

CONFIDENTIAL.

THE CRISIS IN SINGAPORE - JUNE 1955.

A purely personal visit to a sick friend in Kuala Lumpur turned out to be a big busman's holiday for me in Singapore!

I took things easy in Kuala Lumpur. I, however, met a few people down there among others Menon, Member of the Executive Council, Ramani, well known Lawyer and Kocher, the American Consul General. Menon and Ramani are the prominent members of the Nagara Party, and Menon told me that Ramani was the brains of the party. Ramani is an Indian National, who went to Singapore about 1930. He was in India two years back; he is known to Nehru and met him in Singapore last December.

As regards the internal situation, Menon showed me a chart of the surrenders of the Communists from the Jungle. Whenever the international situation in South East Asia was critical - as in June 1954 when Indo China was about to give way just before the Geneva Conference - the Communists became more violent in Malaya and carried on their propaganda more intensively. In the month of June 1954 there was not a single surrender from the Jungle. Since Geneva, the surrenders are again on the rise and on an average 30-35 Communists surrendered every month during the last 12 months. The internal situation in Malaya, therefore, depends to a certain extent on the external, international situation.

Being nomination week, the Nagara Party as well as the U.N.N.O. - M.C.A. - M.I.C. (Malayan Indian Congress) Alliance were



any further comment and the British Government will have to think quickly and act quickly to amend the half-hearted concession to the beginning of self-government in Malaya.

The ~~xxx~~ smell of colonial rule in Malaya is unhealthy and is demoralising both to the British as well as the people. The misbehaviour in Malaya of the British Government and much more of the British commercial community and British officialdom during the first 45 years of the Twentieth Century is responsible for the loss of respect for them since the end of the war. The British lost all prestige as a result of the Japanese occupation of March 1952 and they can never catch up on it.

For the spread of Communism, bitterness and ~~xxx~~ ultra-nationalistic feeling and revolt in South East Asia and the Far East, the Dutch, the French and to some extent the British must take the blame. Fortunately, thanks to his statesmanship and quick action when Prime Minister, Attlee saved the situation in India and there was a belated awakening of the British conscience in Malaya and Singapore after 1948. It is not necessary to go into any details of what the British did and did not do prior to the war and during the war. It is a sad, sad story. British racial snobbery and arrogance created an impossible situation of racial hatred between coloured and the whites and, I am sorry, to say that whilst the British Government's intentions during ~~th~~ Attlee's regime as Prime Minister, were sincere in transferring power to the people and putting an end to racial snobbery, some kind of stupid arrogance and snobbery, I was told, still prevailed in Malaya and in Singapore. The British can remain in Malaya and Singapore in the same friendly way as



P.A.P. - People's Action Party - whose frontage is non-Communist, but which is directly influenced, guided and financed by the Communists. My observation shows that there was no doubt about the Communists running the P.A.P. The May Riots were started through the Chinese students strike and Marshall and ex-Governor Nicol intended to take strong measures, but they were stopped from taking action by the Coalition Ministry and the Joint Committee. At one stage the riots went absolutely out of hand and it was considered necessary for Nicol to order shooting to prevent the situation from getting worse, but Marshall told Nicol that he was opposed to shooting and would give expression to this opinion in public and, therefore, Nicol had to hold his hand back.

It is necessary to explain that whilst under the Rendel Constitution some kind of responsibility is given to the Assembly for internal self rule, military and defence continue to be in charge of the British. The Home Minister that is the Minister responsible for internal affairs, Marshall explained to me, was the British Chief Secretary and all power really was in the hands of the British. This divided responsibility was, I found, much worse than the dyarchy in India.

