CHAPTER-I

Introduction: A Historical Background of United States Policy towards Southeast Asia

United States and Southeast Asia

The United States entered the Southeast Asia after 1898, when it defeated Spain and seized the Philippines.\(^1\) After some three decades of self doubt, the United States enacted legislation in 1934 that set out a ten year timetable for the eventual independence of the colony. The United States interests in Southeast Asia in the initial stages, however, were minimal like trade and commerce.\(^2\)

Since 1940 Southeast Asia has experienced major war, the defeat of colonial powers by an Asian powers, a

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1. The term Southeast Asia was first introduced during the Second World War when Allies established the Southeast Asia command in 1943, under Lord Louis Mountbatten, against the aggression of Japanese military in the region which headquartered at Ceylon (Srilanka). Before that Southeast Asia was included in the term Far East.


disillusioning occupation by Japan, a great upsurge of nationalism, and the rapid growth of communism. Since the end of the Second World War, a wave of independence had swept Southeast Asia leaving their people freed of colonial rule, a host of new sovereign states, and a vast ideological and power vacuum. Economic and political problems had increased in complexity. Every states in Southeast Asia, except Thailand, had experienced major communist insurrection or invasion. A new Asian power Communist China had emerged as an immediate neighbour and, since the war, the issue of global conflict between communist and non-communist state focused sharply in the area.³

By this time, the United States was emerged as an unchallenged power. The globalization of the United States power was justified as a necessary sequel to the alleged Soviet aggressiveness.⁴ Therefore, the United States

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intervention in other countries for preventing people from overthrowing a satellite government became a regular feature of post Second World War policy.\(^5\)

If the communists had not taken over China by 1949 and invaded South Korea and Tibet in 1950, United States interests in Southeast Asia would have remained at a low key, even though the communist insurrections had began in Southeast Asia in 1947. In early 1950, shortly after fall of China to the communist, there began a re-examination of United States Asian policy, which led to more intensive involvement in freed Asia.\(^6\)

However, the United States in Southeast Asia at early 1950 can be summarized in a few sentences. In the Philippines, things continued to go in a manner generally

\(^5\) Ibid., p. 3.

\(^6\) The kind of this involvement usually through the form of aid agreements, which were negotiated with every nation in Southeast Asia, bilateral treaties, including security, political arrangement and regional agreements, such as Southeast Asia Treaty Organization (SEATO).

Frank N. Trager, n. 2, p. 13.
acceptable to the United States. In Burma, as U Nhu's non-alignment became more perceptible. In Thailand, the United States began in this period to extend at first minimal assistance to the existing oligarchy, military led regimes. In Malaysia, the United States encouraged the British, whom she had assisted in Europe, to carry the burdens and costs involved in curbing the emergency. In Indonesia, despite the United States increasing annoyance at Sukarno's excess and growing lack of amenability to United States wishes, the United States Authorities basically continued a standoff posture and refrained from any direct intervention. In Indo-China, the United States began after the initial hesitation of 1945-1948 of the France, who in any case appeared absolutely essential to its position in Europe, therefore, in the absence of the French, there would be no force save that of the United States itself that could have coped with the threat.  

In the broad sense, America’s post-war Asia policy had been an extension of its European policy evolved during the late forties and early fifties. The latter was designed to contain Soviet expansion in Europe by showing up the defences of non-communists European nations and be reconstructing their economies, encouraged by the political stability and economic viability.^8

President Harry S. Truman declared on March 12, 1947, that:

“One of the primary objectives of the foreign policy of the United States is the creation of conditions which we and other nations will be able to work out a way of life free from coercion. We shall not realize our objectives, however, unless we are willing to help free peoples against aggressive movements that seek to impose on their totalitarian regimes.”^9

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United States interests in Southeast Asia

After the Second World War, Southeast Asia looms so large in American national interests that it fights for position with all other national interests, and secures military and economic commitments of a scope never previously participated. The main interests of the United States in Southeast Asia were: (I) containment of communism, (ii) its security concerns (iii) trade promotion.¹⁰

Of all reasons, for American concerns over the area that override consideration remained the threat of communist domination. American interests in the region, however, were further dominated with political, economic

¹⁰ Perhaps these interests emerged from four principal events (i) The Seconds World War revealed the strategic importance of Southeast Asia to the United States both in military and economic terms. (ii) The independence achieved by some Asian countries resulted in the formation of new relationships between these states and the United States. (iii) Through the communist victory in China the relatively weak states of Southeast Asia became exposed to the possibility of communist aggression and domination and (iv) The key role assigned to Great Britain and Japan in Southeast Asia because of economic fact that access to the trade and resources of Southeast Asia was vital to the United States.

