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## **The United States Economic Interests in Malayan Emergency of 1948-1960: A Historical Retrospectives**

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### **Abstract**

This essay examines the United States response towards the implementation of the Emergency administration by the British in Malaya from 1948 to 1960. The main argument is the US was very positive and supportive to the initiatives and actions taken by the British in Malaya to combat the Communist insurgency. A historical analysis from various archival records proven that the economic interest was one of the major consideration which influenced the US reaction towards the Emergency. Undoubtedly the inclination to protect the production of primary commodities such as rubber, tin and rice from Malaya and Southeast Asia contributed significantly in shaping the US attitude during the Cold War era. In addition, Malaya's geostrategic position in the centre of mainland Southeast Asia with Singapore at the south and Penang at the north as the international ports and trading midpoint, the importance of the Straits of Malacca as a vital shipping routes and the key location of Thai-Malaya border justified this conclusion. Despite a fewer attention given by the previous historians to study the US links with the Emergency in Malaya as compared to the British who was the former colonial administrator; this research proposed a fresh paradoxical interpretation instead.

**Keywords:** Emergency, Malaya, United States, Communist, Economy

### **Introduction**

Historically, from 1948 to 1960 Malaya witnessed a critical Communist insurgency which forced the British colonial administrator at that time to declare the Emergency throughout the nation. The aims of the Emergency were to eliminate the Communist's intimidation and terrorism activities, whilst restoring peace and stability after the Second World War. Although the British encountered the insurgency unilaterally but the response and interests of her regional and international allies in particular the US cannot be abandoned. Undeniably the US was not involving directly in countering the Communist insurrection in Malaya as compared to in Vietnam during this period. However, from the Southeast Asian regional perspective, Malaya was very vital as a part of the US regional and global strategic position to combat the Communist threat in Asia during the Cold War era. In

fact, Malaya strategic location in the mainland Southeast Asia especially in the centre between Vietnam and Thailand with Singapore was very significance to the US interests in the region. The strategic view was clearly emphasized in the US's *Domino Theory* which shaped Washington's foreign policy in Southeast Asia during the Cold War (Eisenhower, 1954).

This article examines the economic interests of the United States in Malaya during the period of Emergency from 1948 to 1960. Based on the declassified archival records as the main sources, this article disclosed the influence of economic consideration towards the US attitudes during the Emergency in Malaya from historical analysis and perspective. It is very important to emphasize here that the research on Emergency in Malaya is mainly dominated in the topic of the British involvement. Indeed, it is commonly accepted the fact that the US did not intervene directly in the British military operation towards the Communist insurgency in Malaya, subsequently distracted a great concern of historians on the US reactions or involvements. Hence this article discusses the US response towards the Malayan Emergency administration from 1948 to 1960. The essay will primarily focus on the main argument of a historical discourse that the economic interest of the US in Malaya and Southeast Asia at large was one of the vital factor which had shaped the US attitude towards the Emergency in Malaya during the Cold War era.

### **The Malayan Emergency, 1948-1960**

The emergence of the Communist influences in Malaya originated with the establishment of the left-wing of the Kuomintang Party (KMT) in the country as early as 1920s. Prior to the emergency in 1948, the majority ethnic involved with the Communist activities were the Chinese immigrants. From 1921 to 1922, the influences of the Communist Party from the East Indies spread in the country with their major operational center located in Singapore (Ruth, 1965). Subsequently, the Malaya Communist Party (MCP) was established on 30 April 1930 with the major aim was to create the Communist Republic of Malaya (Hara, 2017). The MCP launched the subversive activities across the country to drive out the British administrator. One of their major activities was to launch the industrial strikes among laborers to cripple the economic enterprise. Nonetheless when the Pacific War broke out in Malaya in 1941, the MCP had collaborated with the British to resist the Japanese occupation by forming the Malayan People Anti-Japanese Army or MPAJA (Cheah, 2014). Aftermath the war, the British returned to Malaya to establish a new administration regime but the initiative was opposed by the MCP. Approaching to 1948, the British started to realize the danger of Communist subversive activities especially among the labor movements. Hence, in February 1948 the Governor General, Malcom McDonald formed a special Committee in order to ban the MCP. In the beginning, the British introduced the new labor law in May 1948 to control the subversive influences in the labor organizations, consequently banned the leading labor union in Malaya, the Pan Malayan Free Trade Union (PMFTU) who was suspected as the main MCP's proxy on 14 June 1948 (Leong, 1999).