Singapore has a population of 12 lakhs, out of which 8,90,000 are Chinese, 1,43,000 are Malayans, 91,000 are Indians and Pakistanis, 17,000 are Europeans, 11,000 Eurasians and 11,000 are miscellaneous. Whilst in India there are 3 million industrial workers in a population of 400 million, in Singapore's population of 12 lakhs, 1,50,000 are industrial workers. The Chinese preponderating in numbers have great influence in industries, business and politics. They are hard working people, intelligent and very rich and all this has a bearing on the



political situation in Singapore. So long as China was having internal and external wars between 1911 and 1951, the Chinese in Singapore were not particularly dangerous and the British stupidly went out of their way to make friends with the Singapore Chinese at the expense of the Singaporeans and Malaysians. However, grants in aid were given to the Malayan schools and colleges but not a single cent was given to the Chinese educational institutions. The Chinese did not care because they were a rich community and they ran their own schools and colleges and other educational institutions without any outside financial support and, therefore, without any control of the British Government. This gave the Chinese full scope to develop their "Chinese Culture". Suddenly the British found that complete divorce between them and the Chinese educational institutions was creating an unhealthy situation and they offered last year millions of dollars for the Chinese University, which also meant control. The Chinese thought there was some snag in this belated generosity on the part of the British and they promptly rejected the British offer.

Coming back to the May Riots, the Government showed great weakness and the first round was won by the Communists. The Emergency Powers were, however, retained.

Their success in the first round encouraged the Communists to go ahead with their programme of sabotage and disruption, and early in June industrial strikes became prevalent. The Harbour Strike and the Bus Strike were principle among these. Strikes were also organised in foreign concerns like Firestones and suddenly the P.A.P., which protested that it was not Communist ordered a general strike. Fortunately, it did not get the full response they wanted to bring to a standstill the



administration and to create complete havoc and disruption in the City. Only 17,000 workers out of 1,50,000 responded to the strike call. The Civil Services remained faithful, but all the buses and the trams disappeared from the road. Government promptly organized their own bus services and children were taken to and from the schools and white collared middle-class clerks and others were also given free lifts in the Government organized bus services. The taxies plying in Singapore went out of action, not because the taxi drivers joined the strike, but because of violence and intimidation to them. During the fortnight that I was there, 35 private cars and taxies were completely destroyed and the culprits were not caught. The Government kept firm and offered protection to the taxi drivers and within two days taxies were back on the road. The Government took action under the Emergency Powers and took under detention six trade union leaders in the House of one of whom proscribed Communist literature was found. Government later released five detainees, but one was convicted in the Police Court and sentenced to two years rigorous imprisonment. It is important to mention that the Indian community behaved wonderfully well during the crisis of the strike and kept working and did not get mixed up with or influenced by the Communist saboteurs.

This is the background of Singapore when I spent a fortnight there from June 18th to July 3rd. During this fortnight I met Tandon, Commissioner of Government of India, Berry, U.S. Consul General, Malcolm Macdonald, Commissioner General, Chief Minister David Marshall with whom I lunched on Friday, 24th June and again met on 22nd July, Thompson, the P.R.O. in the British Information Service, Anderson?



Political Officer in the U.S. Consulate General, Loke Von Tho, the multi-millionaire Chinese Businessman and Land-Owner, American and British heads of firms like I.C.I., Metal Box and Firestone; also Indian businessmen; Jagannath, President of the Trade Union Congress and other trade union leaders, etc. etc. I gave a talk to the Rotary Club on "Industrial Relations" on 29th June.

I told Malcolm Macdonald that I was confused by the recent happenings in Singapore. Macdonald told me that the Government had lost the first round in May but had won the second round in June. I told him that I was not interested in rounds, what I wanted to know was what would the situation in Singapore be in 3 years time. Macdonald immediately answered; "The situation here is very grave." I asked him if the British had won the battle of the Jungle in Malaya. He replied: "No, we have not won, but for the moment we are on the top." He added that the Communists in the jungle have now realised that they were not effective. They had, therefore, started coming out in the open again into Malaya and infiltrating the schools and the trade unions. How far they would succeed Macdonald could not say; but here too the danger is serious.

I asked Macdonald what he thought of Nehru's foreign policy. He said that Nehru was playing a very dangerous game, but it was necessary. Nehru had created moral sanctions for peace in doing which he was right, but the mistake that Nehru made and what he did not realise was that Nehru's moral sanctions have chance of succeeding only because behind Nehru and Nehru's moral sanctions stands the military strength of the West. China would not worry about Nehru and his moral sanctions if the military strength of the West was not there; and China would res-



pect Nehru's moral sanctions till it suited her to do so.

