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### SINGAPORE: CURRENT SITUATION

On 30 May 1959 the Communist-infiltrated People's Action party (PAP) won an overwhelming majority--43 of 51 seats--in Singapore's new all-elected legislative assembly. A new constitution, proclaimed on 3 June, brought into being the internally self-governing State of Singapore. The British have retained control of foreign affairs and defense and continue to have a strong voice in internal security matters.

Singapore is faced with serious economic and political problems which appear nearly impossible of solution by any action taken exclusively within the overcrowded 225-square-mile island. The most obvious and possibly the only feasible long-range solution to Singapore's multiple problems, is merger with the Federation of Malaya. At least for the present, however, merger is politically impossible because of Malay fears of being overwhelmed if Singapore's million-plus Chinese are added to Malaya's already large Chinese minority--37 percent of the total population.

Singapore has a major unemployment problem which stems mainly from its phenomenal population growth and its growing economic isolation from the Federation of Malaya. In the past 12 years the population has jumped from 938,000 to well over 1,500,000 and continues to grow in excess of four percent per year--one of the highest rates in the world. (Over half of the population is 19 years of age or under.) There is little prospect of creating new industry to absorb the rapidly growing labor force because of the relatively high cost of labor and business' distrust of the new left-wing government. At the same time the traditional mainstay of the economy, the entrepot trade, is unlikely to expand significantly in the face of growing Indonesian and Malayan efforts to bypass Singapore and expand their own direct trade.

Economic difficulties as well as the racial make-up of the population create ready-made opportunities for widespread Communist influence in Singapore. More than 75 percent of the population are Chinese, a large portion of whom are politically and emotionally oriented toward mainland China.

To date the so-called moderate wing of the People's Action party, led by Prime Minister Lee Kuan Yew, has maintained control of the party and governmental machinery. Pro-Communists, however, remain deeply entrenched in the party's local organizations, awaiting an opportunity to move against the party

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leadership. In 1957 party extremists were successful in taking over the PAP's central committee. The moderates were unable to regain control until the government arrested five members of the committee on a charge of subversion. The PAP leaders now may find it difficult to use Singapore's stringent anti-subversion laws against extremist members of their own party or to control their activities effectively if they remain out of jail.

Since taking over the government on 5 June 1959, the PAP has embarked on an ambitious program apparently designed to assure it tight control over a wide range of political, economic, and cultural activities. The program will make it extremely difficult for the already weak moderate and conservative groups to develop any type of effective opposition.

PAP government plans include legislation to develop a unified labor movement which it can control. In the youth and recreation fields the government has ousted the leaders of many community centers and apparently plans to bring them under direct government supervision. Control of patronage was achieved on 15 July when the entire Public Service Commission resigned, apparently as a result of government pressure. Other government moves to consolidate its position include a proposal to establish a national cultural organization, which presumably will be used to pressure private cultural groups to support PAP objectives, and pressure on newspapers to take a progovernment line.

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