Eventually the MCP launched the guerrilla campaigns against the British when there was no room of both parties to negotiate in peaceful agreement. On 16 June 1948, the British announced the Emergency Law to be implemented in Malaya in order to combat the Communist insurgency by the MCP. It was commenced in the state of Perak, Johor and finally the entire Malaya by 18 June 1948. The announcement of Emergency was declared as an immediate reaction of the British after the murdered of three estate managers in Sungai Siput

district in Perak. According to the British High Commissioner to Malaya, Sir Edward Gent in his telegram to the Office of the Colonial Secretary dated 17 June 1948 that the incident '*did not mark the start of Malaya violence (but) they did trigger the state of Emergency...*' (Gent, 1948). Under the Emergency Law, firm actions was implemented by the British to eliminate the Communist's threat. Suspected Communist leaders were arrested and military action was launched against the Communist guerrillas. The climax was the outlawed of the MCP on 23 July 1948. (Stockwell, 1995). When Sir Henry Gurney replaced Gent as the new High Commissioner of Malaya, the stiffer action continued with more strategies and multi approaches. Among them was to alienate the Communist sympathizers especially from the Chinese community whom consistently supplying the guerrilla foods and intelligence information. In addition, more aggressive military campaigns were launched to combat the Communist in the jungle across Malaya.

In order to make sure the strategy to eradicate the Communist threat becomes more effective, Sir Harrold Briggs, a very experience army leader who previously involved in the military campaign in Burma and India was appointed as the Director of Emergency. Briggs then introduced the Briggs Plan- a comprehensive program to eliminate the Communist and their sympathizers. (Stockwell, 1995). As claimed by Briggs (1951), the main objective of the campaign was '*clearing Malaya of terrorists was like clearing a Malaria-ridden country of mosquitos...we must rid the country of these mosquitos which sneak silently and furtively out of the darkness to attack the innocent and spread their foul diseases*'. The Plan first introduced in Johore on 1<sup>st</sup> August 1950, continued with Negeri Sembilan, Selangor, Pahang and Perak in 1951. For the British, there was no room of negotiation with the Communist terrorists especially after the murder of the British High Commissioner to Malaya, Sir Henry Gurney at Fraser Hill on October 1951 (CIA, 1951).

In 1952, Sir Gerald Templer was appointed as the new High Commissioner to Malaya. The arrival of Templer was seen as the determination of the British to eradicate the Communist grass roots in the country. He is a well-known ex-military officer for his service to combat the Red Army in Persia and Mesopotamia, as well as the officer in charge of the British administration in Germany, Belgium and Holland after the Second World War. With his military background, Templer was also chaired the Direction of Operation and Director of Intelligence to skirmish the enemy. The main target for Templer was to defeat approximately five thousand Communist fighters in Malaya jungle (Record of Operational Research Section-Malaya, 1953). In order to win the difficult war, Templer wisely introduced the strategy of 'Hearts and Minds'. (Dixon, 2009). The distinctive element of this strategy was to encourage the participation of the locals including the public to fight against the Communist and did not rely entirely on military actions. As explained by Templer (1952), that '*the solution lies not in the hands of any one man, nor alone in the hands of the government here or in the United Kingdom...It is in the hands of all of us, the peoples of Malaya and the governments which serves them*'. In order to be more inclusive, the first local council election for the city of Kuala Lumpur was introduced by Templer in 1952. The election was considering as the brilliant strategy of the British administrator to divert the local support from the Communist became the government alliance. In fact, the aim was to create the consciousness among Malaysians the important of restoring peace and stability in their own country. Indirectly the locals will avoid any participation of terrorist activity or could easily influenced with the Communist

propaganda. After a period of excellence services of combatting the Communist in Malaya, Templer was replaced with Sir Donald Charles MacGillivray as the new British High Commissioner to Malaya who served in the office until the independence of Malaya in 1957. The era of MacGillivray marked the declines of the major Communist threat to Malaya before the Emergency was fully concluded in 1960s.

