

PEASANT AGRICULTURE IN COLONIAL MALAYA  
Its Development in Perak, Selangor, Negri Sembilan and Pahang,  
1874-1941

by

Lim Teck Ghee

A thesis presented in fulfilment  
of the requirements of the  
Degree of Doctor of Philosophy  
in the Australian National University

Canberra

November 1971

PREFACE

MORE than 25 years ago, R.W. Firth produced an important study of a peasant fishing community in Kelantan.<sup>1</sup> This work broke new ground in the field of Malayan studies in several ways, perhaps the most important being its focussing of attention on a community which until then had been glossed over in simplistic terms in most books on Malaya. Two years later, P.T. Bauer produced for the Colonial Office a report on his visit to peasant rubber smallholdings in Malaya in 1946.<sup>2</sup> This study, although not specifically concerned with the social and economic conditions of peasant rubber producers, contained much valuable material which, together with Bauer's earlier work on the Malayan rubber industry, shed new light on the peasant industry and destroyed many of the myths held about it. The pioneering work of Firth and Bauer has since been supplemented by that of other scholars, reflecting the widespread recognition of the crucial importance of the peasantry in understanding Malayan society.<sup>3</sup> Valuable as all these studies are, they have primarily been assessments of the contemporary peasant situation. They have therefore presented a synchronic view of this vital community with little or no attempt being made to explain the deeper roots of what is essentially a dynamic phenomenon covering a span of time, undergoing changes and explicable now not merely in terms of what we view today, but also of what it was yesterday.

This study, a reconstruction of the development of peasant agriculture during the period 1874-1941, is an attempt towards filling the gap in our understanding of the peasantry during the immediate historical past when the shape of contemporary Malayan society was moulded. The area of study is the Federated Malay States.

- 
- 1 R.W. Firth, Malay Fishermen: Their Peasant Economy (London, 1946).
  - 2 P.T. Bauer, Report of a Visit to the Rubber Smallholdings of Malaya, (H.M.S.O. London, 1948).
  - 3 See, for example, Ooi Jin Bee, 'Rural Development in Tropical Areas with special reference to Malaya', Journal of Tropical Geography Vol. XII (Kuala Lumpur, March 1959); W.H. Newell, Treacherous River: A Study of Rural Chinese in North Malaya (Kuala Lumpur, 1962); M.G. Swift, Malay Peasant Society in Jelebu (London, 1965) and P.J. Wilson, A Malay Village and Malaysia (New Haven, 1967).



Originally Malay negeris, these states came under British colonial rule in the 1870s and 80s. In 1895 there was a federation of Perak, Selangor, Negri Sembilan and Pahang, this entity surviving until 1941 when the Japanese stormed through the Peninsula. The four states offer a diversity in social and economic conditions. Within Perak and Selangor were to be found the largest immigrant communities, the most important mining and plantation areas and the principal urban centres of Malaya. Pahang, in contrast, was largely a sleeping giant, unawakened by the wand of economic development and clinging precariously to the ways of its pre-colonial past. Negri Sembilan was a transition state, accommodating significant social and economic development but consolidating its heritage of Malay values. Despite their variations, all the states had a common denominator in British colonial rule and a centralized political administration. Colonial rule was the single most important factor in the development of these societies, determining not only its course but also its very content.

The agricultural peasantry, the subject of this study, is defined here in the most general way. Basically, it consists of people who owned or rented a limited area of land and were engaged in manual work on the land. It includes not only padi planters, rubber smallholders, coconut cultivators, fruit and vegetable growers, but also people who, besides working on the land, engaged in such subsidiary activities as livestock-rearing, fishing, timber-cutting, handicraft work and wage employment. In the 1931 census report of Malaya, about 200,000 people were classified as being in the peasant agricultural sector out of a total working population of 800,000 in the Federated Malay States.<sup>4</sup> This study tries to find out who these people were, where they lived, what they did, how they were differentiated from each other and the rest of society and the impact that British colonial rule had on them.

