

The Formation of Malaysia: An inquiry into the origin of the Grand Design

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Abstract

The formation of the Federation of Malaysia in 1963 remains a source of much debate among historians. While the official announcement by the Prime Minister of Malaya Tunku Abdul Rahman in May 1961 is usually seen as the trigger that set in motion the formal diplomatic and bureaucratic negotiations that resulted in the formation of Malaysia on 16 Sept 1963, much remains unclear about the origins of the idea of the federation. Was it merely Tunku's 'grand design'? Were others involved in the emergence and evolution of the idea of the federation? Recently declassified records from the British National Archives allow for a deeper investigation of the official records on the formation of the federation. This paper examines the substantive discussions that took place before 1961 to discern the underlying rationale for such a federation and the nature and tenor of the negotiations. This is the period when the notion of a 'Grand Design', the idea of a greater union between Malaya, Singapore, North Borneo, Sarawak and Brunei, began to take shape more firmly. The paper seeks to establish more clearly the roles of the various actors at the Colonial Office in London, in Singapore, in Kuala Lumpur and the British territories in Borneo in the origin and realisation of this grand federal scheme.

Introduction

The Federation of Malaysia was formed in September 1963 after years of backroom discussions, planning and, finally, very intense and delicate negotiations between late 1961 and 1963. Formally, the idea for the formation of a wider federation, comprising the Federation of Malaya, the British territories of Sarawak, North Borneo, Singapore and Brunei, was announced by the Prime Minister of the Federation of Malaya Tunku Abdul Rahman on 27 May 1961. In a speech to the Foreign Correspondents Association in Singapore, the Tunku suggested the desirability of a closer association of the territories of Malaya, Singapore, North Borneo, Sarawak and Brunei.

Malaya today as a nation realises that she cannot stand alone and in isolation. Outside of international politics the national one must be broad based. Sooner or later she should have an understanding with Britain and the peoples of the territories of Singapore, North Borneo, Brunei and Sarawak. It is premature for me to say now how this closer understanding can be brought about but it is inevitable that we should look ahead to this objective and think of a plan whereby these territories can be brought closer together in a political and economic cooperation.

Overview of recent writings on the federation

Most recent writings on the formation of the federation of Malaysia in 1963 do not have substantive discussion of the 'origin' of the idea of the federation. The existing studies also avoid the more contentious phase of the development of the idea of the federation and tend to begin their discussion of the formation of the federation with the announcement made by Tunku Abdul Rahman on 27 May 1961 in Singapore. These studies appear to suggest that the whole scheme was the brainchild of the Malaysian Prime Minister. Recently declassified Colonial Office files related to the formation of the federation of Malaysia, however, reveal a more complex picture. These documents indicate that there were substantive discussions in Malaya and in the Colonial Office in the post-war period on the possibility of the creation of a wider federation among the British-controlled territories in Southeast Asia. There were of course no immediate magic solutions to the issue, which to a large extent depended on the situation on the ground, and the discussions were spread over a considerable period of time in the post-war period, becoming more intense in the late 1950s and early 1960s; the intensity corresponding to the on-going Cold War and other regional developments. The British idea and belief in the need for a broader federation goes back to the turn of the last century when they brought together four Malay states into a loose federation in 1896, and which eventually led to the formation of the Federation of Malaya in 1948, although Singapore was left out of this federation. The existing works on the formation of the federation tends to give a slightly hazy picture of the origin of the federation.

Matthew Jones in an article discussing the formation of Malaysia, notes that the initiative for the formation of the Malaysian federation 'came from different sources' but does not deal substantially with the origin of the idea of the federation. His article focuses largely on the intense process of negotiations which took place in the later stages of the formation of the federation.¹ The article appears to suggest that the initiative came from Tunku Abdul Rahman. A.J. Stockwell's volume of British Documents relating to the formation of Malaysia begins with a memorandum dated 29 November 1957 presented by the Secretary of State for the Colonies, Alan Lennox-Boyd, to the British memorandum. In the introduction to this volume, Stockwell cites a note written by the Commissioner-General for Southeast Asia Malcolm MacDonald dated 2 April 1955 and observes that 'the inauguration of Malaysia on 16 September 1963 was the culmination of a 'long-held objective of the British government.'² This work again does not have any substantive discussion on the origin of the federation although alluding to the fact that the idea has earlier origins. Earlier works by scholars such as Mohamed Nordin Sophe and G.P. Means discuss the idea of merger between Malaya and Singapore among the political groups and do not really shed much light on the discussions at the higher levels of government largely because much of the documents related to the formation of Malaysia were not declassified when these studies were conducted.³ Sophe notes that while most accounts of the developments leading to the formation of Malaysia begin from May 1961, a case could be made for starting the analysis from 1960.⁴ In addition, the biographical accounts of two principal figures involved in the formation of Malaysia, the Prime Minister of Singapore Lee Kuan Yew and Ghazali Shafie, later the Foreign

This announcement surprised many political observers, including the leaders of some of these British-controlled states that were to become part of the federation because the Malaysian leaders had for some time turned down proposals by Singaporean leaders for the merger of Singapore and Malaya into a broader federation.² More importantly, this statement started a process of intense discussions and later negotiations that led to the formation of the Federation of Malaysia on 16 September 1963, comprising the Federation of Malaya, Singapore, Sarawak and North Borneo (later known as Sabah).

The origin of the Malaysian federation has received much attention from scholars over the last two decades but remains a contentious debate among historians. There are considerable differences among scholars on the origin of the formation of the wider federation in September 1963 and the underlying rationale for the creation of such an entity. The origin of the federation of Malaya is usually attributed to Tunku Abdul Rahman following his statement to the Foreign Correspondents Association on 27 May 1961 in Singapore urging a 'closer association' of these territories. This is seen as a starting point for a serious consideration of the federation as the formal talks began after this announcement and his subsequent letter to British Prime Minister Harold MacMillan, dated 26 June 1961, elaborating his idea. A closer examination of the primary documents on the formation of the federation, however, indicates that the origin of the idea of a wider federation among the British controlled territories in Southeast Asia has much deeper roots and that Tunku's statement coincided with substantive high level discussions that were taking place in the Colonial Office on possible closer association between these territories. Recent writings on the subject have not discussed adequately the deeper origins of the idea of the wider federation and tend to focus their discussions from 1960 onwards. The formation of the federation in 1961 is an important development in the decolonisation process that was taking place in Southeast Asia and altered considerably the political and geographical landscape in the region, apart from raising tension and, for a time, low-level conflict between Malaysia and Indonesia. It also strained ties between Malaysia and the Philippines. Perhaps more importantly, the federation redefined considerably the modern political and territorial borders of the states in the region.

