

Why did the UK withdraw from Singapore and Malaysia in 1971 and what were the consequences for the region?

The UK withdrew her armed forces from Singapore and Malaysia in 1971 for several key reasons, and in line with government policy to reduce military expenditure following a financially highly unsuccessful two decades (the 1950's and 1960's) for the UK. Various MPs forced Harold Wilson to agree to withdraw all British forces from the "East Of Suez"¹, with the sole exception of Hong Kong. In addition to the economic benefits of withdrawing from the East of Suez, many saw Britain's future as a European power rather than a global one. At the time Britain was trying to join the EEC as many saw this as a way to reclaim a role on the world stage and become a major global power once again. The international stage was changing, and a major cause for this was the emergence of détente between the USA and the USSR making a UK military presence overseas less important. Another important factor in the withdrawal decision was the pressure the government felt from certain groups of MPs. The final reason for the withdrawal was the political and social instability of Malaysia at that time. The consequences of the withdrawal for the region varied. Singapore, as shown by its economic position today, benefited considerably, whereas Malaysia economically gained little. Malaysia's relationship with Indonesia continued to improve post withdrawal as did Singapore's.

A key factor in the United Kingdom's decision to withdraw from Malaysia and Singapore was the way in which her role as a global power was changing. Many senior government officials saw the UK's future as diplomatic and economic and in Europe rather than as a major imperial power with great influence on international affairs. This new viewpoint was the result of several factors. Firstly, the realisation that as Britain's power was diminishing, with the rise of the USSR and the USA, she was becoming less and less influential. The rivalry between the superpowers was displayed on many stages; the space race, the Cuban Missile Crisis and the Berlin Blockade were the major ones, yet Britain only had a major involvement in Berlin. These examples show how Britain's influence on the world stage was waning and in order to remain relevant, Britain had to turn her attention to Europe and the EEC². The UK's involvement in NATO and the EEC were crucial to retaining a role on the international stage, and she needed to divert resources and focus from the Commonwealth to the EEC and NATO. Furthermore, the first signs of détente³ were coming to the fore between the USA and the USSR, which meant that the pressure on Britain to act in conjunction with the USA was lessening. The pressure on the UK to work with the USA had been present ever since World War Two due to the excessive debt that Britain owed the USA. This lessened pressure on the UK to support the US combined with Britain's changing international role meant that Britain's attention was diverted from the commonwealth to Europe meaning that interest in Southeast Asia decreased drastically leading to the decision being made to withdraw from East of Suez. Whilst this is important compared to the other reasons for the withdrawal Britain's changing international role and the first signs of

¹East of Suez referred to all British colonies located in Asia and Oceania.

² Also called the EEC it was a trading agreement whereby European countries who were members could trade with lower tariffs. It was later incorporated into the newly formed European Union in 1993.

³ Détente was the process by which the USA and the USSR lowered the tensions between the two countries by reducing their influence on other countries and interfering less with the politics of proxy states.

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détente are not the most important factors in the decision to withdraw from Malaysia and Singapore.

Another key factor in the United Kingdom's decision to withdraw from Malaysia and Singapore was the unstable political climate of the countries at that time. Whilst the term Malaysia is commonly used today to refer to Malaya, Sarawak and Sabah (previously known as British North Borneo) the term was created upon the formation of the Federation of Malaysia on 31/08/1963. This new federation granted independence from British colonial rule to Sarawak and Sabah. The federation consisted of Sabah, Sarawak, Malaya and Singapore. However, the Sultanate of Brunei declined to join due to concerns regarding the powers the Sultan would have in the governing of the federation, plus possibly the fact that he would have a forty year wait to become Agong/King. Despite the creation of a new country, Sarawak, Sabah and Singapore theoretically still had autonomy. However, by 1965 racial tensions in Malaysia had boiled over and violent riots were taking place in the capital Kuala Lumpur. This was because of the racially motivated policies of the Muslim Malay government which positively discriminated in favour of the Malay population across all walks of life to the annoyance of the other races who actually pay most of the tax revenue. Singapore has always been a meritocracy and understandably was very angry that Malays had superior rights anywhere but especially that they had them in Singapore. So to avoid further bloodshed Singapore and Malaysia mutually decided to separate with Singapore becoming an independent city state. Unfortunately, tensions within Malaysia remained and still do resulting from the same continuing racially based policies of the federal government. In addition to this Tom Dalyell, an influential Labour MP, believed that within a decade there would be a violent Left-Wing revolution in Malaysia⁴ leading to the British being drawn into a similar situation to the Americans in Vietnam, a situation the British government desperately wanted to avoid. So the political and social climate of Malaysia was unstable leading to the British government in part to decide to withdraw from the Malaysia and with it Singapore. This factor is often overlooked but it is nevertheless significant.