John Kenry King, n. 3, p.2.
commercial and strategic considerations. When consider it individually, it was hard to see which was vital to the conditions necessary for American security or strategy. But, when considered it as a whole area and when American interests were taken in combination as a multiplicity of extended from the Cold War to an increase global effort by the United States to prevent international communism, American interests in southeast Asia became extremely significant.\textsuperscript{11}

\textbf{Containment of Communism}

The Cold War strategists contended that Southeast Asia was the last barricade against communism in all Asia. If communism were to sweep through Southeast Asia, it would blanket the entire continent and tip the balance of world power to the communist bloc.\textsuperscript{12} The factors, which gave rise truth perception of communist threat to Southeast Asia in United States policy makers were:

\begin{itemize}
\item \textsuperscript{11} Ibid., pp.2-3.
\item \textsuperscript{12} Ibid., p.2.
\end{itemize}
(I) The highly aggressive and potentially extremely Soviet posture toward West Europe and the Balkan after 1946 led to the elaboration of Truman Doctrine in 1947. Containment in turn provided the conceptual parameters for the perception of spreading Moscow/Peking-directed communism in Southeast Asia.

(II) The Korean war further bolstered the American perception of a Sino-Soviet threat to the United States extended role in East Asia, and of aggressive communism on the move in Southeast Asia.


The enunciation of the Truman Doctrine, the initiation of the Marshall Plan, and the establishment of North Atlantic Treaty Organization (NATO) were the significant steps taken by the United States to respond what was described as the challenge of Communist expansionism. The President Truman said: "the free people of the world look to us for support in maintaining their freedoms." he said confidently that Congress would face these great responsibilities squarely. The Truman Doctrine was based on a conception which subsequently the name domino theory was given.

(III) The United States unable to accommodate itself to communist-led nationalism in Southeast Asia even though the communism involves appears to have been largely autonomous in inspiration, needed the perception of a Sino-Soviet threat in order to mobilize itself for intervention in the region.14

As far as American policy of containment was concerned for the newly independent national states which sought to adopt their philosophies and institutions to the value their need, American applied the basic democratic


After 1949 the major forces shaped the direction of the foreign policy of the new states of Southeast Asia was the emerge of Communist China, the extension of Cold War from Europe to Asia and the United States sponsored effort to contain the widespread of communism by stepping the vacuum created by the withdrawal of Western power from the region.


In American eyes the France withdrawal from Indochina created a vacuum. So this vacuum must fill by American forces, and American was thinking that the whole of Southeast Asia might be over run by the communist.

values and representative government to the region. Although this interest has not been pursued with utmost vigour in Southeast Asia, traditionally it had provided a primary point of reference in the determination of American interests. The United States considered that a threat to democratic values anywhere in the would ultimately became a threat to her anywhere.\textsuperscript{15}

In considering the potential of communist aggression against Southeast Asia, two important factors that the United States kept in mind were:

(I) Individually, no Southeast Asian country had sufficient military power to withstand a determined communist attack launched either by Communist China or by Communist Vietnam and

(II) The non-communist countries of Southeast Asia, only two were participants in collective security arrangements for the area - the Philippines and

\textsuperscript{15} John Kenry King, n. 3, p. 4.
Thailand which known as Southeast Asia Treaty Organization (SEATO).\(^\text{16}\)

The United States had attempted to establish the situation of strength throughout of pacts, alliances, and doctrine that enabled it to intervene anywhere. And also to give aid, militarily and economically, to any government which American believed such government would use it against the aggressive communists.\(^\text{17}\)

\(^{16}\) Ibid., p. 175.

SEATO was an alliance of eight nations that signed the Southeast Asia Collective Defence Treaty in Manila, the Philippines, on September 8, 1954. The member were Australia, France, Great Britain, New Zealand, Pakistan, the Philippines, Thailand and the United States. Pakistan withdrew in 1972 and SEATO was dissolved in 1977. The treaty was initiated by the United States after communist forces defeated France in Indochina. The United States claimed that the alliance was needed to prevent the expansion of communist influence in Southeast Asia. Under the terms of the treaty, member states agreed to help defend one another as well as other designated nations against military aggression. This aggression included threats both from other nations and from forces within member nations. SEATO did not develop into an effective alliance, partly because many Asian states, including India, Indonesia, and Japan did not join. In addition SEATO members disagreed on the extent of the communist threat and on how to meet it.

However, the United States pursued a more flexible policy leaning on its powerful armed forces that had been deployed in the region and taking advantage of its partner weakness and soon gain a position of domination over the region. Due to American economic might and skillful propaganda the United States appeared attractive to some nationalist leaders in Asia. It was the United States that guided and coordinated Western policy in the region along neo-colonial lines. The United States used its economic and military aid to Asian countries as the main tool for securing its own interests. Aid was given to those regimes with the United States believed would be used against progressive forces. The United States doctrine of deterring communism formulated in 1947 for Europe, was applied in Asia and supplemented by the concept of rolling back communism; this called for using the most extreme means and method in


ideological and political confrontation. Thus, many Southeast Asians asserted that the United States was interested not in themselves but in their potential as a bulwark against communism.