This paper traces the origin of the formation of a wider federation in the post-war period when the idea was seriously pursued and moved beyond the backroom planning through a close examination of the primary documents relating to the formation of the federation. This paper argues that the idea of a wider federation although tracing its roots to the pre-World War Two period and the immediate post-war period, was taken up most seriously in the early 1950s when a series of discussions were held to explore more substantively the idea of a wider federation of the British-controlled territories in Southeast Asia, and then again in early 1960 when the Colonial Office conducted serious discussions on the idea with the chief administrators of the British territories in Southeast Asia. The British Commissioner-General for Southeast Asia Malcolm MacDonald was the chief proponent of idea in the 1950s which he termed the 'Grand Scheme' and which was eventually realised about eight years after he left Malaya in 1955. These developments took place well before Malaysian Prime Minister Tunku Abdul Rahman made his announcement in May 1961.

and over the longer term some kind of cooperation between all these British-controlled territories. It was, however, recognised at the same time by the Colonial Office officials as well as senior administrators in these territories, that numerous obstacles remained in pursuing such a goal and that these objectives could only be brought about over a longer period and with the support of the peoples in these states.

HMG had also made some public pronouncements about the possibility of closer association between the British territories in the post-war period. A brief prepared for the Secretary of State around October 1951, for example, notes: 'Public pronouncement by HMG have to date been confined to two statements of policy in the 1946-47 White Paper on the Malayan Constitution. The 1946 White Paper (CMD6724) stated that it was no part of HMG's policy "to preclude or prejudice in any way the fusion of Singapore and the Malayan Union in a wider union at a later date should it be considered that such a course were desirable."⁹ In the 1947 White Paper (CMD7171) it was stated that HMG still hold this view and believe "that the question of Singapore joining the Federation should be considered on its merits and in the light of local opinion at an appropriate time"¹⁰. A minute of the Governor-General's conference held in Penang on 20 August 1946, for example, refers to closer association between the Malayan Union and Singapore amid concerns that they may be drifting apart: '(2) to consider the situation in relation to the possibility of the Malayan Union and Singapore being more closely associated constitutionally at a not too distant date.'¹¹ Thus in the immediate period after the war there was a strong feeling among the British officials that the tiny island of Singapore should eventually merge with the Federation of Malaya. Nevertheless very little movement or progress was made from these statements of intent until 1951 when the British Commissioner-General for Southeast Asia Malcolm MacDonald, being attracted to the idea, began to initiate serious discussions with local political leaders and at times against the general feeling at the Colonial Office.

MacDonald and the emergence of the 'Grand Design'

MacDonald held several discussions with Dato' Onn Jaafar, the UMNO chief and member of the Federal Legislative Council, on the idea of a 'closer association' between Malaya and Singapore, and the Borneo territories in 1951. The records indicate that MacDonald discussed this idea of a closer association with Dato' Onn on 29 October 1951 and wrote to the Colonial Office:

I had a further talk on this subject with Dato Onn. He showed readiness to consider ways and means of gradually bringing the Federation and Singapore closer together. He has agreed that (1) a small group of Federation unofficials should meet a small group of Singapore unofficials at Bukit Serene one evening for a preliminary discussion on the subject, and (2) we should later organise a week-end conference of members of the two legislatures at Port Dickson in order to start promoting positive understanding and goodwill between them. This would be held under the auspices of the Commonwealth Parliamentary Association. I hope to organise a dinner party at the beginning of December.¹²

The Colonial Office, however, felt there was no public demand in the Federation or Singapore for closer political association.¹³ MacDonald reports further on this idea in a

Minister of Malaysia, do not shed much light on the origin of the idea. Lee notes in his autobiography that he was encouraged to put forward a broader idea of the federation by the British.⁷ Ghazali interestingly seems to suggest that he was one of the originator's of the idea of a broader federation having thought of the idea as early as 1948.⁸

Invariably the general picture then of the origin of the Federation is quite vague and it appears to suggest that it is more closely related to Prime Minister Tunku Abdul Rahman's announcement in Singapore on 27 May 1961. A closer examination of the documents related to the formation of Malaysia, however, reveal a more complex picture. While it was Tunku who started the formal process of serious discussions on the merger, recently available historical evidence indicates that substantive discussions in the Colonial Office had in fact begun well before the Tunku's announcement. The declassified official documents indicate further that MacDonald played a decisive role in the process particularly in the early 1950s and in 1960-61 substantive discussions were taking place among senior British officials in Southeast Asia and the Colonial Office, well before Tunku expounds his ideas of a wider federation. Thus this paper traces the origins of the idea of the federation of Malaysia and the context in which this rather odd federation of former British-controlled territories took shape in the 1950s and the 1960s.

Early Ideas of closer association

Ideas for a closer association between the Federation of Malaya and Singapore and the Borneo Territories, all of which were under the formal or informal control of the British since the 19th century, have been put forward from a very early period but were taken up more seriously in the early 1950s. The earliest suggestion of the possibility of closer association between the Malayan states and the Borneo territories was made by Lord Brassey in the House of Lords in 1887. From time to time British senior officials and some Colonial Officials have remarked on the potential benefit of a closer association of these territories but these suggestions remained mere ideas without any clear plan or formula for the federation and were not taken up seriously. It is really in the immediate post-war Second World War period that more serious thought was given to the idea of a wider federation amid the process of decolonisation.

