Unequal Engagement: The United States and Decolonisation in Indonesia and Malaya, 1945–1957

Koh Yung Chien Corey
National University of Singapore

Koh Yung Chien Corey is an aspiring music and history double major from Singapore. He has completed two years of mandatory military service in the Air Force in 2023 and will be entering college in the United States in Fall 2023. This paper was written in 2020, his final year of High School, under the guidance of Prof. Albert Lau from the National University of Singapore. This research question was prompted by a desire to find out more about a critical time period in his home region, Southeast Asia. A classical singer, Corey has juggled his twin passions for music and history from a young age and hopes to explore military history and historiography at college while continuing to develop as a musician. Combining his love for music and history, Corey has also published original research into the early history of Western opera in Singapore, an obscure sub-field that he hopes to delve deeper into someday. When not writing or practicing, Corey can be found playing polo or in his studio playing the electric guitar.

Abstract

This essay examines how communism and Cold War considerations affected the response of the United States (U.S.) to decolonisation in Indonesia and Malaya shortly after World War II (WWII). Amidst the zeitgeist of the Cold War and the spate of decolonisation movements at the time, the U.S. took steps to safeguard its interests against the spread of Communism in these newly independent countries. Although Indonesia and Malaya share many cultural and historical similarities, their decolonisation processes were very different. Indonesia received independence eight years before Malaya did, and the extent of U.S. intervention differed, despite both countries experiencing strong communist movements. This essay examines the reasons for the disparity, namely the economic and strategic significance of each country; the character of each country’s communist movements; and the wider geopolitical context; as well as the U.S.’s relationship with the British and Dutch colonists, respectively.
I. Introduction and Background

In the aftermath of WWII, the United States (U.S.) emerged as the foremost economic and political superpower. For a short period, it was the only country which possessed an atomic bomb, while also accounting for just under 25% of world GDP in 1945.1 This gave the U.S. significant military and economic power. Its unprecedented position came under threat from the Soviet Union (U.S.S.R.), which looked to spread its influence over much of the world, especially in Western Europe and decolonising countries. This was to undercut the U.S.’s global position, the spread of democracy, and capitalist ideology, causing the two former allies to clash in the geopolitical and ideological arenas. The U.S. took steps to safeguard its position, leading to the “firm and vigilant containment of Russian expansive tendencies.”2 This necessitated U.S. involvement in foreign countries: for example, through the Marshall Plan in Western Europe and through U.S. involvement in decolonisation in parts of the Third World to prevent newly independent states from turning communist.3

Southeast Asia became a battleground between the U.S. and communism, particularly in Indochina, Malaya, and Indonesia. This essay focuses on the latter two countries. The onset of the Cold War coincided with the decolonisation process in both countries, as the desire for independence had grown substantially during WWII. The Japanese Occupation had stoked existing anti-colonial sentiments in both countries, and various nationalist leaders began agitating for independence soon after the end of the war. Some existing communist groups such as Indonesia’s Partai Kommunist Indonesia (PKI), formed before WWII, grew in size and popularity. The U.S.’s preoccupation with combating communism led it to focus on ensuring that these communist movements would not gain enough support to take control in either country.

In doing so, the U.S. intervened in both countries, albeit to vastly different extents. Despite initially supporting the Dutch in Indonesia, it later advocated for Indonesia’s independence, eventually forcing the Dutch to grant Indonesian independence in 1949 with the threat of withholding Marshall Aid. Conversely, America’s involvement in Malaya centered on discreetly supporting the British.4 It was limited in its assistance for the British by such means as the Colombo Plan as well as the Griffin and Jessup missions. Even at the height of the Malayan Emergency, U.S. involvement was minimal; they contributed military equipment “as a stopgap measure” under the Mutual Defence Assistance Programme, but did little else.5 Instead, they “prefer[red] not to interfere in the affairs of the area.”6

4  Sodhy, “Passage of Empire,” 163.
5  The Malayan Emergency (1948–1960) was an armed conflict between the British colonial forces and local Malayan communist guerillas; Jackson, The Malayan Emergency, 70, 95.
6  “458. Memorandum of a Conversation. . . .”
For this essay, Indonesia and Malaya were chosen for their many similarities. With a majority Malay-Muslim population, they share a common cultural and historical heritage, dating back to the ancient Majapahit and Srivijaya Empires. Both were important producers of natural resources for their colonial metropole and had a significant communist presence. Superficially, one would expect their decolonization processes to be somewhat similar. The paucity of American activity in Malayan decolonization (or indeed, the extent of American involvement in Indonesian decolonization), therefore, seems strange. Furthermore, Indonesia received independence in 1949, eight years before Malaya did. Few studies have examined both decolonisation processes concurrently. Most provide broad examinations of Southeast Asia’s diplomatic history and decolonisation. There has been extensive scholarship on American involvement in Indonesian decolonisation, given their key role in the process, but there has been less scholarship on U.S. involvement in Malaya. This essay seeks to compare and explain this disparity, exploring various reasons why the U.S., a country intent on preventing the spread of communism, remained by the sidelines in Malaya despite the raging Malayan Emergency, but intervened decisively in Indonesia.

