

INSTITUTE OF CURRENT WORLD AFFAIRS

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The Plural Society - I
Those Chinese Again

12 Road 5/35
Petaling Jaya, Selangor
Malaya
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Mr. Richard H. Nolte
Institute of Current World Affairs
366 Madison Avenue
New York 17, New York

Dear Mr. Nolte,

A few evenings ago we were indulging in a common form of entertainment in Malaya, dining with friends to meet a foreign visitor. Our host was an Indonesian living in highly ~~bourgeoisified~~ ~~exile~~ in Malaya beyond the pale of his own revolutionary land. (His sin lay in his attempt to make the revolution successful.) We were joined by a high Malay government official, an English lawyer working on a revision of the Malayan land code, and our guest of honor, an American professor on a research trip.

The situation was normal in most respects. Our host's fine children entered for a brief introduction with handshakes. We were all identified for our American visitor: "what are you doing here, and what are you doing here?" in statements of 25 words or less: excellent Indonesian food, of which only unreasonable facsimiles are generally available here; and ending on a polemical note as the Englishman, who once worked for Lord Beaverbrook, singlehandedly defended Time Magazine, because he liked a partisan paper. In one other respect the evening was as normal as the situation called for. Since there were no Chinese present, much of the conversation took a decided anti-Chinese direction.

It started with the Malay official noting that we should take our recent Cholera epidemic in Malacca as a God-given warning against merger with Singapore. "You don't control a disease by allowing it to spread, you must isolate it. If you have lallang (a noxious grass) growing in rubber, you dig a trench around it and isolate it, you don't kill it by allowing it to spread through the rubber. It's the same with Communism; you won't control it by bringing it into the Federation. The only thing to do with that island of Chinese subversion is to cut it off; stop merger and close the causeway. Suppose it does turn into another Cuba; let it go. It's going to go anyway. If we get it into the Federation, we will have a big sore on our own body. But it's not just Communism, it's the Chinese. They may not all be Communists, but they are all Chinese first and last. The tie they have with the homeland can never be broken. For us the only way is to go in with Sukarno to protect ourselves against them."

I pointed out that this kind of tie with the homeland was not unknown in America, but it did not automatically have subversive implications for the host country. We had our Japanese who were loyal to the Emperor, but who made a big decision in 1941 and then provided some of the best fighting forces we have

ever had. I asked if it were not possible that the Chinese could become loyal Malaysians if they were given a legitimate place in this country. This is the kind of apparently naive question that is an excellent device for letting loose a torrent of exclamations about racial differences.

"Never! If it comes to a showdown, they will be 100% with the big enemy. No matter what we do, if the barricades were in the streets, they would divide the population racially. You can't mix sheep and goats." I countered with the observation that sheep and goats can't mix because they belong to different genera, but all men belong not only to the same genus, but also to the same species and they certainly can mix. This brought in our more sophisticated host.

"It is not a biological question, but a geo-political one. There is that big giant to the north of us. We all see it and we are all afraid of it. We know that in a showdown we couldn't count on the Chinese because they are Chinese and because they are fence-sitters. I've seen this many times myself. In our revolution they were the first to welcome the Dutch back. They supported the Dutch until it looked as if we would win, then they came over to us. I saw the same tri-shaw men flying little Dutch flags and a few days later flying our flag. I don't blame them; I can see their point of view." He was speaking calmly and rationally at the time. "But I can never accept them fully for this."

This took us to the recent anti-Chinese riots in Indonesia. We all wanted to know the meaning of these. Our host observed that now they had got completely out of hand and were anti-government as well as anti-Chinese; and they were not unrelated to the general deterioration of the economy. They started, however, in reaction to the visit of Liu Shao-chi, President of Communist China. Many Chinese shopkeepers in Indonesia ran up the Communist Chinese flag; that was all right because he was a state visitor, but they didn't run up the Indonesian flag as well. Students from the technical college in Bandung noted down the numbers of these shops, and these were the objects of attack during the riots.

Later we took a different tack - at least for a moment. I asked about the recent clash between the Prime Minister of Malaya and the Sultan of Perak. The Sultan had made some open remarks critical of the government and the Prime Minister publically rebuked him, saying that the Sultans should stay out of politics.