Another important factor, often overlooked, is the role of pressure groups including elements of the mass media, leading academics and members of the Labour Party, in convincing the Labour PM, Harold Wilson to withdraw all military forces based East of the Suez Canal. There were several individuals in particular who were avid supporters of a withdrawal from Malaysia and Singapore, most prominently; Lord Barnett and Dalyell. However, whilst they all harboured anti-colonial views they were initially unable to express them too forcefully due to the fact that Wilson's initial government only held a narrow majority. This meant that all of the Labour MPs had to back Wilson for the government to retain power, creating unity within the party. This unity did not last, however, and following the 1966 election in which Wilson won a 97 seat majority no longer needing to support the

⁴ Tom Dalyell a letter and gave a speech to all Labour MPs in October 1965 regarding the possibility of withdrawing British soldiers East of Suez from colonial and non-colonial territories. One of the key reasons he believed Britain should withdraw from Malaysia and Singapore specifically was the high possibility of a violent Communist revolution within 2 years. He had conducted an investigation in August 1965 as part of a Parliamentary inquiry in Southeast Asia and concluded that the political instability threatened to burst into a violent revolution which would risk the lives of British soldiers.

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government for it to retain power several MPs founded the “Left-Right-Centre Group”. The purpose of this group was to put pressure on the government to withdraw British forces from military posts East of Suez. This group’s main strength was the fact that it had great diversity and was cross party. The Labour members of the group submitted a motion at the Party Conference in May 1966 whereby they called for the government to reduce the country’s military commitments East of Suez in order to divert funds from the defence budget to the social budget. The vote was not held at the initial meeting when the motion was first submitted but at the second one a vote was held. The results were; 54 votes for the motion, 225 votes against and 80 abstentions. The Times wrote in June that 40 of the abstentions could be classed as a criticism of the Wilson’s defence policy at that time, this vote highlighted that around 100 Labour backbenchers opposed the government’s defence policy. This was a remarkable revolt and highlighted the dangers Wilson faced should he fail to take their demands into account. However, he did not heed this warning and the next year following the release of the Defence White Paper in February 1967, which said that Britain had to maintain her defence commitments East of Suez. Some MPs proposed a resolution which reduced British defence commitments East of Suez. Following on from this there was a parliamentary debate on the topic, which happened in February 1967. However, following the debate 63 Labour MPs abstained from the vote showing the same message as in the previous October. This time, however, it was much more humiliating for Wilson, due to the public nature of the revolt. One quote which epitomised the beliefs of this group came from Robert Sheldon, “[overseas defence expenditure] was one of the prime causes of the impoverishment of this country”⁵. This emotive quote perfectly expresses the desire of those in the Left-Right-Centre-Group to remove British troops from postings East of Suez, explaining why they exerted so much pressure on Harold Wilson to make the decision to withdraw. The importance of pressure groups within parliament was second in terms of influence on the decision to withdraw from Malaysia and Singapore only to the dire economic state of the UK at that time.

The most significant factor in the decision to withdraw British troops from Malaysia and Singapore was the economic situation in Britain at that time. Since the Second World War many had struggled financially, whilst major cities such as London and Birmingham still bore the wounds of the blitz. Britain bore the burden of extreme debt following World War Two, mainly in the form of the “lend lease” scheme that was introduced to help Britain continue fighting overseas and to feed those at home. This debt was mostly owed to the USA but also to Canada. However the contribution of the agreement to the withdrawal extended further than the economic difficulties Britain found herself in as a result of it. Clause 7 of the agreement said that Britain had to decolonise following the end of the war if they were to receive the financial aid they so desperately needed, the importance of this clause is often overlooked in the dismantling of the empire and the eventual withdrawal of British troops from overseas. The agreement was signed in December 1940. The “Lend Lease” scheme was a major part of the war-incurred debt, which totalled GBP 21,000,000,000 which at that time was over 200% of the GDP. This oppressive debt meant