Macdonald said that the situation in South East Asia was serious and anything was likely to happen. If Malaya, Singapore and Thailand went Communist and fell into the hands of China, the West would be weakened, but not fatally weakened. But if India also went the same way, then the results to the West and the ~~we~~ world be disastrous. The fall of Malaya and Singapore in the hands of the Chinese Communists would be a ~~xxx~~ source of great danger to India.

Macdonald said that the Emergency Powers would be retained though may be in a modified form.

At the lunch, which Marshall gave to me, were also present his Labour Minister (Chinese) formerly a trade union leader and Craig, British Secretary to Marshall. Having known that Marshall had wanted to withdraw the Emergency Powers, I told Marshall of the Detention Act in India. He would not believe it. I suggested that he should get not only a copy of the Act, but also Nehru's and Pant's speeches at the February Session of the Lok Sabha in support of the continuation of the Act till 1957. I told him that this was a legislation passed in the Indian Parliament. Marshall said he would get a cable sent through Tandon to get these immediately. Marshall did not know also of the Industrial Disputes Act of India. So I loaded him with information on industrial labour in India and the manner in which India has successfully tackled the Communist menace of sabotage and disruption. I told him that I found nothing new in the tactics that the Communists had adopted in Singapore, because I had ~~xxx~~ seen them functioning the same way in India, but thanks to the strong Government of India - both at the Centre and in the States - the Communists today were weaker in



India politically and in the industrial field than they ever had been during their existence of the last 30 years or so. Marshall was immensely interested. Marshall said that his colleagues in the ~~Coal~~ Coalition Cabinet were loyal to him but he did not think that the coalition would last long. Marshall told me that the Governor always presided at the cabinet meetings. I advised him that he must hold his cabinet meetings at the time when the Governor has an appointment elsewhere. I asked Marshall and his Secretary whether the British M.C.S. Secretaries could go over the head of the Ministers to the Governor. Marshall said: "Yes, but the Secretary had to take the permission of the Ministers before he could do so".

Marshall was last in Bombay in February to meet his family. When I asked him more questions, he said "You do not realise that I have been Chief Minister only for two months. Prior to that I had never been in politics and I have no experience of politics or of administration. I was just a mere criminal lawyer and all my time and energy were concentrated on my practice. How can you expect me to answer all your complicated questions?"

Marshall wanted all information about what we were doing in India about settlement of disputes, detention without trial, minimum wages, standard of living etc. I told him that during the last 10 years we had built up a big labour literature and it would be helpful to Singapore if labour library was made available to the Government, to the trade unions and to the employers of labour. He asked me for a list of books and he said he would try to get them from India and also would I send him some of these books. I suggested later to Tandon that India House should have a Labour Library. Marshall asked me



to see him again before I left Singapore. Marshall made a good impression on me as to his sincerity of purposes and also capacity but for the moment he was tired, ignorant, worried and confused. It will take him about a year to learn his job.

Marshall said that he was convinced that the Communists were behind all the recent agitation. I asked him if China was directly interfering and goading the Communists on to more mischief. Marshall said: "The Communists in Singapore are on their own making enough disruption and dislocation and China, therefore, pretends to keep aloof, because she wants to keep her reputation with India and other countries."

For the whole fortnight I was in touch with the Americans, the British, the Indians and the Chinese - official and non-official and the most important impression I have formed, is that the situation is very very grave; that there are no prospects of its improving now or in the near future. On the other hand the situation could easily deteriorate and become most critical. It was suggested to me that it would be fatal if a wrong word came from India. But India has an opportunity of making a very healthy contribution in helping Singapore out of its present trouble. There were two alternatives to the Marshall Government - (1) either the British take over full charge which would be fatal, as it would be misunderstood in India and other parts of the world or (2) there would be fresh elections and the Communist P.A.P. would come in with a majority which would be equally fatal. Therefore, the Marshall Government, which is a little to the left of the centre, must be supported and kept going. The Manchester Guardian called Marshall a moderate socialist.

