

THAI-JAPANESE BARGAINING OVER THE RETURN OF THE FOUR MALAY STATES TO THAILAND

Kobkua Suwannathat-Pian

On July 5, 1943, Premiers Tojo of Japan and Phibunsongkhram of Thailand issued a joint communique stating that,

“Both Prime Ministers ... held an important discussion on the long cherished aspiration of Thailand for new territory as well as on close cooperation between Japan and Thailand, which was conducted amidst a very friendly atmosphere and, as a result, a complete agreement of views was arrived at to incorporate into Thailand the four provinces of ‘Perlis’, ‘Kedah’, ‘Kelantan’, and ‘Trengganu’ in northern Malaya, and the two states of ‘Kantung’ and ‘Muang Pan’ in the Federated Shan States.”¹

This document together with the appropriate treaty signed by Phibunsongkhram and Ambassador T. Tsubokami on August 20 present the hand-over of the 4 Malay states as a generous and friendly act of Japan’s part to an ally to cement further the good understanding and rapport between the two Asian countries. The why and how of the return of Kedah, Perlis, Kelantan and Terengganu to Thailand has been substantially discussed and need no repetition here.² The main purpose of the article is to explore and reconstruct the negotiations behind the altruistic facade so as to arrive at a more accurate economic and political trading that went behind the scene.

The actual negotiations began around April 1943 when for Thailand’s co-operation concerning the independent status of Burma. Even though Premier Tojo decided to make public Japan’s intention of giving back to Thailand the four Malay states mentioned earlier during his visit to Bangkok between July 3-5, the final details of the condition attached to the return of Thailand’s former dependencies had not yet been worked out. Tojo however had laid

¹WW2/2: 17(1), Joint Communique of Japan and Thailand, July 5, 1943.

²Kobkua Suwannathat-Pian, “Thai Irredentism and the Return of the Four Malay States to Thailand in 1943”, in Nik Hassan Shuhaimi Nik Abdul Rahman, Nik Anuar Nik Mahmud, Yahaya Abu Bakar, eds. *Sumbangsih: Kumpulan Esei Sejarah (Untuk Prof. Datuk Zainal Abidin Abdul Wahid)*, Jabatan Sejarah, Universiti Kebangsaan Malaysia, Bangi, 1988, 147-175.

down the broad principle in his Memo dated July 4, 1943, which *inter alia* specified the following,

"... I hereby declare that Japan is prepared to recognise the incorporation into Thailand of the following territories inumerated in 1 and 2.

1. The whole part of 'Perlis', 'Kedah', 'Kelantan', 'Trengganu' States in Malaya. *As regards the need of Japan concerning such matters as the development of resources in these States, it is to be understood that special measures may be taken for the devotion of the war, although necessary adjustment will be made after the war.*

2. The whole part of 'Kantung' and 'Mong Pan' states in the Federated Shan States ... *What I specially desire in connection with this territorial question is that your Excellency [i.e. Phibunsongkhram] will, by making use of Japan's gesture, do the utmost now to frustrate the malicious propoganda of enemies aiming at creating among the Thai people unfounded suspicions regarding the true intentions of Japan, and also of the Government of Thailand and at the same time, to strengthen the fighting spirit of the Thai people ...*³

From the Memo it can be divined that the "Gift" of the 4 Malay States was not motivated merely by the desire on the Japanese part to do "justice" to Thailand. The contrary emerged. It was with an intention of safeguarding her own interests that Japan decided in the middle of 1943 to exchange Malay territory for further co-operation with Thailand. The difficulty arose in the form of Japan's constant need of raw materials - rubber, tin, foodstuff - for her wartime effort from these states. By returning the territory concerned to Thailand, Japan had to be certain that her overriding wartime demands of Malay resources would not be affected by the change of sovereignty of the 4 states. Moreover, the Japanese authorities were concerned over the policy to be adopted by Bangkok towards the said Malay states. It was essential that, whatever administrative measures taken by Bangkok, they should not in principal differ from the general policy of the Japanese Malay Military Administration (MMA). In sum, the MMA's policy in 1943 focussed on the effort to win support from the conservative, socially as well as politically, elements of the Malay society. This meant the support of the sultans, the *ulamak* and the predominant English-educated Malay administrative officers.⁴ In the subsequent negotiations with their Thai counterparts, Japanese negotiators bargained hard and often heavy-handedly in order to preserve for

³WW2/2: 17(3) Prime Minister Tojo's Memo, dated July 4, 1943 (B.2486), confidential. Emphasis is mine.

