

A.C.(O)(50) 39

15TH AUGUST, 1950

CABINET

OFFICIAL COMMITTEE ON COMMUNISM (OVERSEAS)

THE 'COLD WAR' IN SOUTH EAST ASIA

Note by Overseas Planning Section

The attached letter from Mr. Sterndale Bennett of the Office of the Commissioner General in South East Asia to Mr. Scott, with enclosed memorandum, on possible counter-measures to the Communist threat in South East Asia is circulated herewith for consideration with the memorandum on Anti-Communist Measures in the Far East (A.C.(O)(50) 37) already circulated.

2. It will be seen that it is proposed in future to hold periodical meetings between the Commissioner General, the Governors of the colonial territories involved and the Commanders in Chief in South East Asia to consider 'cold war' planning in the area. The memorandum has been drafted by Mr. Sterndale Bennett for consideration at the first meeting.

3. The paper, which is of a general nature, does not call for detailed comment. It is worth point out, however, that it limits its review of 'cold war' counter-measures to measures calculated to impede the progress of Communism in the area and does not consider what possibilities exist for 'aggressive' measures calculated to loosen the hold of Communism on those areas already in Communist control. The Committee might wish to ask the Commissioner General to secure the views of the meeting of Governors and Commanders in Chief on this aspect of the problem.

4. The paper also omits reference to the problem of China, the overseas Chinese and the impact of both on South East Asia. A paper along these lines was in preparation by Far Eastern and South East Asian Departments but was held up, at Mr. Scott's suggestion, pending the outcome of the Tedder-Bradley talks in Washington. We are informed that a paper is now in preparation by Mr. Denning which covers this question and will be sent to Washington for American comments.

Cabinet Office, S.W.1.

15TH AUGUST, 1950.

Copy of letter to Mr. R.H. Scott, Foreign Office from
Mr. J.C. Sterndale Bennett, Office of the Commissioner-
General for the United Kingdom in South-East Asia, Phoenix Park,
Singapore dated 21st July, 1950.

When you were here recently, you will remember that I told you that the Commanders-in-Chief were pressing for more vigorous 'cold war' counter-measures in this part of the world, and that a recommendation had been submitted by them to the Commissioner-General, as Chairman of the B.D.C.C., that the Joint Planning Staff (Far East), with the addition of a civilian representative or representatives, should be instructed "to review our present methods of planning and conducting the cold war in the Far East". When this was discussed in the B.D.C.C., the Commissioner-General explained why he thought the proposed procedure inappropriate, namely, that the scope of the problem was so wide that what was in fact involved was the application of our whole general policy in this part of the world. He went on to say, however, that he thought that the progress of that policy might, with much advantage, be reviewed from time to time at a high level from the particular point of view of the Communist menace and the best ways of meeting it. He suggested that this stock-taking overhaul might be done at periodical meetings between himself and his Deputies and the three Commanders-in-Chief, at which the High Commissioner for the Federation and the Governors of Singapore, North Borneo, Sarawak and Hong Kong, or their representatives, might also be present. This suggestion was adopted. The Commissioner-General was asked to approach the High Commissioner and the Governors, and, on his suggestion, it was agreed that I should prepare a paper, purely as a basis for discussion, for the first meeting which, if the general situation permits, it is hoped to hold in the fairly near future.

2. It is probable that a brief official report to this effect may be sent home shortly - probably addressed to the Colonial Office rather than the Foreign Office (though in that case with a copy to the Foreign Office) in view of the fact that it may involve visits by Governors to Singapore as and when circumstances permit.

3. Meanwhile, with the Commissioner-General's concurrence, I send you a copy of the paper which, as instructed, I have prepared for the consideration of the first meeting, and which has been circulated to those who have been invited to attend.

4. My paper is, of course, of a purely preliminary nature, with the limited objective of achieving some clear and common understanding regarding the scope of the subject and the field for action. It was, moreover, drafted before it had been possible to estimate the full significance and repercussions of the Korean episode. That episode may mark the beginning of an entirely new phase. Personally, I am still doubtful whether it does. It has, of course, hotted things up and made it necessary to give greater prominence to the purely military menace and greater priority to military measures for meeting it. But it seems to me that though we may be on the verge of a new phase, the fundamental nature of the problem remains for the time being the same, namely, that the Russians are trying to achieve their ends without general war, i.e. a war which would directly involve them; and that, while their tactics may stretch our military resources to the limit and we have to reckon all the time with a potential military danger, we have to meet the menace vigorously in every sphere and not regard it as exclusively, or even primarily, a military problem.