II. Economic and Strategic Significance

While neither country was an indispensable source of resources to the U.S. in the postwar period, Indonesia’s oil production in a strategic location made it significantly more valuable than Malaya. Even before WWII, the U.S. held strong interests in Indonesia’s oil industry, centered around Palembang, as the Dutch government worked to attract U.S. companies to its oil fields. Chevron (then the Standard Oil Company of California) began the exploration for oil in Indonesia in 1924 and drilled wells in Minas and Duri in the 1940s. Exxon began exploration in 1912. At the time of writing (2020), both companies still have assets in Indonesia, demonstrating the longevity of U.S. economic interests in Indonesia. The U.S. wanted to safeguard these sizable assets after WWII, even against the Dutch. According to U.S. communications in the months leading up to the first Dutch Police Action, where it became increasingly clear that the Dutch wanted to resort to violence to suppress the nationalist movement, one of the key reasons for U.S. opposition to Dutch aggression was the disruption to U.S. oil fields in Palembang. This would have adversely impacted Indonesian

---

7 “Prehistory and the Rise of Indianized States.”
8 A non-exhaustive list of sources used in this paper can be found in the bibliography, along with a short explanation of sources used.
9 Foster, Projections of Power, 62.
10 Chevron Indonesia, “About Chevron in Indonesia”; the Duri and Minas oil fields were (and are) two of the world’s largest oil fields, and the U.S. would be inclined to keep them under its control.
11 ExxonMobil Indonesia, “Our History in Indonesia.”
12 The First Dutch Police Action was a military campaign undertaken by the Dutch government against the Indonesian Nationalist Guerillas. It lasted from July 20 to the formal abandonment of the campaign on August 5, 1947, though pockets of fighting continued through 1947 and 1948. The inconclusive nature of the conflict contributed to the undertaking of the Second Police Action in December 1948. See: Groen, “Dutch Armed Forces And The Decolonization Of Indonesia,” 81–87.
and American economic interests, which were “vital for necessities of life to the community in this country (Indonesia).” U.S. Ambassador Herman Baruch “made the suggestion that possibly the appearance of an American warship . . . [and] the friendly display of our flag in the vicinity might have a salutary effect,” on the eve of the Dutch offensive. Baruch’s assessment was supported by a ‘Mr. Vincent’, who “thought it might be advisable to consider having one of our vessels . . . proceed to Palembang where U.S. oil interests are centered.” The fact that a show of force against the Dutch was even considered—potentially jeopardizing U.S.-Dutch relations—demonstrates the importance of these oil fields to the U.S. Ultimately, “a politically and economically stable Indonesia would be valuable to the U.S. in order [that] an important source of strategic raw materials may be made available to this country [Indonesia].” This also highlights another dimension of Indonesia’s significance because its oil resources were situated near the British naval base of Singapore, a critical asset to U.S. naval strategy in 1949. Oil was a key commodity for twentieth-century navies, and Indonesia was a strategically located source of oil that would help the U.S., as an aspiring Pacific power, to project power over the Pacific.