An examination of the Colonial Office documents indicate that there was a general feeling among the British administrators that a closer political and economic union between the Federation of Malaya, Singapore and the Borneo territories would make particularly the smaller territories more viable as independent entities. The Borneo territories of Sarawak and North Borneo and Brunei had between themselves hardly a total population of one million and the British officials genuinely felt that they would not be able to survive on their own. This reality they felt was particularly so in the context of the larger, and even aggressive neighbours, such as Indonesia, the Philippines and China. In the post-war period some important policy documents make vague references of a positive attitude of HMG and the Colonial Office towards the possibility of a merger between the Malayan federation and Singapore. In others there are suggestions of the potential benefit of closer association among the British territories in Borneo initially,

and the Malaysian territories.²⁰ This thus was the first real push for a wider federation of all five territories initiated by MacDonald. The governors of Sarawak and North Borneo, however, noted that there would be some reluctance on the part of the Borneo states. The meeting agreed that 'the ultimate aim was some sort of Confederation between all five Territories'.²¹ It was also agreed that the Borneo territories should be brought together first before attempting a 'constitutional partnership' with Malaya.²² Thus here the plan for a wider confederation takes a firmer shape: first the Borneo territories are to be brought together and then a wider federation including Malaya and Singapore should take place.

MacDonald continued to pursue this idea of a wider federation at almost every opportunity that he got in the remaining years that he led the British administration in Southeast Asia. For example, the Joint co-ordination committee formed in 1954 between the Federation of Malaya and Singapore was also tasked to discuss the issue of closer association between the Federation, Singapore and the Borneo Territories. Leaving nothing to chance, as it appeared that he may be posted elsewhere after the first federal elections in Malaya in July 1955, MacDonald began to push earnestly his idea with the Secretary of State for Colonies, arguing the benefits of such a federation earlier in the year.

On 2 April 1955, shortly before the first federal elections in the Federation, MacDonald again wrote to the Secretary of State Alan Lennox-Boyd of the possibility of closer association between the Federation and Singapore. MacDonald wrote: 'But I hope that, whatever the Election results, the reformed Committee [Joint Co-ordination Committee] will confirm the impression given at the Committee's last meeting that leaders in all parties in both countries are ready to make the Committee the instrument for planning closer political association. I think the prospects of this are quite good, and that if the Committee is prudently and yet boldly guided, all the difficulties can be overcome and a satisfactory accord reached.'²³

MacDonald wrote that HMG's ultimate objective 'is a Confederation between the five present territories of the Federation of Malaya, Singapore, Sarawak, North Borneo and Brunei' stating explicitly the long-term intentions of the British government. He noted that it was agreed that this would be done in two stages: first the combination of the (a) Federation of Malaya and Singapore; and (b) the three Borneo Territories as separate entities; and second 'by bringing together these two groups under one appropriate constitutional government.'²⁴ He noted that he had been 'planting the idea' in the minds of political leaders in the Federation and Singapore for the last few years.²⁵ Noted MacDonald:

Because of the political 'backwardness' of the Borneo Territories, we have not initiated similar private discussion on the subject there, and the Bornean leaders are perhaps less aware than those in Malaya of our grand design. Possibly we should begin to propagate the idea in Sarawak, North Borneo and Brunei.²⁶

This letter by MacDonald in April 1955 is probably the first mention of what later became known as the 'Grand Design,' in all Colonial Office references to the formation

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letter to the Colonial Office dated 29 January 1952. MacDonald and F. Gimson the Singapore Governor had a talk on the matter with some unofficials of the Singapore legislature on 18 December 1951 but notes in the letter that 'Omn's influence in Malayan politics was waning after he formed the IMP'¹³ and there was a need to include 'important shades of Malay opinion which Dato' Onn and his IMP colleagues no longer fully represent.'¹⁴ MacDonald also noted that the Borneo territories favoured a closer association if it also involved closer association with Singapore.

The Colonial Office however had reservations about MacDonald's idea of closer political association with the Federation, Singapore and the Borneo Territories. J.D. Higham, for example, mused: 'While we have always hoped that South East Asia territories would eventually come together in some form of federation, and perhaps become a dominion of South East Asia, we have hitherto felt that it would be difficult to associate the more backward Borneo territories (particularly Sarawak where the tradition of Malay domination lingered in Dayak and Chinese minds) with sophisticated Singapore and Federation. No one is better aware of these dangers than Mr MacDonald and I don't think we need to say anything to him at this stage beyond brief acknowledgment ...'¹⁵ Gimson discussed this matter with the federation's High Commissioner Sir Gerald Templar in February 1952, noting: 'unless harmonious relationships exist between the two territories the promotion of closer association is likely to be made more difficult and I feel that this closer association should be achieved at the earliest possible date.'¹⁶

A further discussion on the idea of closer association between the Federation and Singapore was held on 18 May 1953 and the consensus was that local opinion had become more opposed to the idea. High Commissioner Templar observed that while a year ago he felt it was possible to make some early movement towards the idea of a closer association 'during the last year feeling in both territories had become more opposed to the idea.'¹⁷ Sir J. Nicoll agreed with Templar adding the constitutional advance 'would make it even more difficult.'¹⁸ The meeting nevertheless concluded that their continued objective 'should still be the closest political association between Singapore and the Federation that we can get local opinion to accept.'¹⁹ It was felt that the setting up of a Joint Federation/Singapore Co-ordination Committee under the chairmanship of MacDonald would assist towards this objective.

MacDonald continues to pursue his idea despite some reservations expressed by Templar and Nicoll. He pushes the idea further in the Borneo states. Preliminary discussions were held in 1954 between MacDonald and the governors of Sabah and Sarawak. On 28 October 1954 a high-level discussion was held in Kuching, Sarawak, between MacDonald, the Governor of Sarawak (Sir Anthony Abell), the Governor of North Borneo (R.E. Turnbull), Sir John Martin (assistant undersecretary of State in the Colonial Office) and R.W. Jakeman (Assistant Commissioner-General for Colonial Affairs). Here MacDonald again emphasised the importance of a closer association. At the meeting MacDonald said that 'the ultimate aim, if it proved practicable and if it met with the approval of the people concerned was a federation of all five Malaya/Borneo Territories. MacDonald proposed in his paper that as a first step there should be a closer association of the three Borneo territories and then followed by an association between this group