### **The Us Reactions: A Preliminary Observation**

Unlike in Vietnam or Korea, the United States did not involve directly in a massive military campaign against the Communist insurgency during the Emergency period in Malaya. Nevertheless, the political instability was still seen as a regional threat to the US's interests in Southeast Asia; and had been considered as a part of the global ideological war between the liberal-democratic block against the Communist. Yet, the British was the US allies to curb the infiltration of the Communist subversives in Asia. In this context, President Truman in his statement on May 1951 claimed that, *'the assault in Indochina has been checked by the free people of Indochina with the help of French. In Malaya, the British are holding firm against Communist guerrilla attacks. In Philippines, in Burma and in other places in Asia, Communist led guerrillas are being blocked'* (Truman, 1951). Whilst in the global context, Truman (1951) furtherer emphasized that *'the fight against Communist aggression in the Far East is the fight against Communist aggression in the West and in the whole World as well'* . .

In the early response, Washington provided a small number of military equipment and technical assistances to Malaya with a special attention given to the US companies just a month after the Emergency rules declared. The mission was to safeguard the US multinational companies and investors from the terrorist attacks and sabotages. These including the supply of guns and ammunitions to the US rubber planters and tin companies (Darby, 1948). In the US's perspective, Malaya was considered as *'a reporting post, i.e. as a vantage point from which to view what has been referred to as the Communist power drive in Southeast Asia'* (Blue, 1949). The basis of the US anxious was rely upon the fact that the majority of those who have been involved in the Communist activities in Malaya was the Chinese ethnic. Washington inclines to believe that the Malayan Chinese has a close relation with the China government and received a strong assistance from Beijing to spread Communism in Southeast Asia including Malaya. As claimed by Stuart (1947), the US Ambassador to Beijing, in his report dated 22 August 1947 which clarified that *'the part of China which is likely to have most influence on the rest of Asia is the part which has contact with Indochina, Malaya, Indonesia and India'*. Meanwhile, another report from the US Embassy in London also stated that *'events in China affected Malaya...the victories of the Communist in China will be bound to inspire their co-believers in Malaya to fresh efforts'* (Dickover, 1949).

In a further review, the US administration was in the opinion as stated by Dickover (1949) that *'if a Communist-controlled government is formed in China, it may try to give official support to the Malayan Chinese in contest with both the Malays and British administration'*. In addition, the US also believes other than China, the Soviet Union was striving to disperse their influence in Southeast Asia. Strategically based on the memorandum from the Division of Philippines Affairs dated 24 January 1949, Washington was convinced that *'...the crisis in China and the Dutch aggression in Indonesia have vitally increased the strategic importance of Southeast Asia'*. It was further elaborated that *'...this area which*

*includes Indonesia, the Philippines, Siam, Malaya, French Indochina, Burma and Australia can be a bastion of American security-or it can be fertile soil for Soviet agitation'* (Ely, 1949). The US embassy in China was very serious in continuously observing the situation in Malaya during the period in Emergency. They have confidence to believe that the China Communist was actively supporting the Communist movement in Southeast Asia, particularly in Malaya. In fact, Washington inclines to conclude that they are the primary target behinds the revolutions promoted by Beijing in Asia including Malaya (Bennett, 1949).