With Malaya, the U.S. relied on it for its rubber and tin supplies before and during WWII. Mildred Reimer claims that, until 1942, “British Malaya furnished the United States with 55 percent of its crude rubber.” Over the course of WWII, Malayan rubber production became less crucial to the U.S. as expanding rubber production in countries like Nigeria, the Gold Coast, and French West Africa, coupled with the rapid development of American synthetic rubber production during WWII, helped America wean off (though not become completely independent) of Malayan rubber. Writing for the Southern Economic Journal in 1947, Paul Wendt, a Professor of Business Administration at the University of California, claims that “Adequate supplies of synthetic rubber [were] assured by mid-1943,” as the U.S. imported 1,029.0 thousand long tons of natural rubber in 1941, but only 59.9 thousand in 1943. Correspondingly, 13 Foote, “The Consul General at Batavia,” Document 778, 975. It should be noted that this assessment was made by the “Deputy Prime Minister and Vice Minister [of] Foreign Affairs of Indonesia.” 14 Armour, “Memorandum of Telephone Conversation,” Document 784, 981. 15 Armour, “Memorandum,” 981; The source does not state the full name of “Mr. Vincent,” though it can be inferred from context that he was a high-ranking U.S. official in Indonesia. 16 Maddocks to Wedemeyer, 1948, Planning and Operations Division Files, Modern Military Branch, National Archives, P&O 091, cited in McMahon, The Cold War, 262. 17 Given that plans for the British withdrawal from the base were not made until the mid-1960s, the base would have been included in any U.S. strategic planning at the time. 18 Gompert, Sea Power and American Interests, 21–68. 19 Reimer, “Rubber and the War,” 14–18; The American Chemical Society claimed that the Japanese campaign in Southeast Asia cut off 90 percent of the U.S.’s rubber supply. See American Chemical Society, “United States Synthetic Rubber Program, 1939–1945.” Not much information is available about the author Mildred Reimer. However, this article was published in Manuscripts, an undergraduate publication from Butler University. It can thus be inferred that Reimer was an undergraduate student at Butler in 1942. 20 Bauer, “Malayan Rubber Policy,” 99. 21 Note that Wendt’s statistics are presented in both metric long tons and imperial short tons. The American Chemical Society presents its statistics in short tons as well. The statistics have been quoted as presented, and one long ton is equivalent to 1.12 short tons; Wendt, “The Control of Rubber in World War II,” 208.
its capacity for synthetic rubber production increased from 15,000 to 748,500 thousand short tons in the same time period, and 622,500 thousand short tons at the end of the war.\textsuperscript{22} The American Chemical Society puts total U.S. post-war production of synthetic rubber at 920,000 tons per year, far outstripping the pre-war consumption rate of 600,000 tons.\textsuperscript{23} Similarly, Malayan tin, despite remaining the U.S.’s primary source of tin, faced “increasing competition from other areas of production and from technological developments.”\textsuperscript{24} Thus, the U.S.-Malayan relationship declined in importance after WWII. Access to Malayan resources was deemed “desirable but not essential.”\textsuperscript{25}

Unlike in Indonesia’s oil industry, the U.S. did not retain a significant stake in Malayan rubber production post-WWII. U.S. Rubber sold all 31,000 acres of its Malayan rubber estates in the 1950s, though it continued to purchase Malayan rubber through the Singapore Rubber Exchange throughout the Malayan Emergency.\textsuperscript{26} Furthermore, the smooth “Malayanisation” of the tin and rubber industries in the 1950s brought about minimal disruptions to overall rubber production in Malaya.\textsuperscript{27} British economist Peter Bauer predicted that decolonisation would not disrupt Malayan rubber production as “Experience in other British colonies suggests that even far-reaching constitutional and political changes do not bring about corresponding changes in policies.”\textsuperscript{28} Thus, decolonisation did not even threaten the minimal interests that the U.S. retained in Malaya.

Geostrategically, Indonesia was also more important than Malaya. According to Evan A. Laksmana, a political scientist researching regional security in the Indo-Pacific:

Indonesia hosts four of the world’s seven major maritime choke points while sitting between the Pacific and Indian Oceans and between the Asian and Australian continents. As such, major powers have historically been drawn to and have taken considerable interest in the development of Indonesia as it could tip the regional balance of power.\textsuperscript{29}

An Australia, New Zealand, United States Security Treaty (ANZUS) meeting

\textsuperscript{22} Wendt, “The Control of Rubber in World War II,” 211.
\textsuperscript{23} American Chemical Society, “United States Synthetic Rubber Program, 1939–1945.”
\textsuperscript{24} Sodhy, “Passage of Empire,” 331.
\textsuperscript{25} Central Intelligence Agency, \textit{ORE} 29–50.
\textsuperscript{26} Tucker, \textit{Insatiable Appetite}, 268; while Tucker claims that “US Rubber sold all of its holdings” in Malaya in the 1950s, he adds that “[b]y 1973, the only remaining American holding was Uniroyal Malaysia Plantations.” Yacob states that “the United States Rubber Company formerly changed its name to Uniroyal Inc in 1967 … and there followed a name change in Malaysia from Malayan American Plantation Sdn Bhd to Uniroyal Malaysia Plantations Sdn Bhd in 1968,” suggesting that U.S. Rubber did not sell all its holdings as it became known as ‘Uniroyal,’ as mentioned in Tucker’s latter claim, and refuting the former claim. Nonetheless, we can conclude that American interests in Malayan rubber had diminished significantly. See Yacob, \textit{The United States and the Malaysian Economy}, 159.
\textsuperscript{27} Shennan, \textit{Out in the Midday Sun}, 347.
\textsuperscript{28} Bauer, “Malayan Rubber Policy,” 97.
\textsuperscript{29} Laksmana, “The Enduring Strategic Trinity, 97.
report from September 22 to 25, 1952, supports this assessment: “In enemy hands, these territories would provide bases for attacks to be developed against the mainland of Australia . . . [Their] geographical relation to the various sea routes in the area would make their potential base facilities valuable for the control of sea communications.” This was further reflected in a 1950 CIA report which stated that “Indonesia [is an] important element in the . . . outer perimeter of U.S. defenses in the Pacific and controls access from mainland Asia to the Australia-New Zealand area.” The U.S. recognized Indonesia’s importance to the security of the region and its ability to project power over the Pacific. Wielding influence over Indonesia was in America’s strategic interest, which entailed supporting the side that could maintain stability in the region.