⁴Yoji Akashi, "The Japanese Occupation of Malaya: Interruption of Transformation?" in A.W. Meloy ed. *Southeast Asia Under Japanese Occupation*, Yale University Press, Yale, 1950, 65-86.

themselves absolute rights over areas which were the objects of their overall scheme for the Japanese empire. The hard bargaining which took place in the following months after the public issuing of the Joint Communique, revealed the fact that the "incorporation" of the 4 states of Kelantan, Terengganu, Kedah and Perlis which became official in September was only on paper. Japan remained the master of economic resources and all aspects pertaining to the wartime efforts. Bangkok could claim little, if at all, sovereignty over its new territorial acquisition.

The main points of the negotiations centred on the economic and wartime needs of the Japanese army on the one hand, and the form of government Bangkok would be prepared to accept in the states concerned on other. On the economic front, Prince Wan Waithayakorn, the main negotiator on the Thai side, reported that Japan demanded that as long as war continued, Japan must have control of all the natural resources essential to her wartime industries. Apart from this Bangkok was also asked to provide financial facility in the form of remittance and loan to facilitate these industries. In return, Japan pledged to readjust the arrangement once the war was over. Nonetheless, the Japanese promise was short of accepting the bottom line put forward by the Thai negotiators that Premier Tojo's statement that "necessary adjustment will be made after the war" meant simply that all these measures violating Thai sovereignty over the 4 Malay states would be abolished and the mentioned territory became, in law as well as in fact, a part of Thailand's territorial sovereignty.⁵ Attempts by the Thai delegate to persuade Japan to soften her stand on the matter came to nothing. Even Phibun seemed resigned to the inevitable and instructed the Thai representative to drop the matter,

"If Japan intends to give, it will be accepted graciously [by us]. Perhaps Your Highness should try to reason with him; but if he will not budge there is nothing left but to let go."⁶

Judging from the understanding note attached to the Thai-Japan Treaty concerning the Territories in Malai and the Shan States which was signed on August 20, 1943, the Thai authorities accepted in bulk the demand made on the economic contribution by the Malay states to Japan's war efforts. Thus "for the devotion of the war"

⁵WW2/2: 17(2) Secret Report of Prince Wan Waithayakorn on the negotiations for the incorporation of the Malay States into Thailand, August 5, 1943.

⁶WW2/2: 17(2) Phibungongkhram's minute back to Prince Wan, answering the latter's report dated August 5, 1943.

Bangkok recognised Japan's overriding control over the mines, mineral resources to be discovered, the enemy property in the territories required for military operation, and others essential resources. In addition,

"The Thai Government will extend to the Japanese every possible facility for the exportation and disposition in other forms of goods produced by such enterprises (as mentioned above) ... as well as for the acquirement by the above enterprises of necessary materials and labour and of necessary funds by means of remittance or bargaining..."⁷

As if such commitments were not sufficient, the Thai authorities also took it upon themselves to provide "necessary facilities" for the preservation of battle sites where Japanese forces fought and for the tombs of the Japanese soldiers in these Malay states Thailand had acquired.⁸ It is not hard to see that from the economic angle, Thailand acquired a right not that of an owner but rather of a trustee who had to perform according to the letter of the trust instrument for the benefit of Japan who was both trustor and beneficiary, of the states of Kelantan, Terengganu, Kedah and Perlis. Economically then the 4 Malay states had never been allowed to be incorporated into Thailand proper. They were set up as a unit separated from their so called "country" purely for the political and economic enhancement of Japan. In return for the "name", (i.e ownership) however empty, Thailand acquiesced to this masquerade and paid a very dear price for it through her financial and other concessions.

Concerning the policy and form of administration to be introduced by Thailand after the handing over of the four states, the draft of the understanding between the two parties specified originally that Thailand would respect "the long practised institutions" in the territory. The statement was strongly objected by the Thai who interpreted it as an evidence of lack of faith on the Japanese part in Thailand's ability and commitment to do right by the Malays. However, the Japanese negotiator denied such implication and stated that the clause was put in so as to re-assure the Malays under Japan's administration that their co-religionists under Thailand would likewise enjoy their freedom of religion. Both parties refused to budge and the negotiations came to a halt. The Thai insisted that the matter be referred to the Japanese Government in Tokyo as

⁷WW2/2: 17(3) Phubunsongkhram, President of the Council of Minister and Acting Minister of Foreign Affairs to H.E. T. Tsubokami, His Imperial Japanese Majesty's Ambassador, Bangkok August 20, 1943. Confidential.

⁸WW2/2: 17(3) Ambassador T. Tsubokami to Prime Minister Phibun-songkhram, August 20, 1943. Confidential.