---

4 C.A. Vlieland, British Malaya: A Report on the 1931 Census (London, 1932).

## ACKNOWLEDGEMENTS

THIS work was made possible by a Commonwealth Scholarship and Fellowship Plan award. I wish to express my gratitude to the government of Australia the awarding body, the government of Malaysia for nominating me, and to the Australian National University where the course was pursued, for its supplementation of the award and sponsorship of field research.

I am deeply grateful to Professor J.W. Davidson of the Department of Pacific History whose patient counsel of the research and many personal kindnesses have made the years less chaffing. To Mr E.K. Fisk of the Department of Economics, who I also burdened with drafts of the manuscript, I am similarly appreciative of his critical encouragement. I am grateful to Dr C. Barlow of the Department of Economics; Dr P.L. Burns of the Department of History, University of Adelaide; Dr A.J.S. Reid of the Department of Pacific History and to Mr M.H. Wood of London for assistance given in one way or another.

Research for this work was carried out in the National Archives of Malaysia, Petaling Jaya; the Ministry of Agriculture Library, Kuala Lumpur; the Straits Times Library, Kuala Lumpur; the University of Malaya Library, Kuala Lumpur; the British Association of Malaya Library, London; the British Museums, London; the Royal Commonwealth Society Library, London; the Public Records Office, London; the National Library Singapore; the University of Singapore Library, Singapore; the Australian National University, Canberra and the National Library of Australia, Canberra. I wish to thank all these institutions for their assistance and must single out the National Archives of Malaysia where the great part of the research was carried out and where the courtesy never failed.

Thanks are also due to Mrs Rosamund Walsh who typed the manuscript with care and who assisted, during the last rushed stages, in the attempt to reduce the flaws of style.

Finally, this work would have been much poorer but for the help of my wife, Keat.

l.t.g.

Department of Pacific History,  
The Australian National University,  
November 1971

## CONTENTS

	page	
Preface	i	
Acknowledgements	iii	
List of Statistical Appendices	v	
Abbreviations	vi	
Map	vii	
Chapter		
I	THE MALAY STATES UP TO 1895: Their Early History and the Introduction of British Colonial Administration	1
II	THE FIRST DECADE AFTER FEDERATION: The Years of Uncertainty, 1896-1904	28
III	THE COMING OF RUBBER AND THE END OF UNCERTAINTY, 1905-12	77
IV	THE MALAY RESERVATIONS ENACTMENT AND THE GREAT MALAYAN RICE SHORTAGE, 1913-21	118
V	THE RUBBER CRISIS: The Stevenson Restriction Scheme and Its Aftermath, 1922-30	162
VI	RICE AND RUBBER: The Horns of a Dilemma, 1931-41	211
Retrospect:	A PRELIMINARY TYPOLOGY OF THE MALAYAN PEASANT AGRICULTURAL ECONOMY	263
Glossary		281
Weights, Measures and Currencies		283
Statistical Appendix		284
A Note on Sources		303
Bibliography		305