Definition of "Cold War"

It is highly desirable in the first place to agree on what is meant by 'cold war'. The term has the merit of focusing attention on a phenomenon not otherwise easy to define. But it has certain disadvantages:-

(a) It suggests operations of a military character, whereas 'cold war' is only partially military.

(b) It suggests a struggle between two warring adversaries each equally bent on the destruction of the other, and employing more or less identical, and, if necessary, aggressive methods for the purpose. This encourages thoughts of neutrality in the minds of certain nations and particularly those of the new nations of South-East Asia who have lingering suspicions of the old colonial powers and who tend to regard communism as a new force.

(c) It suggests the thought that, at least if not brought in some way to a conclusion, it is necessarily a prelude to 'hot war'; and this, though arguable, is by no means certain.

2. There is doubt in many minds as to whether Communism is the mainspring of the 'cold war' or whether it is merely a weapon and a cloak used by Russia, and now also by China, to pursue a policy of expansion or at least of building up a protective barrier around their own states. Since the interests of Communism and expansionism (whether Russian or Chinese) have so far coincided, it is difficult to be dogmatic on this point. But it would be unwise to assume that the objective is anything less than the establishment of Communism throughout the world and the overthrow of all rival systems.

3. Nevertheless, it is probably best that the term 'cold war' if used at all should be expanded to 'the Communist cold war' so as to remove the idea of a mutually destructive process; and that this term should be used simply to describe the attempt of international Communism, directed from Moscow, to establish its domination and its totalitarian brand of political and economic organisation, throughout the world by all means short of open war directly involving the Soviet Union.

4. The term is not entirely suitable for application to the counter-measures taken by non-Communist powers. The latter do not aim at domination. They do not aim at the total elimination of Communism, which, like any other idea, it is impossible in any case to destroy. They realize that in its present form it is essentially militant and therefore incompatible with peaceful co-existence. But they also realise that, as things are today, total victory, in the sense of the liberation from the Communist yoke of Russia herself, or even of the Communist dominated 'satellites' could probably only be achieved at the price of total war which, by the chaos produced, might only result in ultimately achieving the Communist objective. Therefore their aim is to resist the further progress of Communism, to contain it, to drive it back as far as possible without war, in the hope that in the course of time militant international Communism, may, by the process of internal disintegration, become a spent force or assume a non-aggressive form in which a kind of co-existence and modus vivendi is possible between it and Western democracy.

General reflections on the 'Communist cold war' and methods of meeting it.

5. Although the essence of the 'Communist cold war' is that it stops short of the direct involvement in open war of the Soviet Union, it is relying more and more on force to achieve its objectives. This is particularly the case in the Far East, e.g. China, Indo-China, Malaya, the Philippines, Hyderabad and now Korea. It is possible that it may equally stop short of the direct involvement in open war of Communist 'satellite' countries, because of the treaties of alliance between those countries and Soviet Russia which would oblige Soviet Russia to come to their assistance if they were involved in war. Even so, this leaves a wide field still open for action of a military character.
6. On our side, as in the case of the Berlin air-lift and of the invasion of Southern Korea, we may have to show, even at the risk of general war, that we are determined not to give way, and this may involve us, on an increasing scale, in military assistance.
7. Military preparedness must therefore occupy a very high place in our own counter-measures, both as an essential precaution and as a means of building up essential confidence. Nevertheless, so long as the problem is 'cold' war, the military side remains only one (although a vital) aspect of it. 'Communist cold war' tactics extend into every field. They have to be met in every field and the direction of counter-measures is synonymous with the direction of general policy.
8. In taking counter-measures there are certain limiting factors.
9. In the first place, the Communists, being the aggressors, being united and being centrally directed, have the advantage in every sphere of being able to pick and to switch their targets. The characteristic of democracy being diversity, the same unity and centralisation in the planning and execution of immediate counter-measures is not attainable. Nor is it necessarily the best answer to follow the Communist lead and to reply tit for tat to every move. We can probably best succeed by getting the widest possible agreement on a broad and simple general policy, well thought out and doggedly pursued; taking full account of, but not being unduly affected by, Communist diversionary tactics.
10. Success on our side depends on building up the greatest degree of common effort. This means that any measure likely to have the opposite effect should only be adopted if it is vital. This has particular regard to military planning and military agreements in Asia. There is a strong feeling in some Asian countries against becoming dragged by America and ourselves into a war with Soviet Russia which they tend to regard as being planned in the interests of the principal contestants only. If handled carefully, they may be brought to see matters in another light and their cooperation secured. But if this is to be done, it is important to avoid giving the impression that the 'cold war' is mutual in the sense that we are ourselves planning attacks on the Communist countries as such. It is for this reason that His Majesty's Government in the United Kingdom are so careful at present, in relation to events in South Korea, to make it clear that their armed intervention is in defence of the United Nations Charter and not a move against Communism as such.