Thailand's honour and integrity were involved.⁹ Phibun himself agreed with his chief negotiator that the problem of re-assuring Malay subjects could be achieved without inserting the tedious clause into the understanding note. The proper way to do it was through an announcement by the Thai military governor-general after the take-over from the Japanese.¹⁰ The negotiations on this aspect was resumed on August 9, when there were renewed proposals and counter proposals on the subject. It was evident that Japan was quite concerned with projecting a positive image of the country in order to win support and co-operation among the conservative *elite* of Malay society in the Peninsula. Instead of dropping the offensive clause as requested, the Japanese negotiator reintroduced it with even more objectionable forces. The proposed clause now stood that Thailand undertook to respect "the long practised institutions, including the status of native princes" in place of the original draft which stated that "the long practised institutions will be respected as far as possible".¹¹ Prince Wan vehemently objected to such steam-rolling tactics and refused to even consider the new proposal. To the Thai, such undertaking would only mean that Bangkok accepted *in toto* all the trappings that came with the position of a sultan since the pre-war period without it having any authority to alter them as possibly required by circumstances. Finally the Thai delegate proposed a new draft with an intention to assure the Japanese of Thailand's sincerity towards the four Malay states, and to safeguard her own integrity. It read

"The aim of His Majesty's Government will be to promote the tranquility, welfare and happiness of the population who will receive equitable treatment in which the long practised institutions, including that of the native princes, will be respected as far as possible..."¹²

It was acceptable by the Japanese, and became the official guidelines of the administration in the four Malay states between September 1943 and September 1945.¹³

⁹WW2/2: 17(2) Prince Wan's Confidential Report to the Prime Minister, August 5, 1943.

¹⁰WW2/2: 17(2) Phibunsongkhram's reply to the Report in (9) August 6, 1943.

¹¹WW2/2: 17(2) Confidential Memo of Prince Wan to the Prime Minister, August 9, 1943.

¹²*Ibid.*

¹³WW2/2: 17(3) Phibunsongkhram to Tsubokami, August 20, 1943, Confidential.

Though Japan felt confident that Thailand would maintain more or less a *status quo* in the latter's Malay states, Mr. Niro, one of the main negotiators on the Japanese side, still found it necessary to press his Thai counterparts further so as to receive a definite commitment concerning the form of administration Bangkok would introduce in the territory. On the pretext that the Japanese government was most concerned over the issue of law and order, welfare and the happiness of the subjects in the 4 Malay States, he felt obliged to be informed of Bangkok's administrative plan in the states.¹⁴ The fact was Bangkok had already verbally informed the Japanese of its intention in this aspect.¹⁵ The request was therefore a means to obtain a written commitment from Bangkok to abide by its verbal undertaking. The matter did not end with signing of the Thai-Japanese Treaty of August 20, 1943 nor of the exchange of the understanding notes (secret) attached to the treaty. In January 1944, after Thailand had been administering Kelantan, Terengganu, Perlis and Kedah for four months, Mr. Ko Ishii of the Japanese embassy requested a detail of Thai military administration and the position of the sultans in all the four states.

The written answer was accompanied by a copy of the Decree on the Administration of Kedah, Perlis, Kelantan and Terengganu which was issued on January 1, 1944 by the Supreme Command Headquarters.¹⁶ According to this decree, the military administration was set up, with a military Governor-General responsible for the overall administration of the 4 Malay states. Assisting him were military governors who would be residing in each state and would be directly involved in the running of each state. In each state, a *montri sabha*, an administrative council, was set up with power to administer the affairs within the state according to its law and custom and with the approval of the state military governor except in matters concerning religion and custom over which the *montri sabha* possessed absolute authority. Members of the *montri sabha* consisted of the sultan and those appointed by him with the consent

¹⁴WW2/2: 17(2) Confidential Memo of Prince Wan to Prime Minister, August 9, 1943.

¹⁵WW2/2: 17(2) Confidential Memo of Prince Wan to the Prime Minister, August 7, 1943. On that day, Prince Wan stated that Thailand would introduce a military administration into the 4 Malay States which would last until the war ended.

¹⁶WW2/2: 17(13), Decree on the Administration of Kedah, Perlis, Kelantan and Terengganu, January 1, 1944. See also Announcement of the Supreme Command Headquarters, September 7, 1943, on the Organization of the Four Southern States, Royal Gazette, Vol. 60, Sept. 14, 1943.

of the military Governor-General. The minimal number of the appointed members was 4. The Sultan also became *ex officio* the President of the *montri sabha* with the power to appoint his own deputy and a secretary-general. The Sultan also was empowered to suspend or withdraw membership of the *montri sabha*, with a prior consent of the Governor General.¹⁷ In sum, the old ruling class in each state was kept intact, with the introduction of Thai military supervision super-imposed upon it. As explained by a Thai official.