**Security concerns**

Military analysts contended that Southeast Asia was vital to United States security even in term of military strategic alone. The United States considered Southeast Asia as an occupied position of global strategic importance roughly comparable to Panama and Suez. Only through the

19. Ibid.
21. In international relations Southeast Asia was considered to be a region of great strategic significance. Geographically, it was placed between two great Oceans of the world - the Indian Ocean and the Pacific ocean. Its position around South China sea and Malacca Straits had given it control over an important trade route of the world. Lying across the main sea and air routes, Southeast Asia occupied a significant position in the system of world communication. Secondly, this area was a major source of food stuff needed by other countries and, thirdly, it was in between two great competing political and ideological movements - communist totalitarianism and representative democracy.

narrow straits of Malacca may the barrier be penetrated conveniently. And if this region fall into the hands of hostile power, the peninsula and offshore islands of Southeast Asia in effect would cut the world in two. The same principle of American security applied in the Pacific during Second World War, the question of Japanese domination of continental East Asia and the island of the Western and Southeastern Pacific which was a vital pacific issue. Through such experiences as Pearl Harbour there was ample indication of the threat to American security of Pacific Ocean and domination of continental Asia by a single power after Peking - Moscow axis established control over a large part of Asia.  

The power vacuum also, which left by the France defeat in Dien Bien Phu, plays a role of inducing factor for external powers competition for filling up the vacuum since

Southeast Asia strategically very important region connecting the Indian Ocean with the Pacific Ocean.\textsuperscript{23}

Actually, in early 1954, the Eisenhower Administration was seized with the apprehensive that France would withdraw from Indo-China war and opened a chance for communist to penetrate into Southeast Asia under the sponsorship of Peking and Hanoi. Secretary of State, John Foster Dulles, sought to persuade the British government to join the United States in a military effort to bolster French position, but he failed.\textsuperscript{24} He then, sought a fall back position, one that would prevent Hanoi from quickly expanding communist control over Indo-China and pressuring Thailand.\textsuperscript{25}

American policy of support to the French military action against the Viet Minh was based on the belief

\textsuperscript{23} Ibid.

\textsuperscript{24} Donald E. Nuechterlein, "Southeast Asia in International Politics", \textit{Asian Survey}, (Berkeley), Vol. XV, No. 7, July 1975, p.575.

\textsuperscript{25} Ibid.
stemming from the domino concept that the fall of Indo-China to communism would lead to the spread of communism to other part of Southeast Asia. The national Security Council paper known as NSC 64, dated March 27, 1950, stated:

"It was important to United States security interests that all practicable measures be taken to prevent further communist expansion in Southeast Asia. Indo-China is a key area of Southeast Asia and is under immediate threat. The neighboring countries of Thailand and Burma could be expected to fall under communist domination if Indochina were contr-olled by a communist dominated government. The balance of Southeast Asia would then be in grave hazard."  

In April, 1950 the National Security Council prepared a paper known as NSC 68 by which summarized Washington’s attitude towards threat posed by international communism. The paper recommended that the United States must resist, with force if necessary. Six days after the signing NSC 68, the Korean war broke out, and President Harry S. Truman ordered American combat troops into action to resist what

the United States described as North Korean aggression against South Korea and in another move, Harry S. Truman increased economic and military aid to the French in Indo-China.27

It was clear that Southeast Asia was a critical elements in the balance of power in Asia because of its location with respect to China, India and Japan. For the United States, Southeast Asia had a quite special meaning as an area of forward defence of the Pacific. In addition, the United States shares to a significance degree the specific interests in Southeast Asia of its allies and others whose security

27. With the massive involvement of China in the Korean war towards the end of 1950 and with continued fighting by the Viet Minh against France in Indochina, the policy makers in Washington increasingly tended to believe that the operations in both Korea and Indochina were parts of the common effort made by the communists for furthering their expansion in the Far East and Southeast Asia. The danger emanating from China to Southeast Asia came to be increasingly stressed. NSC 124/2, June 1952 stated that the danger of an overt military attack against Southeast Asia was inherent the existence of a hostile aggressive Communist China. The document carried the implication that the less of any entity in Southeast Asia would be adverse to the security interests of both Western Europe and the United State.

Ibid., pp. 42-43.
would be threatened by the hegemony of single power in Asia. Thus, the United State took upon itself the role of self-styled policeman. Even it had been so before, but it assumed global dimension in the post Second World War. President Lyndon B. Johnson said in 1965 that:

"History and our achievements has thrust upon us the principal responsibility for the protection of freedom on earth."