Singapore government of their proposals. Marshall then requested the Federation government to agree to formal talks on closer relations. The Tunku however was not keen to discuss the subject matter as he felt that it could jeopardise the Federation's claim for Independence.²⁹ Marshall, Lim Yew Hock and Lee Kuan Yew nevertheless met Tunku informally on 3 March 1956 requesting that the terms of the Constitutional Commission for the Federation should be broadened 'to permit consideration of the problem of closer political association with Singapore.'³⁰ Tunku however rejected their demands saying that he was not prepared to seek any variation of the terms of the Constitutional Commission and that 'any approach for closer political relationship between the two countries must be deferred until after the constitutional commission had reported'.³¹ In a statement issued on 7 March 1956 Marshall told the Singapore Legislative Assembly:

Since the appointment of Tengku Abdul Rahman as Chief Minister of the Federation, some of my colleagues and I have been in constant consultation with him on this subject. The Chief Minister of the Federation and I are satisfied that a union between the two territories is desirable. The Chief Minister of the Federation, however, considers that the paramount task of the Federation Government is an early finalisation of the new Constitution, and, in order that there should be no suggestion of delay or limitation of the Constitution hoped for, we have agreed to commence official discussions of a merger between the two territories after the new federation constitution has been finalised.³²

On 8 March 1956 the Commissioner-General R. H. Scott wrote to the British Prime Minister criticising Marshall's view that the issue at stake was a choice between Singapore's independence or chaos.³³ Rather, he felt, it was a choice between Singapore independence and some form of association with Malaysia. Scott was against independence soon for Singapore: 'My own view is that we should decide definitely against independence and in favour of association with Malaysia as the goal; that meanwhile we should go on governing Singapore as long as we can...'³⁴ On 14 June 1956 a Reuters news release reported that Singapore's Chief Minister Lim Yew Hock was in Kuala Lumpur for two days of informal exploratory talks on merger between the Federation and Singapore.³⁵ The report says that the previous Chief Minister David Marshall had refused to consider merger 'until Singapore assumed the same status as any of the nine Malay states in the federation.

HMG's position on closer association in 1956 is very clear from a letter written by J.B. Johnston dated 19 November 1956 in response to queries from Washington on the matter:

All the logic of history, geography and economics points to union with the Federation as Singapore's obvious political destiny. We do not believe Singapore could sustain a truly independent existence – it is a city rather than a country. If it were left on its own, it would be extremely vulnerable to the domination of some outside power, and if that power were not ourselves or the Federation, it would be most likely to be Communist China. We would therefore welcome a reunion of Singapore and the Federation, but this is not something we can effect ourselves. If it is successful it must spring from mutual interest and agreement of the two parties to the deal.³⁶

The above discussion indicates that after MacDonald had left Malaya the idea of a wider federation was pursued by the Singapore leaders and British officials. While 'substantive

of a wider federation among the British controlled territories. [In the later period, this term was replaced by the term 'Greater Malaysia']

The discussion above indicates clearly that between 1951 and 1955 it was MacDonald who firmly pursued the idea of a wider federation of British-controlled territories in Southeast Asia, even though he faced some resistance from the Colonial Office on the timing for the discussion of the scheme. His persistence in pushing the idea forward, it can be argued, led to a basic acceptance among the senior officials both in the Colonial Office and the British territories in Southeast Asia the idea of a 'Grand Design' incorporating all these territories.

The Secretary of State Lennox-Boyd's response was not very enthusiastic. He felt that it would not be possible for the Committee to do much work until after the first federal elections in the Federation of Malaya scheduled to be held in July 1955.²⁶ The lukewarm attitude of the Colonial Office towards MacDonald's efforts was influenced in part by the fact that MacDonald's tenure as Commissioner-General was up for reconsideration around this time and it seemed likely that he would be replaced and given another posting. Nevertheless a Joint Coordinating Committee (JCC) of officials from Malaya and Singapore in a meeting held on 13 June 1955 made some interesting conclusions on the issue of closer association. The JCC felt that closer association between the two territories 'is desirable' but recognised that it would be difficult to overcome 'some practical difficulties and the matter should not be rushed'.²⁷ The JCC agreed that 'a complete unitary state might be the ultimate aim but it is not practicable in the foreseeable future' and that some form of federation between the two territories would be more practicable.²⁸

MacDonald's term of office as Commissioner-General, however, ended in 1955 and in the wake of the Alliance victory in the July elections the idea of a closer association lost some of the momentum although it was to be revived later by his successors. His immediate successor R. H. Scott while recognising the importance of merger to Singapore did not push for the idea as enthusiastically as MacDonald had done. The initiative to pursue the idea of a wider federation thus fell to the Singapore leaders who in the late 1950s began to pursue the idea of a merger with the federation of Malaya very seriously but HMG nevertheless was still committed to the idea of the Grand Design.

The Singapore initiative

Following MacDonald's departure, it was thus the turn of the Chief Minister of Singapore David Marshall and other such as Lim Yew Hock and Lee Kuan Yew, some of who had been involved in discussions with MacDonald, to push for the idea of a merger between Singapore and the federation as Malayan independence neared. On 29 February 1956, the Singapore Chief Minister David Marshall asked for an urgent meeting with the Federation government to discuss 'the question of future relations between the two territories.' But Malaya's Chief Minister Tunku Abdul Rahman declined to hold the meeting on such an important subject at short notice, and sought more details from the

Majesty's Government are making the pace in this matter or seeking to impose the idea upon the peoples concerned.⁴² The Secretary of State for the Colonies, notes in this draft cabinet paper: 'I strongly endorse this (though of course some development outside our control might force our hand). If the plan is to be successful, it cannot be rushed. The parties to it must evolve it as their own plan.'⁴³ The Secretary continued in the memorandum: 'Nor is it in our interest to rush it. The present situation suits us. The political association of the five territories which we are now considering fits into a future when we can no longer, or need no longer, insist on maintaining our present constitutional defence rights in Singapore and the Borneo territories and can be content to safeguard what defence interests we may still wish to retain, as Lord Selkirk puts it, "on a basis of consent" by a friendly independent country.'⁴⁴

Thus as of April 1960 there was a clear plan (and plan of action) developed by the Colonial Office with the object of working towards closer association of the British-controlled territories in Southeast Asia and the federation of Malaya. This was clearly well before 10 June 1960 when Tunku Abdul Rahman first broached the idea of a federation with several of the Borneo states in a secret discussion with Lord Perth, the Minister of State for Colonies, while in London. And this was also well before Tunku Abdul Rahman made the statement on 27 May 1961 suggesting that there should be closer relations between Malaya and the Borneo territories and Singapore. One of the most important elements in British thinking was the element of defence. Britain hoped to retain its bases in the region as part of its perceived wider obligations in Southeast Asia in the context of the Cold War.