“The main aim of sending our officials to take residence (in each state) is merely to help smoothing the administration which in essence remains as before. Also our underlying aim is to study the situation in order that we can come up with an administrative system suitable (for the territory) in the future ... (According to the policy set on July 20, 1943). The main idea is to preserve the old administrative system of the Sultanate (temporarily) as the administration of the state. We regarded local leaders as the main instrument in reaching out to the people. Our own men will mainly act as advisers, with a responsibility somewhat similar to the English system of Resident ...

Therefore Thai officials in these 4 Malay states would occupy posts in key positions only. The administrative system together with the authority and special position of the Sultans would remain similar to what they have enjoyed before the territories are incorporated into Thailand.”¹⁸

The detailed answer appeared to satisfy Japan's concern over the administrative system employed by Bangkok after the return of the Malay states to Thailand. It is not difficult to see that these arrangements fell in line with the policy conducted by the MMA in the Malay Peninsular, particularly in the second half of 1943 and more rigorously in 1944. It was the hope of the Japanese authorities that the hand-over to Thailand of the 4 northern Malay states would not stir up hostile or negative reaction from the Malay conservative elite within their own sphere. The administration which allowed room for Malay *elite* to play their role went well with Japan's policy of courting support among the Malay *elite* in the peninsula.¹⁹

¹⁷ *Ibid.*

¹⁸ WW2/2: 17(13) Memo of the Head of the Treaties section, Department of Eastern Politics, Ministry of Foreign Affairs, January 26, 1944.

¹⁹ The Japanese authorities went out of their way to demonstrate the high place given to Malay ruling class in their scheme for Southeast Asia. The 4 Sultans of Kedah, Perlis, Kelantan and Terengganu received the imperial medals class three in a grand ceremony conducted by the Japanese Chief-of-Staff. See SR 0201.33/62 collection of News Dailies, October 19, 1943. There were also attempts to orchestrate the show of favourable sentiments among the local concerning the hand-over of the 4 Malay states. For example on October 21, 1943 it was reported in a daily that around 600,000 Kedah Malays came out in a demonstration approving the return of Thai administration in Kedah.

Be that as it may, various problems concerning both the boundary lines and the detail of financial and economic agreement point to the fact that Japan was not willing to relinquish her control over the 4 Malay states other than in name only. The discussions between the military representations of both countries - Japan and Thailand - which followed the diplomatic negotiations after August 20, 1943, confirm the above statement. For example, Thailand had to agree to the dictate by the Japanese based on the latter's military need that the boundary between the four states and "Malai" ran as follow; the south of Kedah reached Sungai Muda and the top of Bukit Bintang; Krok in Perak being included into Thailand's territory, while Terengganu lost the southern tip of its territory to Pahang.²⁰ At the same time, Japanese military representatives laid down the economic and financial demands on the Thai authorities. These ranged from Thai commitment to supply foodstuff, especially rice, needed for Malai from the 4 Malay states to the financial debt owed by the Japanese to the principal banks in the said territory — the Alor Setar Branch of the Chartered Bank, the Sungai Patani Branch of the Hong Kong-Shanghai Bank, the Kota Bharu Branch and the Kuala Terengganu Branch of the Mercantile Bank — which amounted to \$12,000,000.²¹

The outcome of the Thai-Japanese negotiations - diplomatic and military levels - tipped heavily in Japan's favour. In short, in return for the incorporation of the four former dependencies, Bangkok had to accept that Japan remained the supreme authority in this region in matters concerning wartime economic and financial needs. Bangkok likewise had to agree to the general principle concerning administrative and, to a certain extent, political practice in what was supposed to be its own territory. Furthermore the Thai authorities had to finance all the military or wartime industries and undertakings in these states for as long as the war continued. These were undoubtedly burdensome especially when Thailand was already under such economic and financial exploitation by her more powerful ally. What she obtained in term of *quid pro quo* was little. Thai legitimate title over the 4 Malay states, as had been admitted by the Thai Foreign Affairs Minister himself, was precarious, to say the least. Very much depended on the outcome of

²⁰WW2/2: 17(3) Minute on the Wartime Boundary between Thailand and Malai, September 18, 1943.