11. The measures which can be adopted to counter the 'Communist cold war' being, as already pointed out, an emanation of national policy, are, so far as we are concerned, a matter for governmental decision and may affect the whole government machine. The means open to us are limited by the fact that we are a parliamentary democracy, if only because many measures which are advocated from time to time cannot be adopted without parliamentary sanction and the grant of money by parliament. A further limitation is the care which must be taken that we are not led in our efforts to defeat totalitarian Communism into the very totalitarian methods which we are trying to resist and eliminate. In fact, in trying to succour progress we must be careful that progress itself does not become the victim.

12. Finally, the 'Communist cold war' and our resistance to it will be affected by numberless acts of general policy taken for their own sake and not specifically and deliberately as means of countering the 'Communist cold war'.

Differences between the 'cold war' in the West and in the East.

13. The conditions in the West which favoured the 'Communist cold war' were:-

- (a) War exhaustion;
- (b) The need for rehabilitation and economic recovery; and
- (c) The financial problem, i.e. the disorganisation of trade and currency and the consequent unbalance between the Western countries and the United States.

In short, it was, in appearance, the capitalist system tottering to its fall and thus the psychological moment for the sharpening of the class war with a view to the rapid overthrow of that system. The pressure on the Western countries was increased by the latent threat of military force. Communist governments had been installed in most of the Eastern European countries because the presence of Russian armies (or, as in Czechoslovakia, the obvious threat of Russian armed intervention) made local resistance impossible.

14. The successive stages in countering the Communist threat in Western Europe have been:-

- (a) "Truman aid" to Greece, Turkey and Persia;
- (b) The enlightenment of Western Europe on the meaning of Communism in practice by constant publication of the facts regarding Communist methods in the Eastern European countries with particular reference to the violation of human rights.
- (c) The Treaty of Dunkirk between the United Kingdom and France.
- (d) The Brussels Treaty
- (e) Marshall Aid and O.E.E.C.
- (f) Atlantic Union

- (g) The building-up of Western Germany
- (h) The European unity movement.
- (i) The countering of Communist influence in the Trade Union movement.

15. In South East Asia the basic danger, i.e. undermining from within, assisted by the threat of external aggression, is the same. But the setting of the problem is entirely different. There is no highly organised capitalist industrial system. The Trade Union movement is in its infancy. There is, in parts, a landlord-tenant problem but, virtually speaking, no class war. The chief dangers are the low standard of economic life in most of the territories concerned, the lack of political stability, the existence in some countries of large agricultural estates which belong to foreigners and the lingering suspicions which can so easily be fanned against the colonial powers, even when, and indeed especially when, those powers are holding out a helping hand to the new nations. The strength of Communism lies in its attack, not on capitalism, but on colonialism, and in the lack of any obvious common interest among the territories of the area except resistance to anything like renewed control by the 'colonial' powers.

16. In short, the problem in the East is much less clear-cut and much less susceptible of clear-cut remedies on the analogy of those adopted in Europe; and our military potential in the East is less than in the West.

17. Against this general background it is necessary to determine:-

(a) To what elements in South East Asia does Communism appeal as a doctrine and how strong is its appeal.

(b) What are the main symptoms of the 'Communist cold war' in South-East Asia.

(c) What kinds of policy are best calculated to defeat the 'Communist cold war' in South East Asia.

Appeal of Communism

18. It is generally held that Communism, as such, has little appeal for the peoples of South-East Asia because they are in the main peasant proprietors. But it is perhaps necessary to re-assess this theory to see how far it is really correct. Communism in practice encourages and exploits envy, hatred and the lust for power. Its theory is turgid and difficult to follow. But it is capable of being simplified and represented as offering an attractive alternative to the millions whose standard of living is extremely low and precarious. It can be portrayed as offering more prosperity or as satisfying the land hunger of those who do not possess sufficient land for their own needs; and it is capable of stirring up hatred against foreign exploitation and colonial domination.