In the talk which I gave in Singapore to the Rotary Club on



the 29th June on "Industrial Relations" I said that in countries of Asia there should not be despondency or complacency and that there was no place for reactionarism or ultra conservatism. To beat the Communists down, the Government, the political parties and the people must be more than progressive and liberal - in other words - the only government which can defeat the Communists, would be a leftist government. When it was further suggested to me that it would be in the interest not only of Singapore but of India that Nehru and his foreign ministry should be fully acquainted with the present serious situation of Singapore, I answered that Malcolm Macdonald would be in India in September and nobody was better fitted to tell the story of Singapore than he. I was told that September was too far off and it may be too late. What was the other alternative? I do not know what kind of reports Tandon sends to New Delhi. But what I saw of Tandon makes me feel confident that he was in a position to know what was happening and that he would report his findings to New Delhi. It occurred to me that if Marshall could meet Nehru in New Delhi more than one purpose would be served - first, Nehru would know all about Singapore and the reason for the crisis there and secondly, Marshall's own morale would improve and his position in Singapore would be strengthened. I, therefore, asked Tandon's Office to fix another appointment for me with Marshall. Marshall invited me to his flat on Saturday, 2nd July evening.

When I got there at the appointed time, I found him in conference with 11 trade union leaders, amongst them were Jagannath, the President of the T.U.C. and a few other Indians. Marshall called me in immediately and introduced me in very flattering terms to the trade union leaders and so for the moment their discussions were interrupted



busy with their party meetings. The elections for 52 seats under the new constitution are coming off on the on the 27th July and the Alliance and the Nagara are the two main parties contesting these elections. The Alliance has put up candidates for each constituency including two Indians from the Malayan Indian Congress and the Nagara has put up only 30 candidates. The first expectations were that the Nagara had no good prospects of getting many members elected. All their 30 candidates are Malays and the party is being accused of being communal minded. Their financial position was not strong but latterly the party has improved its prospects financially as well as in the elections. It is the more moderate of the two parties. The Alliance is financially helped and influenced by the Chinese belonging to M.C.A. Party. The Alliance leader said that the British Government were financing the Nagara Party. I do not think that is true. But it is possible that the British planters were more interested in the success of the Nagara Party than in the Alliance; and, therefore, report said that they were privately contributing to the Nagara Party funds. I was not able to check up this report. Anyway, the prospects are that the Alliance will come in with a majority and form the new Government.

Against 52 elected members, there will be 49 nominations by the British Government, but it has been agreed that these nominations will be based on the recommendations of the majority party elected in the new legislature. The date line of four years is being suggested for the amendment of the constitution, which would among other things do away with the nominated members and the legislative assembly will be fully elected. The evils of dyarchy and divided responsibility and the system of nominated members have been too well known in India to need



they have remained and are welcomed in India.

Anyway there is a serious attempt on the part of the British Government now to put this right with the people of Malaya, whom for 50 years they have done their best to impoverish and to keep ignorant and prevent their being educated. The difficulty, therefore, is that whilst in India the people in India were ready to take over the Administration, there is no such corresponding political consciousness or organization which can help the people of Malaya to take over. But the awakening is coming fast and today Malaya is where India was in the middle Twenties. Malaya and Singapore have no national army and have to depend on the British and the Western Powers (SEATO) to defend themselves against any possible foreign invasion.

Whilst I was in Kuala Lumpur during the first fortnight of June the music started in Singapore. The Coalition Government of Marshall, Chief Minister, was formed in April after the elections. Marshall, a Criminal Lawyer, whose family is in Bombay doing business in oil-seeds, is the leader of the Labour Party. Marshall has no previous experience of politics. The election manifesto of the Party inter alia promised the withdrawal of the Emergency Powers. Marshall belongs to the left of the centre and he is the head of the Coalition Ministry. His Labour Minister is a Chinese from the ~~xxx~~ leftists but non-Communist trade union.

It did not suit the Communists that the leftist Government which was non-communist, should succeed in its Administration and staged a big revolt against the Government. The tactics which the Communists followed in Singapore, were the same as they follow all over the world including India. The agitation was taken up by the



Marshall told me, he had read the Industrial Disputes Act of India and he thought that similar legislation in Singapore would help to ease the labour situation in Singapore. He was referring to the sections dealing with Compulsory Arbitration.