Nonetheless with regards to the British decision of implementing the Emergency administration in Malaya, the US had given undivided diplomatic and political support. For example, the introduction of the Briggs program was considered by the US as undoubtedly important. During the meeting between the British's foreign officers, the US and France in 30 August 1950, they unanimously agreed that the fulfilment of the Briggs Plan is *'vitally important to the whole area'*. (Record of the Department of States, 1950). Washington shared the positive view of the effectiveness of the Briggs Plan to eliminate Communist threat in Malaya as indicated in a report by the CIA dated 20 October 1950. Doubtlessly, the intelligence service agency of the States considered the initiative of the Briggs Plan was *'to checkmate' the Communist's* subversive and terrorist activities in Malaya. (Record of the Department of States, 1984). Whilst in view of the Templer's 'heart and mind' approaches, the US officers had admitted its effectiveness to restrain Communist influences in Malaya. According to Hendrik van Oss (1953), the US Consul in Kuala Lumpur in his report to the Secretary of State in 1953 that the approach was *'overwhelmingly successful'*. Van Oss further claimed that *'the foundation had been laid for steady progress to self-government and support for the Communist cause reduced to a low point'*. All the supports given by Washington to London was based on the same aims shared by both countries. The Secretary of States, John Foster Dulles stated publicly that the United States and Great Britain shared common objectives in Malaya which *'both powers wanted Malaya to be self-governing and free from Communist insurgency'* (Dulles, 1954).

Based on the above perspective, Washington eventually sent several strategic missions to Malaya for a direct observation and subsequently coordinating assistances with the British to combat the Communist insurrection. The first mission was the Jessup Mission in January 1950 led by a prominent diplomat, Phillip C. Jessup. The mission was set up as a response to the announcement of Four Point Program by President Truman in 1949. The Program was established to assist developing nations in Southeast Asia by providing economic and technical assistances. Upon arrival in Malaya, the delegation had several meetings with the British officials such as the meeting on 6 February 1950 with the British's Commissioner General to Southeast Asia, Malcom McDonald at Bukit Serene, Johor Bahru. In the discussion, Mr. Jessup clearly emphasized to the British representatives that the US policy in regards of the Communist insurgency was *'does not intend to permit further extension of Communist domination on the continent of Asia or in the Southeast Asia area'* (Jessup, 1950). The meeting concluded with both parties agreed upon the urgency needs of a closer cooperation and coordination in multi areas to fight the Communist insurgency in Malaya and Southeast Asia at large. Later in his report to the State Department, Jessup (1950) emphasized that the White House should take a firmer action to prevent Communist expansion in Southeast Asia. In regards of Malaya, he assessed that *'Japan, Korea, the Philippines, Indonesia and Malaya are*

*to be considered less critical spots but not to be neglected...there was a hot war'. (Jessup, 1950).*

After the Jessup Mission, Washington sent another four important missions to further investigate the situation in Malaya and Southeast Asia whilst offering cooperation and assistance to repress the Communist's threat. It was the Griffin Mission on March 1950, the Melby Mission on July the same year, followed by the Bell Mission and finally the Judd Mission in 1953. Colonel R. Allen Griffin was in Malaya from 16 to 23 March 1950 to identify the crucial needs of the US assistance to safeguard Southeast Asia including Malaya from the Communist influences. As stated by the Secretary of State, Dean Acheson that the main focus was on a possibility study of providing financial and development aid such as projects for rice cultivation and anti-malaria campaign (Acheson, 1950; Thorp, 1950). Nonetheless the real objective of the mission was to safeguard Southeast Asia including Malaya from falling into the Communist's sphere. This was admitted by Griffin in his meeting at Bukit Serene, Johor Bahru with Malcom McDonald that the US has lost China and this way *'we weren't going to lose Southeast Asia'*. (Griffin, 1950). Suffice to mention here that the mission's aim was Southeast Asia, yet Malaya was not excluded. British on the other hand requested the US aid to supply the military equipment to combat the Communist in Malaya jungle, as well as to control subversive activities in the labor organizations (Hayes, 1971). Eventually, the findings and recommendation of Griffin Mission especially the military intervention was aborted due to reasons such as lack of priority, shifted under different scheme and unclear of UK's endorsement (Acheson, 1950). Nonetheless, among the US assistances remains to the British Malaya were providing teachers to conduct special classes for the Malayan police and a financial grant of more USD\$300 thousand to build roads along the West Coast of Malaya and the state of Pahang. (Sodhy, 1991)