Malaya, however, did not have the same strategic value as Indonesia. A 1950 CIA report stated that the greater consequence of losing Malaya was the “increased infiltration of Communists from Malaya to Indonesia.” A separate report that year ranked Malaya as the lowest priority (fifth) for the provision of military aid, below Indonesia (fourth) and Indochina (first). Furthermore, historian Pamela Sodhy, studying U.S.-Southeast Asian relations, points out that “Implied or explicit references to IndoChina . . . occur as a constant theme in the United States relations with Malaya.” Despite Malaya’s being in close proximity to the Straits of Malacca, a busy and narrow waterway vital to trade, which directly connects the Indian Ocean with the South China Sea, U.S. interests in Malaya were placed below and constantly framed in terms of its consequences to Indonesia and Indochina. Thus, at both a strategic and economic level, Indonesia was consistently more important to the U.S. than Malaya. However, these broad strategic concerns do not sufficiently account for the broader political context of the Cold War and American anti-communist sentiments. Examining the different natures of the communist movements in both countries would further explain the different extents of American intervention.

III. The Communist Threat

Despite a significant communist threat in both countries, the U.S. perceived the threat in Indonesia to be far greater than the threat in Malaya. This can be explained partly by its fundamentally different levels of interest; a communist takeover in Indonesia would arguably be more detrimental to the U.S.
than a takeover in Malaya for reasons previously outlined. Yet, the likelihood of this occurring in Indonesia was more acute than it was in Malaya because Indonesian communism was more evenly spread across communities than in Malaya, where it was largely confined to the Chinese population.

The largest influence over Malayan communism came from the Chinese Communist Party (CCP). Born from its Nanyang branch, the Malayan Communist Party’s (MCP) ideals were inextricably tied to Chinese nationalism and received strong support from the CCP in its nascent years.\(^{37}\) Communism became popular almost exclusively among the Chinese community, and it was only in 1928 that the MCP (then the Nanyang Communist Party) recognized the need to start a “national movement” in Malaya by attracting the Indian and Malay communities.\(^{38}\) This was to no avail. Anna Belogurova, researching the Chinese communist movement in Chinese overseas communities, cites a report of the Third Representative Conference of Nanyang (1930), stating that of the 1,130 party members, only five were Malay and one was Indian.\(^{39}\) The lack of racial diversity was put down to the “condescending attitudes” of MCP members towards other races. MCP leader Chin Peng corroborated the importance of the Malay and Indian communities, attributing the communist defeat to the failure to garner enough support from them.\(^{40}\) The historical polarization of race relations in Malaya, coupled with communism’s associations with the Chinese community, increasingly alienated the Malay and Indian communities from the communist movement, maintaining its unique monoethnic character within the minority Chinese population in Malaya. Additionally, historian Ngoi Guat Peng suggests that the special treatment that the British accorded the Malays in colonial times made them “immune to the influence of radical revolutionary thought.”\(^{41}\) Belogurova concurs, suggesting that the British “recruited Malays into lower administrative ranks, protected Malay land rights, and preserved Malay peasant customs.” In contrast, the Chinese were “denied their political rights as ‘aliens.’”\(^{42}\) The variable treatment of each group polarized the appeal of communism and enforced a racial divide, exemplified by multiple instances of inter-ethnic violence during the Japanese Occupation.\(^{43}\) Consequently, the

---

\(^{37}\) Some Malay communists, notably Abdullah C. D., had gained prominence by 1938. He cited his close relationship with Indonesian communists as one of the reasons for his communist leanings, uncommon among the Malay population. However, the Malay MCP was largely unable to gain significant traction in Malaya and the MCP remained largely uninfluenced by the Chinese community. For more on the Malay MCP, see Guat Peng Ngoi, “The Historical Discourse on the Malay Communists and its Limitation,” Inter-Asia Cultural Studies 16, no. 1 (2015): 74.

\(^{38}\) Belogurova, The Nanyang Revolution, 57.

\(^{39}\) Belogurova also states that of six Malays arrested for association with the Chinese communists on April 1, 1930, five were from Indonesia, and it is likely that the sixth man was, too. Thus, even the minimal Malay presence in the communist movement can be attributed in part to foreign infiltration. She further cites other reports on MCP membership with similarly low figures for non-Chinese membership, demonstrating that non-Chinese membership of the MCP remained consistently low. See Belogurova, The Nanyang Revolution, 63–68

\(^{40}\) Ngoi, “The Historical Discourse on the Malay Communists,” 74.