²¹WW2/2: 17(3) Report of the Detail of the Discussions between the Representatives of the Armed Forces enclosed in Ambassador Tsubokami's Note to Phibun Songkhram, August 1943; Minute of the Discussion of Shonan, September 14, 1943.

the war.²² If Japan won Thailand might be allowed to keep the territory involved, hopefully with all the disadvantages imposed withdrawal. However, if Japan lost the war Bangkok would be compelled to return the territory to Great Britain, and, in such an eventuality, Bangkok would suffer twice from its agreement to the incorporation of the four Malay states. Thus the commitments undertaken by the Thai authorities in 1943 in connection with the incorporation of Kelantan, Terengganu, Kedah and Perlis were practically one-sided. Japan had successfully exacted further concessions from Thailand without substantially giving much in return. In the case of Japan's victory, Bangkok had already paid high price for the privilege of calling the former Malay dependencies its own once more, i.e. through its wartime acceptance of Japanese military and economic authority over the four Malay states. Winning or losing the war Japan had certainly maximised the usefulness of her one and only independent Asian ally. Her success was reflected in the hard bargain she had exacted from Thailand in 1943 under the cloak of altruistic friendship.

Even in the political and administrative field which seemingly Thailand was given a free-hand, Bangkok's authority was limited by Japan's concern over the Malay response to the "partition" of Malay territory which might produce negative effect on Japan in the Malay Peninsula. The irony of the situation which illustrates most effectively the emptiness of the so-called Thai sovereignty over her four Malay "provinces", appeared quite embarrassing. During Phibun's administration 1938-1944, the most outstanding domestic policy of the Government was the forceful socio-cultural programmes aiming at creating a homogeneous Thai nation. This high-handed methods were employed to impose the "Thai" way of life regardless: Buddhists were preferred as officials especially among the high-ranking categories; any Christian, Muslim or others aspiring to a position of importance had to assume a Thai name, Thai costume, and embrace Buddhism. The tempo, at least for the Thai Muslims in the south, reached its pitch in the passing of an act in 1943, rescinding the official recognition of polygamy among Muslims, and reforming their law of inheritance and marriage so as to be in line with the civil law practised elsewhere throughout the kingdom.²³ The lot suffered by the Muslims, as well as the

²²WW2/2: 7(1) Foreign Affairs Minister Wichit Wathakon's Memo on the Negotiations for the Return of the Last Territories, March 26, 2486/1943.

²³F 1454/21/40 Secret, *The Malays of Siam* quoted in CO717/156, see also Dilok Thirathon, *Irredentist Movement (Yaek Din Daen)*, Bangkok, Mitsangkom, 2517/1974, 64-5.

Thai and other ethnic groups, was heavy indeed. Yet the Malays in the four states incorporated in 1943 were hardly affected by the "Thaisation" process carried out with vigour in the kingdom proper. According to the announcement by the Supreme Command Headquarters dated January 1, 1944, Bangkok, in essence recognised the administration with the sultan as titular head and with Islam and Malay custom accorded a place of privilege.²⁴ It was evident that they were not included in the scheme of a Thai homogeneous state visualised by Phibun. Thai authorities had to take into account the wish of her powerful ally and senior partner and adjust their political strong arm accordingly. The four Malay states were in fact just a degree or two short of being the *de facto* state within a state. Apparently the main concessions these "provinces" yielded to the central government was the introduction of Thai language which was accepted as an official language between the Thai and the local Malay administrators. Thai was also taught as a part of school syllabus, together with Japanese, Malay and Jawi. A Malay official with a knowledge of reading, writing and speaking Thai would have an advantage over his colleagues who had no such language skill when it came to a promotion exercise.²⁵

Perhaps, all things considered, it can be stated with historical accuracy that the decision made by Bangkok to accept the four Malay states back into the Thai kingdom ranks as one of the grave mistakes committed by the Phibun administration during the war years. It brought no political honour nor socio-economic gains to the country. On the contrary, it only increased the already onerous burden suffered by the country, the burden which multiplied at the end of the war when Great Britain pressed for an enormous indemnity from Thailand, arguing, among others, that Thailand had been the cause of her misfortune in the Malay Peninsula because of the formers close cooperation with Japan during the war years. In conclusion, it seems fair to say that the most positive outcome of this incident, from a Thai perspective, is when these states were returned to the British, and therefore reduced the amount of Thai Malay subjects by about 884,000.²⁶ This had contributed to Bangkok's subsequent endeavours to realise Thai national integration.

²⁴WW2/2: 17(13) see fn. (16).

²⁵Montri Spa, Kelantan, File no. 685/87, President Montri Spa to H.E. the Military Commissioner; "Sejarah Lisan Tentang Administrasi Thai di Kedah" dalam *Cenderamata Minggu Sejarah Kedah*, 11-18hb. Oktober 1975, pp. 22-26.

²⁶WW2/2: 17(1) The Statement in Parliament by the Minister of Foreign Affairs, July 22, 1943.