Tunku's Idea of Federation, 1960-

Interestingly, Tunku had his own ideas of a 'Grand Design' for closer association of the Malayan Federation with the Borneo territories. Tunku preferred to bring together a broader federation involving Sarawak and Brunei with the Federation of Malaya and had related this to Lord Perth on 10 June 1960.⁴⁵ Lord Perth's note of his discussion with Tunku on 10 June 1960 is quite revealing:

After the usual courtesies the Tunku plunged into the purpose of his visit, namely the possibility of federation of Malaya, Singapore, North Borneo, Sarawak and Brunei. He wanted the British government to know that he would be prepared to face such a happening although it would give him a great number of headaches. I replied that this was something which we hadn't really given a great of thought to. . . . I pointed out that politically North Borneo and Sarawak were backward and how it was clearly important that they should learn the art of running themselves before they were asked to face decisions on their ultimate future. . . . Tunku then tried a slightly new line and suggested Brunei and Sarawak joining the Federation while the British Government remained in North Borneo to develop it economically and to use it as a military base. I did what I could to leave him with the feeling that we were neither for nor against the general principle.⁴⁶

A memorandum prepared by Far Eastern Department of the Colonial Office dated 22 June 1960 notes of Tunku's proposal which the Colonial Office thought was unrealistic.⁴⁷ The Secretary of State noted in the memorandum: 'I said that I felt very great doubt if it was realistic to think of retaining North Borneo as a Crown Colony after Sarawak had

discussions on the wider federation had been held in the 1950s, the matter was given more serious attention in the period 1960-61.

As Malaya achieved Independence in 1957, the British government began to give serious thoughts to the future of the smaller British-controlled territories in Southeast Asia - Singapore, Sarawak, Sabah and Brunei - and there was renewed interest in the idea of a wider federation which again becomes the focus of intense discussions. This idea, which is often referred to as the 'Grand Design'³⁷ was in keeping with British policies elsewhere in combining where possible smaller territories into bigger units as part of the decolonisation process and to provide for the development of viable nation-states.

Post-1960 discussions

The Colonial Office records indicate that the idea of closer association was given serious attention from April 1960. A memorandum³⁸ prepared by the Colonial Office in April 1960 by Sir John Martin titled - Colonial Policy Committee [CPC(60)17] was discussed at a meeting of the Colonial Policy Committee on 27 July 1960 'on the long term possibility of a political association of the British Borneo territories (the Colonies of North Borneo and Sarawak, and the Protected State of Brunei) with the Federation of Malaya and the State of Singapore.'³⁹ But the Colonial Office wanted to ensure that these efforts did not make it appear that the British were now beginning to force the pace on the idea of closer association. It was argued in the memorandum that Britain hoped that such an association would make these smaller states stronger and economically viable. The memorandum noted: 'Such an association, which one would hope would remain within the Commonwealth, would provide a possible future home for the small Borneo territories, which, trying to stand alone or even in association together, might find themselves against heavy pressures from Indonesia, the Philippines and China. It would also seem to offer the best answer to the future problem of Singapore'.⁴⁰ This meeting concluded that the Commissioner-General for Southeast Asia Lord Selkirk, who was present, should discuss the matter with officials in Borneo. This discussion took place in Kuching on 20 October 1960. As a result of the meeting and a further meeting at Eden Hall, Lord Selkirk, made several recommendations. These recommendations, which were supported by those present at the meeting, were:

(a) Her Majesty's Government should accept as the ultimate aim of their policy the development of a political association between Malaya, Singapore and the three Borneo territories; (b) progress towards this goal must be gradual and adjusted to the rate of political evolution in the Borneo territories; the first step must be the strengthening of existing links between North Borneo and Sarawak with the intention that these two territories might eventually enter the wider association as a single unit; this gradual bringing together of the two Borneo colonies should proceed without expectation of Brunei's participation, but without prejudice to her joining later should this be found possible.⁴¹

The meeting clearly indicated that the British government was now more committed to ensuring that the British controlled territories in Southeast Asia eventually achieved a kind of broader union. But this plan was to be kept under wraps. The memorandum also notes that Lord Selkirk emphasised 'that it is important to avoid any appearance that Her

Sarawak with the intention that these two territories might eventually enter the wider association as a single unit; this gradual bringing together of the two Colonial territories should proceed without expectation of Brunei's participation, but without prejudice to her joining later should this be found possible.⁵³

Brunei being a protectorate, the British had little influence over the future directions of the Sultan. The Sultan's views on the greater federation shifted from time to time. The telegram from the Secretary of State for Colonies also noted that HMG should not make any public statements on the matter: 'HMG do not contemplate making any public statement for the present since it is essential that we should avoid all appearance of trying to impose a political association; support for it should be seen to come from those concerned in the area. In the light of the above the policy of gradually working towards a political association of Sarawak and North Borneo should continue'.⁵⁴

HMG was quite intent in getting the views of Australia and New Zealand on the proposed 'Grand Design' before proceeding. A letter to Selkirk from the Secretary of State noted: 'We recognise that Australia and New Zealand have a definite interest in the implications of this proposal for the defence of Southeast Asia. At present we have defence facilities by right in Singapore (and Borneo) and this suits us very well. But Singapore is as nationalist as anywhere in Asia and we do not think that we can expect it to remain content indefinitely with its present subordinate status. Our ultimate choice therefore seems to be between working towards independence by means of merger with the Federation of Malaya and conceding separate independence. In either case we would when the time came need to modify our present defence arrangement and negotiate an agreement with the new government'.⁵⁴

Following the Thirteenth Inter-territorial Conference of the Borneo Territories, Lord Selkirk wrote of some difficulties that they were likely to face in pursuing the 'Grand Design' plan. He wrote to Iain McLeod of the Colonial Office on May 2 1961: 'Some modest progress has been made over the past year towards better cooperation and coordination between the two administrations [Sarawak and North Borneo]... But advance is still too slow. It is, I fear, bound to remain slow so long as we continue to allow the pace to be set by North Borneo's very natural fears of "contamination" from Sarawak ... I remain convinced that union is the right course for the two territories...'