\(^{41}\) Liew Chen Chuan [劉鑒詮], Still the Evergreen Mountain: CPM’s Journey [青山不老— 馬共的歷程] (Hong Kong: Ming Pao [明報], 2004), cited in Ngoi, “The Historical Discourse on the Malay Communists,” 74.

\(^{42}\) Belogurova, The Nanyang Revolution, 48.

\(^{43}\) Cheah, Red Star Over Malaya, 40, 45, 134.
Chinese community was less content and gravitated toward communism. The U.S. Vice-Consul in Singapore, Robert J. Jantzen, summed it up in a 1948 report: communism could not take hold among the Malay community due to “the ingrained Malay hostility toward and suspicion of the Chinese, who have achieved a superior position in the country's economy.”[^44] The Malayan political scene further insulated the Malay community, as prominent Malay politicians such as Tunku Abdul Rahman and Dato Onn bin Jaafar were staunch anti-communists.[^45] Additionally, as the “titular founts of the temporal and spiritual authority in their respective territories,” the respect and prestige that Malayan constitutional monarchs commanded among the Malay community made the anti-monarchical ideals of communism even more unpalatable.[^46]

While Malayan communism was historically associated with a particular minority community, this was not the case in Indonesia. From the beginning, the communist movement took hold in its Muslim-majority population, across religious and ethnic lines. The Partai Kommunist Indonesia (PKI) emerged from radical factions within the Sareket Islam (SI), an Islamic organization. Dutch communists such as Henk Sneevliet chose to infiltrate the SI not for ideological reasons, but for practical ones: the SI was the largest mass movement in Indonesia at the time, and radicalizing its existing support base was part of The Communist International (Comintern) “bloc within” strategy.[^47] Though nominally an Islamic organization, its “hazy political orientation” made it vulnerable to exploitation by the communists.[^48] From this diverse but unfocused base, the Indonesian communist movement became more widespread and permeated a society united by their “growing anti-government feeling,” providing an outlet for burgeoning anti-colonial sentiments.[^49] Indonesia did not have the same racial fissures as Malaya that caused communism to become rooted in a segment of the Malayan population, slowing its spread.

In comparing both predominantly Muslim countries, it is apparent that Islam hindered the spread of communism in Malaya but not in Indonesia. Ruth McVey, a historian specializing in Indonesia and Southeast Asia, highlights the popularity of Islamic communist groups who “explained the Koran along Islamic Communist lines” in Java and Sumatra. “Islamic Communism” gained traction in Indonesia, especially among the “modernist” younger generation, attracted by its voracious anti-colonial message.[^50] However, the Muslim community in Malaysia “regarded the atheistic materialism of Marx and Engels as a complete anathema and rejected it out of hand as an undisguised attack on their religion.”[^51]

[^47]: This entailed infiltrating existing mass movements in a country and turning them to communism from within, rather than starting afresh; See McVey, The Rise of Indonesian Communism, 22.
[^50]: McVey, The Rise of Indonesian Communism, 176.
Ngoi suggests that the few Malays who adopted communist ideology did so as a “strategic move,” with communism being a means to independence rather than an ideological conviction. Indonesian communists were not alone in reconciling Islam and communism. Pakistani Islamic scholar Dr. Khalif Abdul Hakim reconciled parts of communism and Islam at an intellectual level, expounding a vision of “Islamic Socialism.” This, along with Islamic Communism’s prominence in Indonesia, would suggest that Islam’s compatibility with communism was up to theological interpretation, though Ngoi also suggests that the British colonial government intentionally played up these differences to prevent the rise of communism in Malaya, “emphasiz[ing] an identity based on religion and fermented narratives about how the communist thought was incompatible with religion.”

The U.S. was aware of the divided nature of Malayan communism, stating that “The key [to holding off communism] is the Chinese population.” A 1952 memorandum on communist aggression in Southeast Asia recognized the associations of communism with the Chinese community, stating that a key facet of U.S. strategy in Southeast Asia in the 1950s was to “encourage the overseas Chinese communities in Southeast Asia to organize and activate anti-communist groups and activities within their own communities.” The Malay community’s insularity from communism served as an effective roadblock to communist domination, given that they were the largest ethnic group (49 percent in 1957, as compared to the Chinese with 38 percent and Indians with 11 percent). Despite making up just under half of Malaya’s population, they were sizable enough to ensure that, along with prominently anti-communist Malay politicians, it was less likely that communism would have been able to take over Malaya. Thus, the Malay community’s rejection of communism at the ethnic, religious, political, and even cultural levels provided layers of security against communist domination of Malaya. The “real and immediate” threat in Indonesia naturally prompted a greater degree of U.S. involvement in Indonesia than Malaya.

