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CENTRAL INTELLIGENCE AGENCY

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5. The terrorists are not all Communists - many of them do not know what Communism is. Most of them are peasant Chinese, though many of them are Malay born Chinese who missed the stabilizing influence of education and of Chinese home life during the war. They are fighting because they resent the preferential treatment accorded British soldiers as contrasted to that received by the Chinese, and because they resent the British and Federation policies of discrimination against Chinese. In addition there are those who, though they might be unalterably opposed to the British, are not fighting for that reason but because they have been forced to, at the point of a gun.
6. Before the war the Chinese desired only law and order to enable them to run their businesses and to lead peaceful lives. That, basically, is what they wish for today. The British policy of discrimination against the Chinese to the advantage of the Malays is awakening the Chinese politically.*** Despite existing differences, the Malayan Chinese would become reconciled to British rule if the British would give equal opportunity to all the domiciled races in Malaya regardless of color or of national origin.

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- * ~~CONFIDENTIAL~~ Comment. According to the High Commissioner of the Federation of Malaya, Sir Henry Gurney, the terrorists collected approximately S\$250,000 in extortion payments during October and November 1948.

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- ** ~~CONFIDENTIAL~~ Comment. The Malayan Chinese are crediting Malayan Chinese in general with fighting which was done by the Malayan Chinese Communists. Contrarily, they deplore the tendency among some British and Malays to attribute to all Malayan Chinese the transgressions of the Malayan Chinese Communists.

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- *** ~~CONFIDENTIAL~~ Comment. The Malayan Chinese admit, but tend to discount, the influence of the Japanese "Asia for the Asiatics" propaganda or the turmoil in Asia, and especially in China, as a probable cause of their political awakening.

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