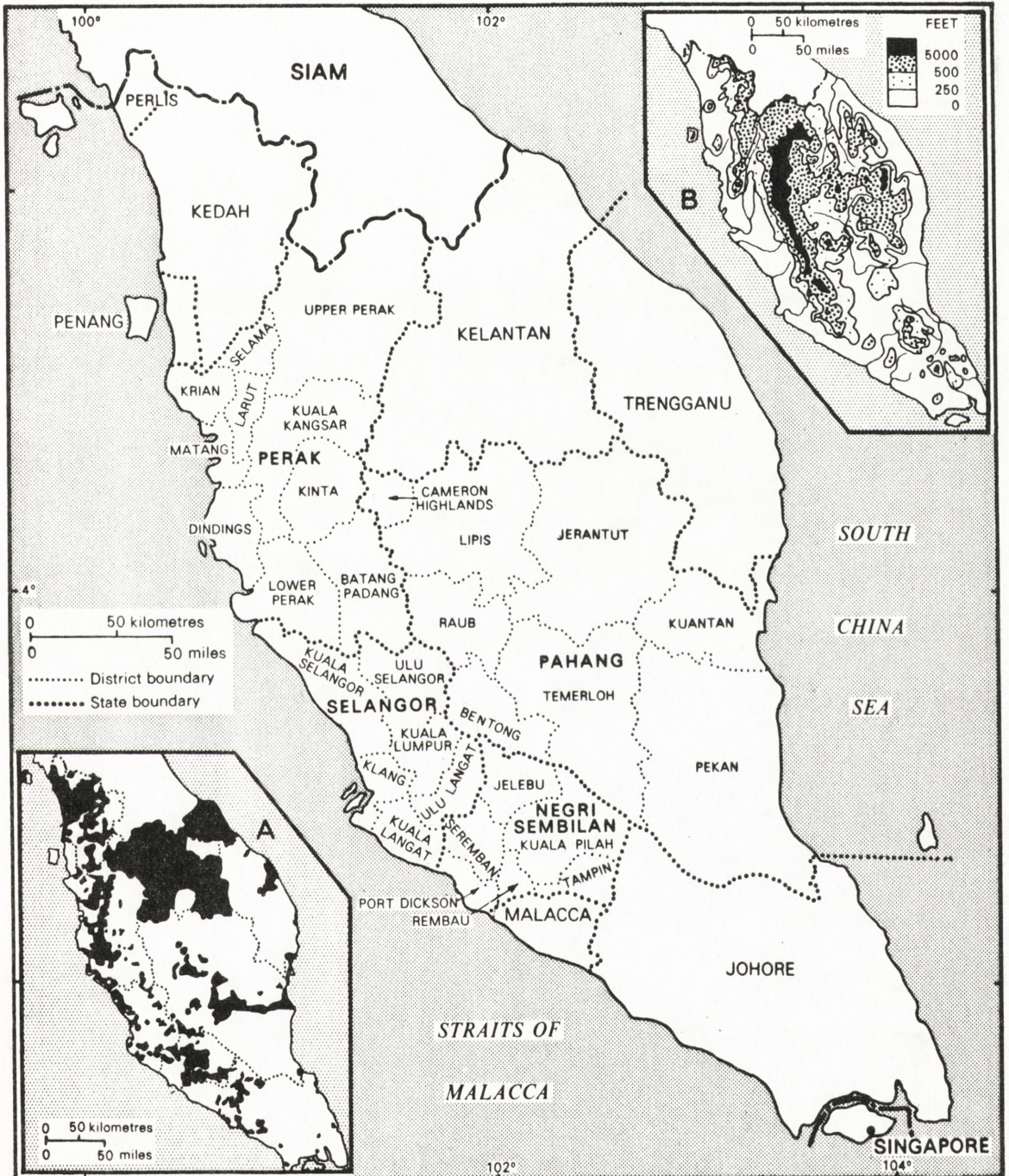
LIST OF STATISTICAL APPENDICES

Appendix		page
1.1	Federated Malay States: Changing Racial Composition of Population, 1891-1931	284
1.2	FMS: Population Growth by State, 1891-1931	284
1.3	FMS: Malaysian Population Growth by State, 1891-1931	285
1.4	FMS: Chinese Population Growth by State, 1891-1931	285
1.5	FMS: Indian Population Growth by State, 1891-1931	285
1.6	FMS: Population Engaged in Agriculture, 1931	286
1.7	FMS: Racial Composition of Population Engaged in Agriculture, 1931	287
2.1	Exports, Imports, Revenue and Expenditure of the FMS, 1877-1912	288
2.2	Exports, Imports, Revenue and Expenditure of the FMS, 1913-38	289
2.3	FMS: Export Duty from Tin and Rubber, 1898-1938	290
3.1	Tin Production of the FMS, 1878-1912	291
4.1	World Production of Natural Rubber, 1920-40	292
4.2	Shares of Smallholdings and Plantations in FMS Rubber Production, 1920-40	293
5.1	FMS: Annual Production and Value of Copra Exports, 1913-39	294
6.1	FMS: Wet Padi Area, 1921-38	296
6.2	FMS: Wet Padi Production, 1921-38	296
6.3	FMS: Wet Padi Yield, 1921-38	297
7.1	Comparison of Cash Returns from Padi and Rubber Cultivation in Krian, 1922-39	298
8.1	Land Statistics in the FMS, 1 January 1931	300
8.2	Alienated Land in Malay Reservations in the FMS, 1 January 1931	301
8.3	Ownership of Agricultural and Mining Lands by Race in the FMS, 1 January 1938	302
8.4	Ownership of Agricultural and Mining Lands by Race in the FMS, 1 January 1938	302

ABBREVIATIONS

AR	Annual Report
CO	Colonial Office
DOF	District Office File
FCP	Federal Council Proceedings
FMS	Federated Malay States
FMS GG	Federated Malay States Government Gazette
HCOF	High Commissioner's Office File
JMBRAS	Journal of the Royal Asiatic Society, Malayan Branch
LOF	Land Office File
MR	Monthly Report
NSGG	Negri Sembilan Government Gazette
NSSF	Negri Sembilan Secretariat File
PGG	Perak Government Gazette
SCM	State Council Minutes
SGG	Selangor Government Gazette
SSF	Selangor Secretariat File
SSGG	Straits Settlements Government Gazette





MALAYA : STATE AND DISTRICT BOUNDARIES  
 (Insets: A - Malay Reservations; B - Relief)