IV. The Wider Context

Thus far, economic, strategic, and political reasons have been discussed. A discussion of the wider context surrounding each decolonization event, which pushed the U.S. towards different courses of action, would further illuminate reasons for the different extents of U.S. intervention in Indonesia and Malaya.

52 Hakim acknowledges similarities between Islam and communism on sociopolitical and economic issues. However, he notes the fundamental irreconcilability of Islam’s theistic nature with communism’s atheistic nature; Khalifa Abdul Hakim, *Islam and Communism*.
54 Young, “Memorandum from the Director of the Office of Philippine and Southeast Asian Affairs,” Document 454.
55 The focus on the communist threat to Singapore in particular was due to its Chinese-majority population making it more vulnerable to communism than was Peninsular Malaya; these reports were published as a contiguous volume, found at “Statement of policy on United States objectives and courses of action,” 108.
57 Foote, “The Consul General at Batavia (Foote) to the Secretary of State,” Document 731.
Public and international perception of the conflict in Indonesia and Malaya were very different, augmenting the U.S. decision to support the Indonesian Nationalists and intervene in Indonesia. Pro-Indonesian independence protests had erupted after the First Police Action in 1947. By 1948, opposition from various groups across the U.S. had become “aggressive and intense.” The New York Times wrote that U.S. aid had enabled the Netherlands to “send supplies and equipment to Indonesia that otherwise might have been impossible,” implying that U.S. aid to the Dutch was being funneled into a colonial war, contradicting America’s anti-imperialist public image. Shifting public opinion would have, at least, made it unfashionable for the U.S. to continue supporting the Dutch. International pressure was also mounting; the United Nations Security Council had passed six separate resolutions on Indonesia in 1947 and the same number in 1948. This placed the Dutch under intense diplomatic pressure for refusing to abide by them. Considering its prominent international standing, America could ill afford to be perceived to endorse the actions of a recalcitrant nation through its silence on the matter.

Conversely, the Malayan Emergency gained far less international attention and involvement. Fought between British and Commonwealth forces and Malayan communist guerillas, international involvement was largely limited to support from the CCP and, to a lesser extent, Comintern. Unlike with Indonesia, the UN stayed silent on the matter as it was not raised by any other country. It was, perhaps, shielded from public scrutiny by the instability of its time; the peak of the emergency coincided with the Korean War and the death of Stalin. More importantly, it was publicly perceived as an anti-communist conflict—an “anti-red emergency” against “terrorists,” according to the New York Times. This painted the conflict in a more favorable light: a campaign against communists was more palatable to the Wilsonian ideals of the American people than a colonial war seeking to restore an archaic order. Without public and international support, there was no pressure on the U.S. to intervene. While it would be remiss to overstate the influence of public and international pressure on American decision-making, this certainly helped calibrate the American response to Indonesia.

58 Gouda and Zaalberg, American Visions, 154.
60 The New York Times, “U.S. Will Demand Dutch End Attack”; Gouda offers the explanation that the “tradition” of American anti-imperialism and support for the Wilsonian right to self-determination sparked these protests. See Gouda and Zaalberg, American Visions, 154.
62 While Sodhy cites McLane in claiming that “Russia supplied the ideology and China the model,” McLane also claims that “there is more reason to think Soviet observers ignorant and indifferent than wise and devisive where Southeast Asia was concerned.” The extent of direct Soviet links to Malaya, according to Quested, was limited to the presence of a Soviet trade commissioner in Singapore in 1947. Even then, this role was largely administrative, with organizational and regulatory functions. Thus, Soviet activity in Malaya was minimal. See McLane, Soviet Strategies in Southeast Asia, 247, cited in Sodhy, “Passage of Empire,” 298; Quested, “Russian Interest in Southeast Asia,” 58.
V. The Relationship with the Colonial Powers

While the reasons discussed thus far explain why the U.S. would intervene in Indonesia but not Malaya, another crucial factor worth discussing is the relationship between the U.S. and each of the colonial metropoles. Intervention in either country would have invariably impinged upon the U.S. relationship with the Dutch and British, respectively, limiting the degree of intervention that was practical and realistic. Thus, the crux of the difference was that the importance of intervention in either country (for reasons previously discussed) would have to be seen against the context of the U.S. relationship with its colonial metropole.