On August 1950, another strategic mission known as the Melby Mission was sent to Southeast Asia and Malaya led by John F. Melby. In the State Department's memorandum, it was clearly stated the basic aims of the mission was to determine whether or not grant of aid should be furnished for the British to use in Malaya (Lowe, 1950). During a meeting with the British senior officials at Johore on 8 August, the delegation confessed to the British that Washington is focusing her eyes on Malaya based on the policy of *'to stop the advance of Communism in Asia as well as elsewhere'*. (Erskine, 1950). After the Melby Mission, Washington had sent another strategic mission known as the Judd Mission. Led by a Congress member of Minnesota, Walter H. Judd by the end of 1953. The mission was sent to the Far East and Southeast Asia including Taiwan, Korea, Japan, Thailand and Malaya with the aims of studying ways to safeguard the US interests around the region from the Communist World's threat especially from Soviet. In their report the mission stated that *'at the moment is quickly approaching when the rising tide of Communism could engulf Asia'*. Subsequently the same report warned Washington that *'a free Asia is vital to the security of the free world and, therefore to the security of the United States'*. (Judd, 1954). On her view to the Emergency in Malaya, the mission admitted that although Washington was not directly involved in Malaya's current problem (the Communist insurgency), they recognize the strategic, political and economic importance of the Peninsula to the Free World. Washington declared their support to the British in their twin objectives of defeating Communist terrorism and creating a united and self-governing Malayan state in due course (Judd, 1954)

Undoubtedly the Emergency of Malaya as declared by the British in 1948 received a positive support from Washington. The significant response was clearly based on the objective to protect the Free World and the US interests in the Far East and Southeast Asia including in Malaya. The Communist insurgency in Malaya was a great danger to the US strategic position in the region. Hence, the US sent several important missions to Malaya and Asia during this period to investigate and orchestrate a closer cooperation with her allies by providing necessary assistances needed. Although Washington did not involve directly in any military operations in the Malayan Emergency but the diplomatic and psychological support was continuously disseminated to her ally. In fact, Washington was always in the stage of vigilant in case of the British is defeated in her war against the Communist terrorists like the French in Indochina. Washington was fully realizing the seriousness of the Communist intimidations in Southeast Asia and the importance of Malaya as another bastion of the US hegemony during the Cold War in the region. The fall of Southeast Asia including Malaya into the Communist's sphere substantially means the unacceptable loss of the US precious interests in the region including the economic importance.

### **The Us Economic Interests**

Despite the ideological war, the US attitude and response to the Emergency in Malaya was very much triggered by the economic consideration. The Communist insurgency had caused the US and her allies especially Britain the economic threat in particular the raw materials supply (White 1996). After the Second World War, Malaya remains as one of the important rubber and tin producer in the world. Yet, the Communist strategy was to sabotage and attacking the rubber estates and tin mining in order to weakening the British administration position in Malaya. Subsequently as reported by the US Central Intelligence Agency or CIA (1948) that the Communist insurgency jeopardized the US imported commodities such as tins and rubbers. Suffice to mention that in the first month of the Emergency, the total of rubber production in Malaya was recorded amounted 60,594 tons with the biggest tons exported to the US, Britain and her European allies market like France and Netherland (*The Straits Times*, 23 July 1948). In 1950 the US imported more than 377, 000 tons of rubber from Malaya and emerged as the biggest purchaser of Malayan rubber (Sodhy, 1991).