The Malay official held strong views about this. "The PM should never have brought this into the open. He should have phoned his Chief Minister in Perak and told him, 'Listen you b_____ fool, what kind of a job are you doing letting the Sultan shoot off his b_____ mouth like that!' He should never have brought it into the open."

I asked about the power or influence of the Sultans. What keeps them in power?

"The Sultans are nothing," cut in the Malay with a knowing contempt; he had been a schoolmate of both the Prime Minister and some of the Sultans. "No one pays any attention to them. They may be a little symbol for the people, but they have no real power or influence. The only reason we keep them there is as a check against the Chinese. So long as the Sultans are there, a parliamentary majority can never take away the protection of the Malays.

And yet another change in the conversation, this time to economic development. In this our host was by far the most knowledgeable. He led and the Malay followed with a list of things government should do.

"We must get on more rapidly with industrialization; and government must do more. There is no reason why we shouldn't have our own fertilizer factory and paper pulp plant. If private capital won't do it, government should invest directly."

When I asked if he didn't consider government stimulation and protection sufficient, the Malay jumped in. "You know who gets what kind of protection! Do you know there is going to be a local sugar refinery built with local capital. And do you know what the conditions are? They get the normal five year tax moratorium as a pioneer industry, and they get five years of guaranteed annual profits of M\$5 million. M\$25 million guaranteed. Protection is good, but M\$25 million! And who gets all this? The Chinese millionaires in the MCA (Malayan Chinese Association)."

Our host, who has built a good business himself in Malaya, filled in further. This kind of protection is not necessary. I proved it with my own business. Simply by importing heavy parts and doing the assembly here, we can make 40% net profit." This man is now expanding his operations in many directions without any protection.

I observed that the local capital market did look rather strange. It appeared necessary to give this kind of extreme protection to get local capital into local industries. At the same time a foreign company like Esso could offer public shares with a prospectus that promised no dividends for "a reasonable time" after the refinery comes into production in 1964, and still their shares were twice oversubscribed before they even came on the market. At this both men jumped in with the observation that the extreme protection was not necessary. It was being given to the Chinese because they were partners in the government and they were accepted in Malaya. "But they are only milking us for what they can get. We know that if it came to a showdown we could never count on them."

No matter what turn the conversation took, it came back to those Chinese again. Nor was this an isolated conversation with fanatics. These two men are reasonable and intelligent.

Invariably when one sits down to conversation with Malays alone the talk quickly turns to the Chinese. Two views always emerge: Chinese political unreliability and Chinese exploitation. These are the views of some of the country's ablest leaders as well as the fanatical and intellectually impoverished leaders of the Pan Malayan Islamic Party. The reasons given, the specific content of the views, differ from the more to the less intelligent, but the basic view and the prognosis that follows from it are always the same. There is really no place for the Chinese here.

There is, of course, some justification for these views. The observations of the Chinese and the Dutch, and the Chinese and Liu Shao-chi are accurate. It is also true that Malaya's own Emergency was essentially a fight between the Chinese Communists on the one side and Malay and Commonwealth forces on the other. It is true that the Chinese have moved aggressively into every form of economic activity in Malaya. They are the middlemen who buy the rubber, rice, coconuts and fish from the Malay peasants. They are also the shopkeepers who sell provisions to the Malay peasant and lend him money for consumption and for working capital. Singapore's Minister of Finance once described Malaya as a classic non-Marxist situation in which one group has all the economic power and the other has all the political power. The objective situation is politically explosive.

On the other hand it is just as true that the Chinese have never been given a legitimate place in the countries of Southeast Asia. Only in Malaya are the Chinese accepted as rightful citizens. In every other country in the region (with the possible exception of Burma) they are rejected. Even in Malaya the acceptance is limited and grudging. From the tenor of conversations like that above, it would not seem that the acceptance will be permanent even here.

Eternal optimist that I am, however, I do feel that the acceptance can be permanent. In the next two newsletters I want to examine the Chinese side of the problem, then come back for a reassessment of the theories of the plural society.

Sincerely,


Gayl D. Ness

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