⁵H.C. Debates, 27th February 1967, vol.742, col.181-85

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Britain was in desperate need of financial support. In April 1948 the Marshall Plan⁶ was introduced to help rebuild all of Western Europe, but Britain received the lions share. The Marshall Plan saved the British economy from the brink but the extent of the debt incurred by the war is shown by the fact that the last of the money owed to the US was paid back in 2006 around half a century later. However, even the vast sums of money received from the Marshall Plan did not stop the steady decline of the British economy, the harsh payment deficits got so bad that in November 1967 the pound was devalued. Another example of the struggling economy was the way in which military expenditure had to be sacrificed to increase social expenditure which was increased due to the costs of running a newly formed NHS as well as a welfare state which so many depended on. This is shown in Figure 1. Furthermore, plans for extreme education reforms required an increase to the social budget at a time where there were insufficient resources to do so without military and defence budget cuts. This economic situation inspired Labour MPs to create pressure groups which as previously explained had a profound influence on the decision to withdraw from East of Suez. So the dire economic situation was by far the most significant factor in the decision to withdraw British soldiers from postings East of Suez and in particular Malaysia and Singapore as if this situation wasn't so then there would be substantially less pressure on the government from pressure groups (only those opposed to the concept of colonialism would want to withdraw) meaning the government would be less likely to decide to do so. The fact that the economic situation at home inspired the pressure groups – arguably the second most important factor in the withdrawal shows how significant the economic situation was in the decision to withdraw from Malaysia and Singapore.

YEAR:	SOCIAL EXPENDITURE (AS A PERCENTAGE OF THE GNP)	MILITARY AND DEFENCE EXPENDITURE (AS A PERCENTAGE OF THE GNP)
1950	18%	8%
1956	16%	9%
1962	18%	7.5%
1966	21.2%	6.9%

Figure 1, a table showing British social, and defence and military expenditure as a percentage of the gross national product (GNP) between 1950 and 1966. (Harold and Sprout, 1968)

Finally, the consequences of the withdrawal for the two countries and the region are reflected by each country's economic situation today. Singapore has benefited massively from the withdrawal although it initially appeared that they would suffer more due to an increased military and economic dependency on the presence of British troops on the island. When the decision to withdraw was brought forward to 1971 it put the island state in a precarious position – her armed forces were virtually non-existent and the British bases accounted for 20% of the Singaporean GDP. The bases provided many jobs in Singapore which were further supplemented by the British soldiers and their families themselves, who rented houses and

⁶ The Marshall Plan was introduced on the 3rd of April, 1948 by the US general George Marshall in order to help European countries recover from the damage done by World War Two. It's main objective was to boost the economies of Europe and to reduce unemployment and food shortages to prevent the spread of Bolshevism.

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used local restaurants and shops. The economic reliance is shown by the fact that at the time of the withdrawal one in ten Singaporeans depended on the British bases for their livelihoods. To counter the threat of the economy collapsing Singapore industrialised rapidly and tightened the labour laws, in addition to this Singapore tripled her defence expenditure and made military agreements with her neighbours. The Singaporean PM was enraged by the sudden nature of the withdrawal and threatened to remove Singapore from the Sterling area amongst other threats. As compensation Singapore received a £50,000,000 loan and all of the British bases many of which were converted for commercial use. There had been British investments in the Malaysian economy, mainly in the form of rural development projects which were withdrawn following the military withdrawal. Furthermore, the country had been in turmoil prior to the withdrawal and so productivity had been down as had GDP. The Malaysian government decided to try and change the country's main industry from an agricultural and commodity based economy to a manufacturing powerhouse during the 1970s. This switch allowed Malaysia's economy to grow massively to the point where Malaysia began to compete with the likes of Singapore and South Korea in the Southeast Asian market. The manufacturing sector has led the Malaysian economy ever since. With regards to security, Malaysia had a much larger army meaning she suffered less militarily following the withdrawal. Overall both countries have benefited from the withdrawal as they have gained more control of their economy and military.

To conclude, the decision made by Wilson to withdraw from Malaysia and Singapore was influenced by several key factors. The changing role that Britain had on the world stage and the realisation that the country's future lay in Europe rather than in Asia played its part, but was of little significance in comparison to the other factors. Malaysia's political instability in particular should not be overlooked, especially with the way tensions with both Singapore and Indonesia were rising. The second most important factor was the considerable pressure exerted on Wilson and the government by the Left-Right-Centre-Group, although the inspiration for this pressure came from the most significant factor which was the dire economic situation Britain found herself in at that time.

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