At the same time Malaya appeared as one of the most importance of tin exporter to the State. In 1948, it was recorded that Malaya exported 47,215 tons of tins with 29,497 tons were to the United States (Record of the Department of Commerce, 1948). Eventually, by 1949 Malaya exported more than 54, 910 tons of tins abroad and from this figure, 80 percent went to the States (Hayes, 1971). In another report of by the CIA (1949) that '*primarily, Malaya is of importance to the US because it is the world's greatest producer of rubber and tin...through the rubber and tin industries, Malaya is the sterling bloc's biggest dollar-earner*'. Thus the US was very much inclines of assisting British in Malaya to combat the Communist insurgency in order to protect the vital interest of Washington. According to a memorandum by the National Security Council of the United State (NSC) in 1954 that the Washington policy on Malayan Emergency was to '*support the British in their measures to eradicate Communist guerrilla forces and restore order in the event of overt Chinese Communist aggression against Malaya...the US should assist in the defence of Malaya, as appropriate, as part of a UN*



*collective action or in conjunction with the United Kingdom and any other friendly government'*. (NSC, 1954).

From 1920s to 1960s there were many US estate companies in Malaya especially in Johore, Selangor and Kedah. The following figures are among the important US Plantations in Malaya as recorded in 1925.

**Malaya American Plantations Ltd, 1925.**

State	Total area (acres)	Cultivated rubber (acres)
<b>KEDAH</b>		
Scarboro Estate (Sungai Petani)	5,055	4,137
Maryland Estate (Kulim)	989	825
Dublin Estate (Kulim)	9,839	9,640
Harvard Estate (Sungai Petani)	6,300	1,200
Total Area of Kedah	22,183	15,802
<b>JOHORE</b>		
Wessyngton Estate (Renggam)	3,096	3,045
Linden Estate (Johor Bahru)	2,312	1,470
Total Area of Johore	5,408	4,515
<b>SELANGOR</b>		
Bristol Estate (Kuang)	2,099	1,915
<b>Total Area of Malaya</b>	<b>29,690</b>	<b>22,232</b>

Source: Shakila Parween Yacob (2008)

Malaya was also very strategic to the US in term of catering the rice supply to her allies. In this regards, a consistent and sufficient amount of rice supply was very crucial to support the US allies position to combat the Communist revolt in Southeast Asia; in particular the French in Indochina and the British in Burma and Malaya. The collapse of the US Allies in Southeast Asia means Washington will be alone in countering the Communist uprising in the region. The reality of this intertwined impact was admitted by President Eisenhower (1963) which clearly indicated in 1954 that *'if Indochina fell, not only Thailand but Burma and Malaya would be threatened, with added risks to East Pakistan and South Asia, as well as to all Indonesia'*. . Furthermore, the rice supply from Southeast Asia was also very critical to the US position in Korea and Japan. Prior to 1948, Southeast Asia was the biggest rice supplier or 'the rice bowl' for Korea and Japan. (Schaller, 1985). Unfortunately, the rice production was drastically declined after the Second World War in Southeast Asia including in Malaya. For instance, in the first quarter of 1946, Southeast Asia produced only 18 per cent of the world rice output (Smith, 2011).

It is also very important to state here that the fall of Malaya into the Communist control will endanger the rice production and export from Thailand. After the Pacific War, Thailand was the largest rice exporter in the world (Stanton, 1951). The geostrategic position of Malaya as Thailand's neighbour means any Communist insurgency in Malaya will give a strong interlinked impact to the rice production and distribution from Thailand. The US

Secretary of State, Dean Acheson admitted this fact when commenting the geostrategic position that *'In Malaya on the south, there are strong Chinese communist-led guerrilla bands which are presently in revolt against the British authorities and whose principal sphere of action lies along the Malaya-Thailand border'*. (Acheson, 1950). Interchangeably, the Communist acquisition of the rice surplus areas like Burma, Indochina and Thailand, would enable the Communist to apply effective economic pressure against the non-Communist Asian countries in which rice is the principal food including Malaya (Record of the ANZUS Council, 1952). Hereof, a report by the CIA (1951) further clarified that the *'Communist control over Indochina. Thailand and Burma would facilitate trans-border aid to the Malayan rebels and deprive Malaya of its essential rice supply'*..