In examining the U.S.-Dutch relationship, there is an additional dimension to consider, as Indonesia remaining under Dutch control would help U.S. interests in Europe by boosting the Dutch economy, making the Netherlands less vulnerable to communism. Indonesia had become extremely important to the Dutch economy, with a total colonial surplus of 14,556 million guilders, exporting 1,586 million guilders worth of products, the largest being petroleum and rubber, in 1939 alone. Indonesia was crucial to the Dutch economy leading up to WWII, especially in providing important natural resources. Thus, it would be reasonable to assume that Indonesia would have a similarly crucial role in the post-war Dutch economy as it did pre-1939. Dutch reluctance to grant Indonesia independence was partly motivated by this. American historian Robert McMahon concurs that “[Indonesia] would contribute to the economic health of the Netherlands, which in turn would contribute to the economic health of Western Europe.” Accordingly, U.S. interests in Europe justified their initial support for the Dutch colonists in Indonesia. However, Dutch mismanagement in Indonesia endangered U.S. interests there. Dutch military action threatened to destabilize Indonesia and destroy infrastructure in a region with which friendly relations would “best serve American economic and strategic needs in Southeast Asia.” U.S. Secretary of State Dean Rusk went further to state that “Dutch action [in] Indonesia appears to us as direct encouragement to [the] spread of Communism in Southern Asia and as a serious blow to the prospect of development [of] self-[government] in that area under moderate national elements.” Rusk argued that Dutch mismanagement threatened to subvert the anti-communist movement in the region by inadvertently uniting the nationalist and communist movements against the Dutch in the event of a protracted conflict. The “moderate” nationalist movement appeared better suited to handle the situation. McMahon cites a CIA

64 Gordon, “How Big was Indonesia’s ‘Real’ Colonial Surplus,” 509; Maddison, “Dutch Income in and from Indonesia,” 645–70.
65 While post-war statistics were not available, this claim would be reasonable given the importance of Indonesia to the Dutch before WWII. See Homan, “The Netherlands,” 124.
67 McMahon, Colonialism and Cold War, 311.
68 McMahon, Colonialism and Cold War, 262.
69 Rusk, “The Acting Secretary of State,” Document 452; Rusk was not alone in holding this opinion, as McMahon corroborates Rusk’s message with reports from the Army Intelligence Division. However, these sources are not accessible at this moment.
report prepared for President Truman on January 19, 1949: (as a result of the Dutch Police Action) “U.S. Security interests in Europe and the Far East are in danger of appearing as mutually exclusive.” Removing the Dutch from Indonesia would benefit American interests in Indonesia but weaken the Dutch economy, making the Netherlands more vulnerable to communism.

However, these concerns were perhaps overblown. The likelihood of a communist takeover in the Netherlands was slim, as Dutch post-war governments were “relatively stable.” The Communist Party of the Netherlands (CPN) did not enjoy widespread support, only gaining seven percent of the popular vote (eight seats) in the 1948 election. Thus, the risk of American interests in Europe and Indonesia becoming mutually exclusive was not as great as initially claimed—the Netherlands was less vulnerable to communism than previously thought. Cognizant of the result, the U.S. was perhaps more willing to risk U.S.-Dutch relations to maintain stability in Indonesia because Indonesia appeared more vulnerable at the time. Furthermore, the Indonesian Nationalists explicitly presented a way for the U.S. to safeguard its interests in Indonesia, and U.S. support for them was made explicit in a telegram on December 31, 1948: they were the “only government in the Far East to have met and crushed an all-out Communist offensive,” referring to the Madiun Affair, in which PKI cadres seized control of Madiun. Nationalist forces led by Sukarno and Hatta violently defeated them. Frances Gouda, a Dutch historian who had researched Indonesia extensively, observed that the uprising was a test for the nationalists to prove their anti-communist credentials and gain the trust of the U.S., one which they “passed with flying colors.”

Moreover, Dutch support for the Marshall Plan in Europe, while important, was not absolutely crucial, unlike support from the British, as the Netherlands was a relatively smaller player in European geopolitics at the time. Conversely, the “special” Anglo-American relationship was a key cog in the recovery of Western Europe, opposing communism, and in establishing the new, post-war world order. Historian Rebekah Brown suggests that this relationship was particularly close, since beyond the West’s anti-communist aspirations, the “specific goal shared by the Anglo-American alliance was to project freedom and democracy through constitutional forms.” The close relationship spurred the U.S. to acknowledge British primacy in Malaya; Sodhy cites a 1951 Conference Report in saying that “the security of Malaya is the sole responsibility of the

70 Ibid, 275.
71 McMahon, Colonialism and Cold War, 315.
72 Election Resources on the Internet, “July 7, 1948.”
74 Gouda and Zaalberg, American Visions, 280.
75 McMahon, Colonialism and Cold War, 267.
77 Brown, A History; this lends itself to the conclusion that the U.S. approved of the British handling of Malayan independence, given the gradual, democratic process by which the British prepared Malaya for independence. Despite the disagreements that had surfaced in the mid-1950s, both parties consistently agreed on decolonization as a fundamental objective. See Sodhy, “Passage of Empire,” 339, 401.
British and they have control of the internal security situation.”  

This respect for and deference to the British in Malaya were exemplified through the U.S.’ “reluctance to undertake any aid program that might have undercut British influence in Malaya and Singapore” in vetoing the plan to provide monetary aid to Malaya as recommended by the 1950 Griffin Mission.  

