butwell, op. cit., p. 42.
Beginning with the constitution of the first Sastroamidjojo Cabinet, Sukarno had exercised an increasingly direct influence over the government but without any real assumption of responsibility. Possibly because of the reception given him on visits to the United States and the Soviet Union, Sukarno took an ever larger view of his position as the head of the state, with powers above those of the government. Thus remarks made on the occasion of a repeat visit to Moscow, Prague, Belgrade, and Peking to the effect that military pacts do “not promote the efforts to reduce international tensions,” necessitated a Cabinet statement that Indonesia has “not deviated from its independent foreign policy.” Upon his return home in 1956 Sukarno further declared that the creation of political parties after 1945 had been a great mistake and he asked the Constituent Assembly to seek “a unitary republic and prevent the growth of capitalism.” “We cannot,” he said, “copy the liberal democracy of the West; nor can we import the concept of dictatorship from another range of ideas. . . . For the time being our democracy must be a guided democracy. . . .” The idea apparently was that the guidance proposed should be given by Sukarno himself through the members of a National Council representing a cross section of Indonesian society whom he would designate, and over whom he would preside. The Council would advise a Cabinet containing representatives of all the parties, including the Communists.

It was in connection with this proposal that Mohammed Hatta, a leader second only to Sukarno in public esteem, broke with the President, but refused to reenter active political life as an office holder. The dissent to the proposed solution on the part of all but the Nationalist and Communist parties and some minor groups led to open revolt in 1957, which was not put down until 1958.

The revolt was not caused solely by President Sukarno’s proposal to replace the parliamentary democracy with a guided democracy. That proposal, if made before the elections and under different circumstances, might have been accepted as based upon past experience. The idea of democracy itself, and certainly of parliamentary democracy, was an importation rather than a part of the traditional system, at least above the village level. The traditional system was authoritarian. Native authoritarianism was strengthened rather than weakened by colonial rule, except as provision began to be made by the Dutch for more general education, by means of which new conceptions of the role and responsibilities to the people of the government were introduced into the country. These conceptions had not, however, been sufficiently widely disseminated by 1945 to change the authoritarian relationship of leaders to people. To this must be added the fact that the Indonesian parties and their leaders, until the Japanese occupation, had always acted mainly in opposition, opposing
what was proposed by the Dutch because they proposed it, regardless of the nature of the proposal. They had never had the opportunity, until almost the end of the war, to oppose responsibly through presentation of courses of action alternative to those of the governing officials. Consequently the force of traditional ways and prior experience tended to take the opposition parties into the channel of negative criticism and to cause the leaders in the government to concern themselves primarily with the maintenance and extension of their own power.

The government of the Republic had the responsibility for maintaining order and reëstablishing the productive life of the country. It had not been successful in extending its authority completely over the entire archipelago as it might have done gradually within the original federal framework which was displaced because of the Dutch influence in organization of state life, especially in the outer islands. There had been

unrest, banditry, lawlessness, and large-scale resistance against the government in many areas of Indonesia. This is a problem with which every government since 1950 has promised to deal drastically, but conditions improve slowly, if at all. There is stealing, murder, the burning of villages. This extraordinary phenomenon is the product of the Japanese invasion and occupation, guerrilla activities against the Dutch, extreme poverty, political discontent, and religious fanaticism. 41

These conditions gave importance to the army and its leadership, and made it a separate factor in the struggle for power. In this respect, as well as in others, Indonesia had to undergo the same experiences as many other countries moving from colonialism through war to independence. Governments on occasion also fell because of military dissatisfaction or dissent of officers adversely affected by governmental decisions. Thus the revolt of 1957–1958 was inspired by one of the “Colonels,” as well as by the anti-Communist Party leaders.