19. Moreover, while it is easy to condemn as a doctrine which is basically materialist and easy to write off as something which is opposed to the religious feelings of the East, it would be a mistake to under-estimate the strength of its ideological appeal. As an evolutionary doctrine it has considerable attraction for students and 'intellectuals'

and, as a revolutionary doctrine, for ambitious individuals in search of easy political power. Apart from the peace campaign, which should not be under-estimated, it has an appeal to the disgruntled on the ground of social justice, and its tendency to mass slavery is, even in the countries subjected to it, to some extent obscured by the glamour which large-scale programmes of public works have, more particularly for the young. Its main strength is that it is dynamic and militant.

Aims and tendencies of the 'Communist cold war' in South-East Asia

20. Generally speaking, the issue now in South-East Asia is between the new nationalism and Communism. It was in the Communist interest to encourage this nationalism up to a point, so as to loosen the hold of the Western democracies. But this was only done with the object of destroying nationalism when the time came and, as in Europe, of trying to obliterate national boundaries and establish the over-all rule of international Communism, with Moscow as its central point. In those countries where the vestiges of colonial rule still remain, the object is to overthrow it by terrorist military operations, conducted by so-called 'national liberation armies'. In countries where this phase has already been passed, the tactics are to undermine the influence of the Government and of political parties; to increase the activities of functional or 'mass' organisations which cut across party lines and are amenable to Communist will, e.g. Youth Organisations, Women's Organisations, Trade Unions (affiliated, not on a national basis but through Trade Departments, to the World Federation of Trade Unions), "Partisans of Peace" etc., built up on an international basis; to form so-called "Popular Front" governments in which all political parties and mass organisations ostensibly share but in which the Communists gradually secure domination by whittling away other political parties and by themselves obtaining increasing possession of key posts. The object is the ultimate establishment of Communist governments, under central doctrinal control, so that national boundaries cease to have importance.

21. In pursuit of these objectives and without regard to principles, the Communists fish in any troubled waters and stir up any form of dissension and dispute.

22. The importance and urgency of preserving South-East Asia from Communist domination are abundantly self-evident. It will be clear from this summary how wide the problem is and how all-embracing must be the measures of resistance.

What kinds of policy are best calculated to defeat the 'Communist cold war' in South-East Asia.

23. The main obstacles to Communism are stability and prosperity and at the root of both lies confidence. Our object must be to expose the nature of Communist tactics and the fraud of Communism in practice; to proclaim on our side the ideals of liberty of thought and speech and of free independent cooperation which are the negation of totalitarian Communism; and to give confidence to governments and peoples that the menace of encroachment can be successfully resisted by co-operative effort without detriment to national freedom and independence.

24. Basically, the problem is political in that its aim is the production of stability, prosperity and confidence. It is political in a special sense in view of the fundamental struggle between nationalism and Communism, and also because of the apprehension felt in most of the countries concerned regarding Chinese expansionism.

25. It must be our objective to encourage sane, i.e. cooperative, nationalism in all the countries of South-East Asia and to give to the governments now struggling to establish it the means to attain security and a feeling that, in the event of aggression from without or subversion fomented from within, they can rely on the support of powers not bent on their domination. In this way we can make use of the fact that each of the colonial powers has contributed something to the rise of the new nationalism in South and South-East Asia; we ourselves on a large scale as regards Pakistan, India, Burma and Ceylon, the Americans as regards the Philippines, and the Dutch and the French to a more limited extent as regards Indonesia and Indo-China.

26. The general problem thus defined is somewhat intangible and extremely delicate, and its handling depends on careful day-to-day watching with a view to seizing opportunities as they occur.

27. Underneath its general political character, the problem divides itself into three main parts (a) ideological, (b) economic and (c) military.

28. Propaganda, though not alone decisive, is extremely important. Its object must be partly to expose Communism in practice, partly to show that there are attainable alternatives and in every way to produce enlightenment, determination and confidence. Propaganda is used here in its widest sense and not in the narrow sense of publicity alone. It covers the awakening of Asian leaders to the dangers to themselves, inherent in the fact that Communism may well use them as tools, but, if they are deceived into so acting, it is Moscow-trained dyed-in-the-wool Communists who will in the end be left in full possession of the field. It includes attempts to build up sane and enlightened trade unionism in opposition to the World Federation of Trade Unions with its specious political objectives. It includes also the guidance of youth and students' organisations and the cultivation not only of closer contacts between Eastern and Western countries but of closer personal contact between the European inhabitants of Asian countries and the indigenous peoples of those countries. Even the question of clubs plays a part in the countering of the 'cold war'.