There was one more factor which the United States worried about, that was the population of Southeast Asia. Because most of them were peasants who had very modest education and technical capabilities. All people in the region, highly educated and lesser educated alike, were capable of being trained and employed by insurgents or unfriendly foreigners for the purpose of converting their political rule and fermenting hostility against adjoining non-communist nations in the region. The United States


accordingly had an interest in preventing sizable portions of the population in Southeast Asia from falling under unwanted totalitarian control.  

**Trade Promotions**

As far as the United States was concerned Southeast Asia was important not only because of its strategical location but also because of the natural resources. Due to the world-wide energy crisis and scarcity of other natural resources, the position of Southeast Asia as source of raw materials had become much enhanced. Consequently, this economic factor attracted the foreign countries in the region.

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31. Southeast Asia has rich, fertile, its remain agricultural products are rubber, tea, and spices. The region's forests produce most of the world's teak. The costal waters yield large quantities of fish. Parts of the area have rich petroleum deposits and mines that produce large accounts of tin and precious stones. Manufacturing largely underdeveloped except in large cities.

After the Second World War, the United States was faced with the traumatic possibility of denial of its economic penetration into the markets, industries and raw materials in many parts of the world.\textsuperscript{33} Thus, American policy makers believed that the valuable raw material resources of Southeast Asia should not come under the control of elements hostile to United States and the West.\textsuperscript{34} Moreover, American policy makers might have been interested in the markets of Southeast Asia for American products.\textsuperscript{35} Dean Acheson, Secretary of State, told a Congressional Committee:

“If you wish to control trade and income of the United States, which means the life of the people,

\begin{itemize}
\item \textsuperscript{33} R.L. Walli, n. 4, p. 4.
\item \textsuperscript{34} A National Security Council (NSC) staff study of February 13, 1952 stressed the importance of the raw materials of Southeast Asia to Western powers. It said that: “Indonesia was a secondary source of Petroleum whose importance would be enhanced by the denial to Western powers of petroleum sources in Middle East.”
\item Jaya Krishna Baral, n. 12, p. 41.
\item \textsuperscript{35} Ibid., p. 42.
\end{itemize}
you would probably fix it so that everything produced here would be consumed here, but that would completely change our constitution, our relations to property, human liberty, over very conception of law. And nobody contemplates that. Therefore, you find you must look to other markets and markets are abroad.”

It was rightly said that the United States elites, perhaps unconsciously but nonetheless effectively, sought a world climate propitious to access for United States trade. United States acquisition of essential raw materials and sought to use Robert W. Tucker’s term, a word congenial to America’s capitalist economic values as well as to its own democratic political ideals.

The Nationals Security Council paper (NSC-68) dated December 23, 1949 highlighted the strategic value of Asian raw materials. Asia was the source of important raw and semi processed materials, many of them of strategic value. Moreover, in the past, Asia has been a market for the processed goods of industrialized states, and had been for


37. Paul M. Kattenberg, n.7, p.36.
the Western colonial powers a rich source of revenue from investments and other invisible earnings.3

The United States designed its foreign policy for protecting its business interests, seeking commercial and investment opportunities and raw materials abroad which would be done only by imposing its own concepts of economic order beyond its frontiers. President Harry S. Truman described the concept succinctly in March 1997 that: “the whole world should adopt the American system.”39

38. Even in the case of Vietnam, the economic element had not been missing. The Vice-President of the Chase Manhattan declared in 1965 that:

“In the past foreign investor have been somewhat wary of the overall political prospect for the Southeast Asia region. I must say, though, that the United States action in Vietnam this year which have demonstrated that the United States will continue to give effective protection to the free nations of the region have considerably reassured both Asian and Western investors. Infact, I see some reason for hope that the same sort of economic growth may take place in the free economies of Asia that took place in Europe after the Truman Doctrine and after NATO provided a protective shield. The same thing also took place in Japan after United States intervention in Korea removed investors doubts.”

R.L. Walli, n.4, pp.9-10.
In the broad sense, the raw materials of Southeast Asia were very important for American politically and economically. The National Security Council (NSC-5405) dated January 16, 1954, contained the usual reference to the raw material resources of Southeast Asia and reiterated that the loss of Southeast Asia to the communist would have serious economic consequences for many nations of the free world and conversely would add significant resources to the Soviet bloc.  

39. Aid and Military power also were used for facilitating foreign investments and trade by the United States and other metropolitan powers. As the then World Bank’s President, Engene Black, said that:
   “Our foreign aid programmes constitute a distinct benefit to American business. The three major benefits are:
   (i) Foreign aid provides a substantial and immediate market for United States goods and services.
   (ii) Foreign aid stimulated the development of new overseas market for United States companies and
   (iii) Foreign aid orients national economies toward a free enterprise system in which United States firms can prosper.”

Jaya Krishna Baral, n.13, pp. 5-6.

40 Ibid, p.45.