As a sequel, the occupation of Malaya (which included Singapore at that time) by the Communist will imperil the US position in commerce activities. Accordingly, Singapore and Penang are the important ports for international trading activities in Asia. At the same time, a strategic position of the Strait of Malacca was also very crucial as one of the main route of international shipping of commerce. In this regards, the CIA consistently emphasized the fact of Singapore's extensive naval facilities and strategic location on world shipping lanes. Indeed, the CIA (1949) was quoted of confirming that *'control of Malaya peninsula and especially the island of Singapore, entails control of the Straits of Malacca through which passes most of the sea-borne commerce between the West and the populous nations of the Far East'*. In regards of Penang, the Department of State in 1950 emphasized that Penang is on a direct route of travel for round-the-world and Asia-Europe traffic and provides an excellent supply of export cargo because of its position as a transshipment point for Malaya, the West coast of Thailand and Sumatra. The strategic assessment of the State Department (1950) confirmed that *'tin is the principal cargo moving to the United States from Penang'*.

## Conclusion

In conclusion, a prefatory study of the historical records discovered that the US response was very positive and supportive to the Emergency enforcement declared by the British administrator in Malaya in 1948. Undeniably, the United States did not involve directly in the Emergency which ended in 1960. Thus not many historians attracted to embark a research on the US involvements in the Malayan Emergency. Most of the existing historical studies focusing on the British connection only. Unlike in Vietnam or Korea, Washington was obviously did not send any mass armed forces to combat the Communist insurgency led by the MCP. Nevertheless this article proven that the US was very alert and observing cautiously the Emergency conditions through several important missions sent to Malaya. In the missions, Washington had exchanged important views, yet strategic ideas with the British to encounter the Communist threat efficiently. In fact, the concern and support portrayed by the US contributed to the British's physiological strength and diplomatic invincibility in all of her efforts and initiatives to fight the Communist terrorist activities during the difficult period.

Undoubtedly they were various factors had influenced the US response towards the Malayan Emergency. Nonetheless, this essay focused and argued that the economic consideration was one of the substantial element which shaped the US response towards the Emergency. Hence, it is also very important that the economic consideration should be analyzed from many layers of historical interpretation. In this regards, other than a direct

investment of the US companies in Malaya, particularly in the rubber plantations and tin mining industry, the essay unveiled the important of the economic-chain impact in Southeast Asia. As mentioned by Eisenhower in the Domino's Theory, the significance of the Emergency in Malaya has to be analyzed from a regional perspective. The collapse of the British administration in Malaya to the Communist will create a profoundly inter-chain economic impacts to the US position in Southeast Asia.

One of the example examined by this essay was the impact on the rice production and exportation. By quoted Thailand as a case study, it is clear that the escalation of the Communist terrorist activities in Malaya generated a political instability and insecurity at the Thai-Malaya border. Consequently, the mass production of rice in Thailand would be hardly exported if Malaya, including Singapore, Penang and the Strait of Malacca controlled by the Communist. As a result, the US allies like the French in Indochina and the British in Burma and Malaya will greatly suffer of losing rice supply and their positions may be replaced by the Communist puppet regimes. The economic chain impacts continuously expanded to the Far East especially towards the US position in Japan and Korea as the main importer of rice from Thailand. Obviously, if the US stand still and did not support the war against the Communist insurgency in Southeast Asia including in Malaya from 1940s to 1960s, the whole free Asia will fall into the Communist ferocious terrorism circles, subsequently the region's future destiny will be plunged into Kremlin and Beijing's mercy.

Finally, this essay contributed a valuable fact of the existing Malayan historical narratives. It analysed the response of the United States towards the Malayan Emergency from 1948 to 1960 which was very much influenced by the economic interest consideration. In the context of Malayan historical writing, the influence of the US should be seen as a part of the US regional strategy to curb the Communist influences in Asia during the Cold War. Despite a lot of attention given by historians to the British involvement in combating Communist insurgency in Malaya, the critical influence and position of the US in this context could not be marginalized. Subsequently, this study paved the way of a fresh interpretation on the Malayan Emergency historical discourse and writings.

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