The British had also encouraged Singapore Chief Minister Lee Kuan Yew to prepare a paper on the 'Grand Design'. This was circulated to Razak and other Malaysian Ministers, and it was hoped to win over the Tunku thereafter.⁵⁵ Lee had visited Kuala Lumpur several times to convince the Tunku about the feasibility of the 'Grand Design'. 'Lee had formed the conclusion (I believe correctly) that Razak was already converted and he has I suspect relied largely on Razak to break down Tunku's prejudice'.⁵⁶

In the meantime, Tunku Abdul Rahman made his announcement in Singapore of the desire for closer association between the British-controlled territories in Southeast Asia and the federation of Malaya. The idea of Grand Design or Greater Malaysia takes a life of its own after Tunku Abdul Rahman's announcement on 27 May 1961. Tunku wrote to

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 either become self-governing on its own or had merged with the Federation. This view was confirmed at Lord Selkirk's Kuching meeting and I am sure we should give Tunku no encouragement on this score...⁴⁸ The British government clearly were not in favour of Tunku's idea and felt he should be discouraged from pursuing it.

As it would be clear there was obviously different 'grand design that developed at this stage with Tunku keen on a smaller federation involving Sarawak and Brunei and the Federation, while the British were more keen on a broader federation involving all the Borneo states, Singapore and the Federation of Malaya. The British Cabinet felt that further consultation was needed with Australia and New Zealand about this idea. The Secretary of State felt that the Tunku and Lee Kuan Yew should be consulted. 'Subject to the result of these consultations we should then, as may be seen appropriate, sound out confidentially Tunku Abdul Rahman and Mr. Lee Kuan Yew, probably in that order, and possibly also the Sultan of Brunei and, subject to the views of the Governors, selected local notables in Sarawak and North Borneo'.⁴⁹

In the circumstances, the Colonial Office decided to move on the matter. A minute by R.C. Ormerod dated 21 April 1961 noted: 'The Colonial Office are seeking their Secretary of State's agreement to informing Lord Selkirk that he may assume that, subject to final agreement, the United Kingdom Government accept the policy'.⁵⁰ Lord Selkirk was quite impatient to get the scheme off the ground. A few days later on 26 April 1961, Ormerod minuted: 'I should add that Lord Selkirk is extremely impatient to get forward with this scheme. He was good enough to give me an interview and impressed on me the urgency of getting on with it in order to give Mr. Lee Kuan Yew, who is having a difficult time at present, some encouragement. Mr Bourdillon thinks that we could preserve our defence rights by retaining an enclave in Singapore on the Cyprus model, but I think this is most unlikely to be workable since the present installations are dotted all over the island. In fact this does not seem worth mentioning at present'.⁵¹

It is thus during this period that the British worked on Tunku and his colleagues (particularly Tun Abdul Razak and Tun Ismail) to win them over to the British idea of the 'Grand Design' (which later came to be called Greater Malaysia). The role of Duncan Sandys (Secretary of State for Commonwealth Affairs) in this respect is quite important and the documents indicate that it was Sandys who managed to persuade the Tunku to reconsider his objections to the idea of the greater federation, in view of the political developments particularly in Singapore. Here there is a more clearer crystallising of Britain's idea of the greater federation or 'Grand Design'. Thus a letter (outward telegram) from the Secretary of State to the UK Commissioner-General for Southeast Asia Lord Selkirk, as well as the governors of Sarawak, North Borneo, High Commissioner for Brunei and High Commissioner for Malaya (and Australian and New Zealand Government dated 21 April 1961 outlined the UK government's policy on the 'Grand Design' as follows: 'You may be guided by assumptions that, subject to the final decision - HMG accept as the ultimate aim of their policy the development of a political association between Malaya, Singapore and the three Borneo territories; Progress towards this goal should be gradual and adjusted to the rate of political evolution in the Borneo territories; the first step should be the strengthening of links between North Borneo and

Malaysia, the scheme appears to have been well cast before the announcement. MacDonald more than Tunku should be credited as the originator of the idea of the wider federation.