Marshall asked the Trade Union leaders to discuss with me their problems, so that they could get the benefit of my views based on my work and experience. And so the next ten minutes went in my guarded replies to the very close questioning about the labour situation in India. I told them that I did not claim that there was perfect peace in India and that there were no labour problems. We too in India were beset with too many problems pertaining to labour and we were meeting with difficulties from all sides, but we were learning by trial and error and we were able to down the Communists who did not run their trade unions on genuine trade union lines. One or two of them did not like compulsory arbitration. One of them referred to the 1946 Postal S-strike. I found that these leaders were ill-informed about India, also not well equipped with information about the working of trade union movement and their views were half-baked and personal element weighed too much with them. Jagannath who had seen me a few days back, had then confessed to me that the trade union movement in Singapore was weak by way of membership and funds and they had no experience and had no real guidance from more experienced people e.g. from India. He had no conception whatsoever of the recent labour legislation in India nor of labour trends in India. But on that Saturday evening he was holding forth and laying down the law for everything and suggested solutions for ~~xxx~~ all troubles including the Harbour Strike. I found the same conceited and pompous attitude



on the part of the other leaders. Marshall who wanted to talk to me made a dozen attempts from 7-15 onwards to tell his trade union friends ~~that~~ that his conference with them was over and they could go. But the leaders went on talking irrelevantly and it was 7.40 before Marshall could get rid of them all. Then Marshall and I settled down for a talk. His Public Relations Officer sat at a distance. I do not think that he could hear what I was saying, as I was speaking in a low voice. I was with Marshall till 8.35, that is to say, we had a good 45 minutes talk, the two of us.

Marshall gave me a good opening for the talk because he had made pleasant and respectful references to Nehru.

I asked Marshall if he thought that Nehru could help him in Singapore in any way. Marshall said: "I want Nehru to help me. He can be of great help to me". I said that for Nehru to be able to help him, it was essential that Nehru should know the serious situation in Singapore and what were Marshall's ideas to keep Nehru informed. I suggested that Marshall should get a cable sent to Malcolm Macdonald to see Nehru x in London when he was there next week-end. Then I asked Marshall if he would like to go to New Delhi and meet Nehru and was in a position to be able to leave Singapore for a few days. Marshall said: "I cannot thank you enough. You have set in motion a new chain of thoughts in my mind. I would certainly like to go to India as soon as I am invited and acquaint Nehru with the problems of Singapore".

Marshall then told me his tale of woe. I am not putting it in the form of questions and answers. This is what he said. He did not think that the British were in earnest when they talked of transferring power to the people of Singapore. They made the Rendel Consti-



tution as a joke and camouflage with the pretence of transferring power. But the Rendel Constitution proved to be a reality and now there was no going backwards. I do not think Marshall is right or fair in this criticism. Marshall had talked of Malayanisation of the services, but the M.C.S. (Malaya Civil Service) was revolting against it and was threatening resignation. He had asked them to go to hell. The vested interests were not supporting him and would like to get rid of him and had written letters of protest and complaint against him and his government. That was because he was not the final authority as far as the Government was concerned and the vested interests were looking up to the British Government to come to their rescue. Marshall's power as Chief Minister was very restricted and he could not "interfere" in the major problems of Singapore. (This is much worse form of dyarchy than we had in India during the Twenties). Marshall had opposed the stationing of the SEATO Australian troops in Singapore and that is why the troops had now to be stationed in Penang, Malaya. The papers had reported that these Australian troops would be used against the jungle communist terrorists of Malaya, but Australia had opposed this idea on the grounds that Australian troops were meant for external trouble and not for internal troubles. Marshall told me that he could not have direct dealings with the Consulates of foreign governments and he could not have direct contacts either with the American Consul General or the Indian Commissioner. The only contact he had, was when he met the Consul General and the Indian Commissioner at parties and formal functions. I understood from Marshall that he would be willing to make informal closer contacts with the U.S. Consul General and the Indian Commissioner.



I asked Marshall if he expected the P.A.P would stage another demonstration and trouble and if so how soon. Marshall said he expected more serious trouble than he had in June in three months' time. He said it would be three months before the next trouble came, because the P.A.P. were consolidating and organizing their forces. Marshall took a very gloomy view of the situation. I asked Marshall if the British would give up Malaya sometime in the future. He said, Malaya was their bread and butter and the British would not leave it ~~xxxxxx~~ voluntarily and would only do so if forced out.