29. On the economic side our policy must go into every sphere. The rice problem, for instance, is vital. So is the future of such industries as rubber and tin. The whole gamut of economic and financial questions dealt with at Colombo and Sydney are equally part of the policy of countering the 'Communist cold war'. The Commonwealth loan to Burma falls into the same category. In short, we must try by every means to aid the economic development of the area and to raise standards of living. But first and foremost we must see to it that the governments of the countries concerned are able to obtain materials and goods immediately necessary to preserve political and economic stability.

30. On the military side we must see that the arms essential to defeat subversive and terrorist movements are available. We must try to stop the illicit traffic in arms and must be ready to advance, and when circumstances permit, with due regard to the susceptibilities of the Asian countries, towards some form of regional military understanding which will assure the governments of threatened countries of support and will make it clear to the Communists that they can advance further only at the peril of war.

31. So far as the area of South-East Asia itself is concerned, an attempt is made in the annex to this memorandum to tabulate the main spheres in which the 'Communist cold war' has to be countered.

32. It is not only by specific acts within the area, however, that the issue will be decided. Anything, for instance, which can help to heal the breach between India and Pakistan would be a powerful contribution to the defeat of the 'Communist cold war'. And most important of all is our attitude towards the vast Chinese question in its broadest as well as in its immediate local aspects.

(Signed) J.C. Sterndale Bennett

6th July, 1950.

ANNEX

With the general object of promoting stability and confidence, the main fields of endeavour in countering the 'Communist cold war' in South-East Asia are:-

POLITICAL

- (1) The encouragement in every way of healthy nationalism, more particularly in:-
 - (a) Indo-China. By encouraging the Indo-Chinese to appreciate the present necessity of French support while simultaneously encouraging the French to give as much as possible of the prestige of power to the Indo-Chinese.
 - (b) Indonesia. By showing sympathy and friendship towards the Indonesians while working for co-operation between Indonesians and Dutch and the smoothing down of issues like New Guinea liable to exacerbate differences between the Indonesians and the Dutch or to create them between Indonesia and the West.
 - (c) Malaya. Encouragement of co-operation between the various communities with the object of building up Malayan nationality.

(2) Encouragement of measures to improve administration in newly constituted states.

e.g. by advice when it is asked for or likely to be taken: training in the United Kingdom of administrative personnel: visits to the United Kingdom to study United Kingdom institutions.

(3) Assistance in promoting social welfare throughout the area.

(4) Broadening of social and intellectual contacts between West and East in both general and individual spheres. Encouragement of mutual visits.

(5) Organisation of youth movements.

(6) Education.

(7) Trade Unions. Measures to counter the manoeuvres of the World Federation of Trade Unions (W.F.T.U.) Action under this head is to some extent dependent on the outcome of the mission to Asia of the International Confederation of Free Trade Unions (I.C.F.T.U.).

(8) Sport. The encouragement of international sport, while firmly refusing to follow the Communist practice of infusing politics into sport.

ECONOMIC

(1) Generally to encourage all measures to raise the standard of living.

(2) Stepping up, and widening of the scope of, the Sydney programme of:-

(a) Technical assistance.

(b) Economic development projects.

(c) Mutual aid and cooperation.

(3) Financial assistance where possible, e.g. Commonwealth loan to Burma.

(4) Rice. Encouragement of maximum rice production coupled with the safeguarding of the needs of the consumers of the area.

(5) Encouragement of the basic industries of the area, e.g. rubber, tin, timber.

(6) Measures to increase the flow of consumer goods (e.g. to Indonesia).

(7) General improvement of agriculture and fisheries.

(8) Coordination with United States. Point IV and other aid projects.

MILITARY

(1) Deafeat of the Malayan terrorists.

(2) Safeguarding of Hong Kong.

(3) Provision of arms and advice to individual foreign countries subjected to Communist threat, e.g. Indo-China, Siam, Burma.

(4) Closer interchange of views and integration of effort with:-

(a) The United States (e.g. over Hong Kong)

(b) The French

(c) Australia and New Zealand.

(5) Measures to stop arms smuggling.

(6) Internal security and anti-sabotage.

PROPAGANDA

This is at present the subject of special study from the point of view of:-

(a) The most effective Communist lines of propaganda in each country.

(b) The most effective lines in countering it.

(c) The most effective lines on which our own positive propaganda can develop.

(d) Co-operation with other countries, and more particularly with the Americans.