¹ Selkirk to Secretary of State, 27 May 1961, DO 169/25 (210). See also *Straits Times*, 28 May 1961.
² Lee Kuan Yew, *The Singapore Story*, Singapore: Times, 1998, pp. 363-364. Lee Kuan Yew the Singapore Chief Minister at the time notes in his biography: 'The Tunku's attitude towards Singapore was most discouraging, and he repeatedly parried and deflected any proposal for union that was put to him. He was adamant in not wanting merger under any circumstances, and he took every occasion, private and public, to make this clear.'
³ Matthew Jones, 'Creating Malaysia: Singapore Security, the Borneo Territories and the Contours of the British Policy, 1961-1963', *Journal of Imperial and Commonwealth Studies*, Vol. 28, No. 2, May 2000.
⁴ A.J. Stockwell, *Malaysia*, London: Institute of Commonwealth Studies, 2004, p. xxxvii.
⁵ Mohamed Nordin Sopiee, *From Malayan Union to Singapore Separation*, Kuala Lumpur: University of Malaysia Press, pp. 91-124; G.P. Means, *Malaysia Politics*, London: Hodder and Stoughton, pp. 292-312, Kuala Lumpur.
⁶ Mohamed Nordin Sopiee (1976), p. 135.
⁷ Lee Kuan Yew, *The Singapore Story*, Singapore: Times Edition, 1998, p. 364. Lee notes: 'Finally - to keep my hopes alive, I thought - the British encouraged me to put up a bigger formula, a grand design for a federation that would include not only Singapore but also all three dependencies in Borneo (North Borneo, Brunei, Sarawak), so that the ethnic arithmetic would not upset the Malay electoral majority. Selkirk and Moore suggested I prepare a paper, not for the Tunku, to whom the subject was obviously anathema, but for (Abdul) Razak. I assumed that, through Geoffrey Tory, they had talked to Razak into considering the concept and I had a paper ready in early May 1961 to give to Ismail to him.'
⁸ Ghazalie Shafie, *Memoir on the Formation of Malaysia*, Bangi: Penerbit Universiti Kebangsaan Malaysia, 1998, pp. 16-17. He claims he had ideas of the federation as early as 1948 and notes in his memoir: 'I could not erase the thought that a greater federation involving the 11 states of the Federation with Singapore, Sarawak, Brunei and North Borneo would be desirable and viable for the benefit of the people. Already, the communists in Asia under the leadership of the Chinese Communist Party (CCP) were creating security problems. The best way to face the threat was to eradicate colonialism from the area providing a better leverage in mobilizing popular sentiment and support against the Chinese-inspired and China-led communists.'
⁹ Brief for Secretary of State's Visit [to Federation and Singapore] undated (c. October 1951), CO 1022/61 (230).
¹⁰ A.J. Stockwell, *Malaya*, Part 1, pp. 256-257. The minute notes: The Governor, Malayan Union, said that economically it was not desirable that the Malayan Union should be dominated by the commercial consideration of Singapore. He considered that there was every reason why the Malayan Union should remain a single Government and that its needs and activities should be regarded independently and not in the light of Singapore aspirations. He said that there would be very strong opposition from the Malayan Union to the inclusion of Singapore and that unless public opinion in the Malayan Union as well as in Singapore was favourable to the change, it could not be contemplated. He felt that any immediate change is out of the question.'
¹¹ MacDonald to Colonial Office, 29 October 1951, CO 1022/61 (232).
¹² Brief for Secretary of State's Visit [to Federation and Singapore] undated (c. October 1951), CO 1022/61 (230). The brief notes that Progressive Party under the leadership of C.C. Tan felt it was impossible for Singapore to join the Federation under the present set up and yet safeguard its own interests and it would be akin to 'tie a millstone round our neck'. The Party felt that Singapore was in a more favourable position to achieve social and political advance.
¹³ Dato' Onn Jaafar had left UMNO and formed the Independence of Malaya (IMP) party in September 1951 after UMNO refused to open its membership to non-Malays. Interestingly, it was Tunku Abdul Rahman who replaced Onn as UMNO president in 1951, and who was later to play a prominent role in the formation of the Malaysian federation.
¹⁴ MacDonald to Colonial Office, 29 January 1952, CO 1022/61 (220).

Commonwealth Secretary Duncan Sandys on 15 June 1961 and then to the British Prime Minister Harold MacMillan on 26 June 1961 giving a more detailed outline of his proposed idea of wider federation. In a letter to the Commonwealth Secretary Duncan Sandys he spelt out the steps that should be taken and his ideas of the federation:

'If the United Kingdom is favourably disposed towards the idea, a meeting could be convened at the earliest possible opportunity between representatives of the Governments of the United Kingdom, Sarawak, Singapore, British North Borneo and Brunei on the one side and the Federation Government on the other. In this regard it must be clear that the representatives of the Borneo territories should be persons who have at least a semblance of right to speak on behalf of their territories. I might tell you that roughly my plan is to bring in Brunei, Sarawak, British North Borneo as integral parts of the Federation, and then treat Singapore as an autonomous state with absolute rights to determine its own internal affairs, except in matters of Defence, External Affairs and Internal Security. It would be a good thing if you could do something on your side to get the British Government interested in this plans.¹⁵

The Tunku then wrote to the British Prime Minister Harold Macmillan on 26 June explaining in more detail his idea of the new federation which was in the form of a three-page memorandum. In the letter Tunku wrote: 'I was gratified to read your encouraging statement in Parliament last week about the proposed association of Borneo territories, Singapore and the Federation of Malaya. As you may already be aware, I have written to Mr. Sandys regarding this, in particular about the future relationship of Brunei and the Federation. I am now forwarding a memorandum giving in some details our further thoughts on the subject, which I hope may serve as a basis for discussion.¹⁶ This is then followed by the formal negotiation process which took place over two years before the Federation of Malaysia came into being on 16 September 1961.

Conclusion

The discussion above shows that the idea of a wider federation between the British territories in Southeast Asia, called the 'Grand Scheme' initially, had been a subject of much discussion in the post-Second World War period, although the roots of such a closer association, albeit a little more vague, goes back to the period well before the war. This discussion has also showed that it was really the British Commissioner-General for Southeast Asia Malcolm MacDonald who pushed for substantive discussion of the ideal of 'closer association' both in Malaya and Singapore and the Borneo Territories, and in the Colonial Office. MacDonald felt that a wider entity encompassing all the British controlled territories would allow for the emergence of a stronger nation-state which idea lead to more substantive talks and the acceptance of the idea in the Colonial Office. Although MacDonald left Malaya in 1955, the idea was revived by the Colonial Office in the subsequent year, and in particular in 1960 serious discussions were held in the Colonial Office on moving forward on the idea with Lord Selkirk pursuing the idea actively. This was well before Tunku Abdul Rahman broached the idea of a wider federation with Lorth Perth in May 1960 and even well before Tunku made the announcement of 'closer association' on 27 May 1961. While Tunku's public announcement moved the formal negotiations on the formation of the federation of