At the talk on Saturday, 2nd July, I found Marshall more settled down. He told me that he had started work that morning at 8.00 and had meeting after meeting and had no lunch. He added: "I do not mind not eating, but what I mind is that I have no time to sleep even for a few hours and I do not know how long I can go on like this without food and sleep".

Marshall accepted quickly without the slightest hesitation my suggestion about exchange of people from India and Singapore on official level and on trade union level. I said that we in India would be able to look after any trade union delegation which he could send and we could also send trade union friends from India to Singapore. There are several training courses in India organized by the INTUC and employers' organizations and Government for the training of welfare officers, trade union leaders and personnel officers. Marshall said that ~~his~~ his country was rich and that he did not want India to finance such exchange of people. He could defray all such expenses. He asked me if I could come back to Singapore. I said my present visit was a private visit to a sick friend and my work in India would prevent me



from staying for a long time in Singapore and Malaya. Finally, Marshall asked if he could correspond with me and would I keep in touch with him and write to him frequently and help him. I said I would be delighted to do so.

As he came out with me to see me off, he said to me: "I wish my P.R.O. had not been present at this talk between us". He said that the British did not trust him and did not keep him in touch with what was happening outside Singapore and even in Singapore, as they had no confidence in his discretion, and also because they still felt superior and ran the high horse of feeling that they alone were responsible for foreign policy and defence (including military) and Marshall had nothing to do with it! Marshall resented this attitude on the part of the British. I do not blame him at all, but I do not know what the facts are.

One material point which we have to remember about Singapore and Malaya, is that the British have lost all prestige because of the Japanese occupation in March, 1942. Then their behaviour soon after 1946 was not much too good. The British have not recovered from the loss of their prestige and will never recover. They do not command any respect in Singapore and Malaya. Japanese were more cruel and more dictatorial during their years of occupation and, therefore, they were hated more than the British.

My own reaction from my talks with other people in Singapore is that the British non-official world is pessimistic of the future and is thinking in terms of going away to settle down in Nigeria and Borneo.

Nehru is shrewd and his experience of the last 8 years has



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matured him into a ~~man~~ very understanding and knowledgeable statesman. He cannot be taken in by Chinese promises and agreements and Chinese suavity. It will be interesting to watch the working of Nehru's mind after his return to India from his tour of most of the important capitals of Europe. How much Nehru learnt or benefitted by his talks with Tito or with Eden this week-end we don't know. Speaking a few days back after he left Russia, he said that the iron curtain did exist in Russia.

Anyway, the big third world war is not coming. The tensions of the cold war have eased off and are easing off still more and, therefore, there is no likelihood of China jumping in on Malaya and taking it by force. But the process of infiltration, as I saw it, is going on at a fast pace and I do not see how it can be stopped.

I like Tandon very much. I think he is doing a good job. But he is understaffed and the status of mere Commissioner is just not good enough for India in Singapore. His office must be raised to a higher position.

I have been a very strong critic for the last three years of the poor psychological warfare of the U.S. Administration in South East Asia and the Far East. A good many of the troubles of the past 6 or 7 years is a result of U.S. military leaders talking too much out of their turn. But my experience of Singapore has cheered me up and I find that the Americans have fully understood the seriousness of the situation and are going about their work with great intelligence, understanding and wisdom and without making themselves too prominent. There is the fullest cooperation between the British and the Americans.



On Sunday, July 10th, the Indian News papers published a cable from London that both Attlee and Malcolm Macdonald met Nehru at Eden's lunch on the 9th July. That means Malcolm Macdonald x had a good opportunity of talking to Nehru about the crisis in South East Asia.

The impression about Indo China, I got from Singapore, was that if elections are held according to the Geneva Agreement, Indo China would go Communist. I, therefore, enquired if the elections would be put off indefinitely; but no satisfactory answer was given to me. It is also feared that Laos would go Communist if the elections ~~take place~~ take place. Whilst the Communists are giving every possible help to their Communist friends in Laos, I understand that India, whose representative is the Chairman of the Geneva Committee along with Poland are opposing the grant of military aid from America to Laos.

If the situation in Indo-China gets worse then Singapore and Malaya situation will also deteriorate!

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Bombay,  
14-7-1955.