Acknowledging British primacy proved crucial in influencing American actions. Despite consistently agreeing on British primacy in Malaya, internal disagreements about British capabilities had surfaced as internal correspondence took on an increasingly critical tenor by the mid-1950s. A 1955 NSC Progress Report on Malaya pointed out that the “British have thus far failed to develop a program adequate to counter Communist subversion.”  

There was a lack of confidence in British management of the spread of communism among the Chinese population. Yet, the same report pessimistically concluded that “U.S. ability to influence events in these areas is . . . severely limited by the primacy of British influence and responsibility.”  

The U.S. recognized that their options in Malaya were limited. The “pessimistic view” that some State Department officials held towards the British ability to ward off the communists persisted until the Anglo-American “Eden talks” on January 31, 1956, reassured most U.S. officials of Britain’s ability to handle the situation, especially as a member of the newly formed Southeast Asian Treaty Organization (SEATO).  

These talks helped realign Anglo-American strategy, and subsequent disagreements appeared confined to the working rather than strategic level. A memorandum of May 23, 1956, contained a “chronological summary of the British resistance . . . to establish arrangements for close working-level consultation,” describing the British as “anything but helpful.”  

At no point did the U.S. impose its will on the British in Malaya as it did in Indonesia; its most intrusive action was to “continue tactfully [its] efforts to convince the British of the wisdom of encouraging local government leaders to take courses of action which appear to the U.S. to be necessary.”  

Despite their disagreements, the U.S. remained deferential to the British and was generally satisfied with the British approach to decolonization, encouraging nationalism as a counterweight to communism, thereby satisfying America’s agendas of containment and self-determination.  

The strength of the Anglo-American relationship and strategic alignment withstood the loss of confidence, where the Anglo-Dutch relationship did not.

81 Sodhy, “Passage of Empire,” 290.  
82 The State Department’s perception differed greatly from the optimistic view of British officials, and the Eden Talks allowed both parties to reconcile their views, which allayed the fears of most State Department officials. SEATO allowed greater Anglo-American cooperation in the region, augmenting British efforts at combating communism. See Sodhy, “Passage of Empire,” 294–296.  
83 Young, “Memorandum from the Director,” Document 459.  
VI. Conclusion

Ultimately, explaining the different extents of U.S. intervention in Indonesia and Malaya is best seen through the following question: do the benefits of intervening in the colony outweigh the risk of potentially jeopardizing the relationship with the metropole? In other words, are U.S. interests in the colony stronger than the relationship with the metropole? This is the most distinct difference between Indonesia and Malaya, and the most decisive factor in explaining the difference in U.S. intervention. Between Indonesia and the Netherlands, Indonesia was more important. But between Malaya and Britain, it was the latter. The U.S. would not risk overstepping and jeopardizing their relationship with the British as they did with the Dutch. Strategically and economically, U.S. interests were stronger in Indonesia. Indonesia was also more vulnerable to communism, without the Malay-Muslim bulwark that was present in Malaya. The Dutch, in struggling to deal with the communists, threatened U.S. geopolitical interests; they were not protected from U.S. coercion by strong bilateral relations. British struggles with communism in Malaya posed a comparatively minor threat to the U.S. at the economic, strategic, and political levels, and the two countries enjoyed strong bilateral relations due to mutual respect and the importance of preserving the Anglo-American relationship. In practice, respect for the British and the acknowledgement of British primacy in Malaya limited what the U.S. could do. The U.S. willingly took on a secondary role to the British in Malaya but was more direct and forceful with the Dutch. Though the seeds of intervention were already planted, international pressure on the Dutch catalyzed the U.S.’s response to the point that it felt compelled to intervene in Indonesia. As Sukarno put it, the U.S. “hit postwar Holland where she was most . . . . The Hague heard the sound of the American wallet snap shut.”

Bibliography

For Malaya, this essay relied primarily on Pamela Sodhy’s *Passage of Empire*, as it was the only available text that covered U.S.-Malayan relations. For Indonesia, important sources were Robert J. McMahon’s *Colonialism and the Cold War*, Gouda and Zaalberg’s *American Visions of the Netherlands East Indies/Indonesia*, and Ruth T. McVey’s *The Rise of Indonesian Communism*. Access to primary sources was limited to those published online under the *Foreign Relations of the United States* (FRUS) series and the U.S. National Archives Catalog. Other archival materials, including those from other countries, which are not published online were inaccessible.

Books


**Journal Articles**


Primary Sources and Archival Material

Many primary sources did not state an author, or only stated the author’s last name. Sources are cited as comprehensively as possible.


Online and Miscellaneous Sources

These materials are all found online, but do not fall into the categories above. Internet links have been included where appropriate.