- ⁴⁴ Draft Cabinet Paper for Colonial Policy Committee (Prepared by Sir John Martin), April 1961, DO 169/25 (313).
- ⁴⁵ Memorandum by Far Eastern Department, Colonial Office, 22 June 1961. See also note by Lord Perth, 10 June 1960, CO 1030/977 (E6B). The Tunku had also related his idea of a federation with the Borneo territories to Lord Home on 3 June 1960, noting that 'we must be ready for an Indonesian move against these territories' and also spoke to Miss Vickers, MP, about a possible federation between Malaya, North Borneo, Brunei and Sarawak. See Brief for Minister of State for Talk with Tunku, 9 June 1960, CO 1030/977 (6A).
- ⁴⁶ Note by Lord Perth, 10 June 1960, CO 1030/977 (E6B).
- ⁴⁷ Draft Cabinet Paper for Colonial Policy Committee (Prepared by Sir John Martin), April 1961, DO 169/25 (311).
- ⁴⁸ Draft Cabinet Paper for Colonial Policy Committee (Prepared by Sir John Martin), April 1961, DO 169/25 (311).
- ⁴⁹ Draft Cabinet Paper for Colonial Policy Committee (Prepared by Sir John Martin), April 1961, DO 169/25 (314).
- ⁵⁰ Minute by R. C. Ormerod, 21 April 1961, DO 169/25.
- ⁵¹ Minute by R. C. Ormerod, 26 April 1961, DO 169/25.
- ⁵² Outward Telegram from Secretary of State for Colonies to Commissioner-General for the United Kingdom in Southeast Asia, 21 April 1961 DO 169/25 (297).
- ⁵³ Outward Telegram from Secretary of State for Colonies to Commissioner-General for the United Kingdom in Southeast Asia, 21 April 1961 DO 169/25 (298).
- ⁵⁴ Draft Savingram to UK Commissioner-General for Southeast Asia, 10 May 1961, DO 169/25 (230).
- ⁵⁵ Moore to Ian MacLeod of the Colonial Office, 10 May 1961, DO 169/25 (230).
- ⁵⁶ British High Commissioner, Kuala Lumpur, to CRO, 26 May 1961, DO 169/25 (220).
- ⁵⁷ Tunku to Duncan Sandys, 15 June 1961, DO 169/25 (55).
- ⁵⁸ Tunku to Macmillan, 26 June 1961, DO 169/26 (296).

- ¹⁵ Minute by J. D. Higham, 6 February 1952, CO 1022/61.
- ¹⁶ Gimson to Macdonald, 29 February 1952, CO 1022/61.
- ¹⁷ Minute of meeting to discuss closer association between Federation and Singapore held on 18 May 1953, CO 1022/61 (128), 18 May 1953.
- ¹⁸ Minute of meeting to discuss closer association between Federation and Singapore held on 18 May 1953, CO 1022/61 (128), 18 May 1953.
- ¹⁹ Minute of meeting to discuss closer association between Federation and Singapore held on 18 May 1953, CO 1022/61 (130), 18 May 1953.
- ²⁰ CO 1030/164 (178), Note of Meeting in Kuching to Discuss closer Association between Borneo Territories, 28 October 1954.
- ²¹ CO 1030/164 (181), Note of Meeting in Kuching to Discuss closer Association between Borneo Territories, 28 October 1954.
- ²² CO 1030/164 (169), Macdonald to John Martin, 7 Jan. 1955.
- ²³ Macdonald to Secretary of State, 2 April 1955, CO 1030/163 (20).
- ²⁴ Macdonald to Secretary of State, 2 April 1955, CO 1030/163 (20).
- ²⁵ Macdonald to Secretary of State, 2 April 1955, CO 1030/163 (23).
- ²⁶ Lennox-Boyd to Macdonald, 2 June 1955, CO 1030/163 (10). MacKintosh of the Colonial Office noted: '... Mr. Macdonald is again being too sanguine in his estimate of the prospects of the J.C.C.'
- ²⁷ CO 1030/161 (146), Note on Meeting of Joint Co-ordination Committee, 13 June 1955.
- ²⁸ CO 1030/161 (146), Note on Meeting of Joint Co-ordination Committee, 13 June 1955. The ICC comprised D.C. Watherston (Chief Secretary), J.P. Hogan (Attorney-General), Dato Om Jaifar (Member for Home Affairs), R.B. Carey (Works), H.S. Lee (Transport), V.M.N. Menon (Posts and Telecommunications) Panglima Bukit Gantang (Mentri Besar, Perak), Tunku Abdul Rahman and Yong Shook Lin (Malayan representatives), W.A.C. Goode (Colonial Secretary), E.J. Davies (Attorney-General) Thio Chan Bee, Sir Ewen Ferguson, C.C. Tan, Lim Yew Hock, N.A. Mallal and Ahmad bin Mohamed Ibrahim (Singapore representatives).
- ²⁹ Sir R. Black to Secretary of State for Colonies, CO 1030/161 (82), 1 March 1956.
- ³⁰ MacGillivray to Secretary of State for Colonies, 9 March 1956.
- ³¹ MacGillivray to Secretary of State for Colonies, 9 March 1956.
- ³² Statement by Chief Minister David Marshall, 7 March 1956.
- ³³ R.H. Scott to British Prime, 8 March 1956, CO1030/161 (78).
- ³⁴ R.H. Scott to British Prime, 8 March 1956, CO1030/161 (78).
- ³⁵ CO 1030/162 (27), Reuter report, 14 June 1956.
- ³⁶ J.B. Johnston to F.S. Tomlinson, 19 November 1956, CO 1030/162 (9).
- ³⁷ DO 169/27 (210), c. July 1961. The term has been used for many years to describe various ideas which from time to time have been put forward for a closer association between British Borneo Territories, Sarawak, North Borneo and Brunei, Singapore and the Federation of Malaya. (Document says it is useful because it does not imply any particular form of association.)
- ³⁸ This is a revised memorandum on the 'Grand Design' submitted to the Colonial Policy Committee for consideration by UK Ministers and is titled 'Possibility of an Association of the British Borneo Territories with the Federation of Malaya and Singapore'. R. Melville to N. Pritchard, 7 April 1961, DO 169/25 down definitely against an early public statement by HMG.
- ³⁹ Draft Cabinet Paper for Colonial Policy Committee (Prepared by Sir John Martin), April 1961, DO 169/25 (311).
- ⁴⁰ Draft Cabinet Paper for Colonial Policy Committee, April 1961, DO 169/25 (311). The governors of Sarawak and North Borneo and the High Commissioner for Brunei and Lord Perth were present at the meeting.
- ⁴¹ Draft Cabinet Paper for Colonial Policy Committee, April 1961, DO 169/25 (311). The governors of Sarawak and North Borneo and the High Commissioner for Brunei and Lord Perth were present at the meeting.
- ⁴² Draft Cabinet Paper for Colonial Policy Committee (Prepared by Sir John Martin), April 1961, DO 169/25 (313).
- ⁴³ Draft Cabinet Paper for Colonial Policy Committee (Prepared by Sir John Martin), April 1961, DO 169/25 (313).