Of even greater importance was the lack of adequately trained personnel, for civil administration as well as in the military. Sound planning was required if order and productivity were to be reëstablished. There were able men in positions of leadership in the government. But the most soundly conceived plans could only yield results if the plans were put into effective operation. In this respect, the conditions of administration of policy rather than the policy itself, to which they might have no alternative to propose, gave a lever for the opposition parties to use against the government. This served to determine the outcome of the struggle between parties and between leaders in the parties. The successful execution of both the short-run and the long-run plans of the government depended upon trained and experienced administrators. Dutch colonial policy had not been, until

41 Ibid., p. 49.
shortly before the war, expressly directed toward the development of a
civil service staffed, except in the lower ranges, with Indonesians. There
did, however, exist a body of Dutch-trained administrators. Many of these,
especially the Dutch and the Indo-Europeans, aligned themselves against
the early Republic in the struggle for independence. From the dominant
nationalist point of view this tended to disqualify them for service in the
new state, although The Hague agreements stipulated that they should be
retained for a two-year period. Many of them viewed this term as sort of
a terminal leave and not as an opportunity to establish their loyalty and
competence with a view to future service. This reduced substantially the
number of available officials, experienced from the Dutch period, to carry
out the policies of the Republic. However, there were others who had
gained experience of one sort or another during the Japanese occupation.
The total available, nevertheless, did not meet the need for trained and
experienced civil servants. This forced the use of relatively untrained and
inexperienced people in the public services, with a decline in efficiency of
administration. Those who had even minimum qualifications were indispensible. Because they viewed themselves as indispensable the civil servants
tended to set their own standards of performance. Consequently, after the
stimulus supplied by enthusiasm for the cause of independence began to
diminish, following its attainment, corruption, laziness, and irresponsibility
among public officials posed a serious problem for successive governments.

The effect of lack of experience in government and in governmental
administration was paralleled in the management of the economic life of
the country. Under the Dutch, the Indies government engaged in a wide
range of economic activities. These were taken over by the new govern-
ment. For their management, also, trained personnel was necessary and,
given the nationalist attitude toward the Dutch, lacking. Nevertheless
national recovery was dependent upon their revival. Economic solvency
was also dependent upon important Western-operated industries such as
rubber and petroleum, which accounted in value for over half the total
exports.

Labor troubles, hostility toward foreign capital, large-scale thievery and
brigandage, illegal occupation of concession lands by peasant squatters, heavy
taxes, and exchange restrictions make it difficult for Western enterprises to
carry on profitably. . . . Some of the large Dutch companies are transferring
their operations to other countries, notably Ethiopia. This is a serious matter
for Indonesia, for the Western enterprises are the earners of foreign exchange
and a rich source of public revenue. Until Indonesian capital and enterprise
can fill this role, the economic outlook will remain gloomy and the government’s
fiscal situation precarious. 42

42 Ibid., p. 52.
A HISTORY OF THE FAR EAST

This side of the picture was darkened rather than lightened as the Nationalist governments, enthusiastically supported by their Communist Party ally, sought to divert attention from domestic ills by the further stimulation of anti-Dutch sentiment and by action directed against Dutch enterprise and holdings.

The economic problem was also complicated by the demographic situation presented by the concentration of two-thirds of the population (of an estimated 85 million) on Java, constituting one-eleventh of the land area of the country. The Dutch began to try to find a solution to this problem as early as 1905 by encouraging Javanese to move to the Outer Islands. Resettlement was costly and proceeded slowly. The policy was resumed by the Indonesian government in 1950 when 27 families (45 persons) were removed. The numbers resettled each year increased materially, 7,846 families, including 27,643 persons, being resettled in 1954. Government plans called for resettlement of some 2 million persons during a six-year period at a cost of over 4,000 million rupiahs. At the current rate of population increase in Java, however, resettlement could not do more than keep the state of overpopulation of Java at the level of that time. In any event, resettlement does not get at the roots of the problem, which is one of productivity.

Economic deterioration after independence, coupled with marked lowering of standards both of behavior and of performance in government and administration, stimulated unrest and finally brought the country to large-scale revolt in 1957. These conditions were exploited by the Communists as a means of increasing their political following in the country: To this end they cultivated Sukarno and the Nationalists, supporting them vociferously in more and more extreme courses of action. This association caused the revolt to take on more of the character of an anti-Communist movement than would otherwise have been the case. As a result, as the revolting forces were slowly overcome by military operations, the government gave some indications of an intention to conciliate the forces of opposition by moving away from its overly intimate association with the Indonesian Communist Party.

REFERENCES FOR FURTHER STUDY