## CHAPTER I

### THE MALAY STATES UP TO 1895: Their Early History and the Introduction of British Colonial Administration

#### Geography

THE Federated Malay States comprise four states: Perak, Selangor, Negri Sembilan and Pahang located in the Malay Peninsula. These states total about 27,500 square miles and occupy more than half of the land extent of the Malay Peninsula.<sup>1</sup> Perak, the northernmost of the three states on the west coast is dominated by a wide river valley through which the Perak River runs for nearly 200 miles. The state is enclosed on two sides by mountain ranges: the Bintang Range on its northernmost boundary with Siam and the Main Range on its eastern boundary with Pahang and Kelantan. On its southern side, opposite the Bernam River which forms the boundary, lies Selangor. Less than half the 7,800 square mile area of Perak, Selangor occupies 125 miles of the western seaboard and protrudes eastwards for forty miles at its widest extent into the Southern Main Range and its eastern boundary with Pahang. Negri Sembilan is smaller than Selangor, comprising 2,550 square miles to Selangor's 3,150 square miles, and lies south of Selangor from which it is separated by the Sepang River. On the east, as with the other two states, Negri Sembilan borders on Pahang where the southern end of the Main Range tapers off and on the south on Johore. Pahang, the east coast state of the Federation, sprawls over 14,000 square miles or more than the area of the three other states put together and is the largest state in the Malay Peninsula. The state is drained by the longest river in the Peninsula, the Pahang River which runs for 270 miles, and by three other rivers.

The Federated Malay States extend from 2° 20' N to 6° N and in common with the other parts of the Peninsula fall within the

---

1 The four states comprised part of the independent Federation of Malaya in 1957 and the Federation of Malaysia in 1963. There has been little or no change in the state boundaries since the boundaries were first demarcated in detail in the late nineteenth century.

equatorial region and has an equatorial climate.<sup>2</sup> The climate is locally tempered by the maritime influence of the wide expanses of water surrounding the Peninsula and by the narrow girth and relief structure of the Peninsula. Characteristic features of the climate are the uniformly high temperatures, heavy rainfall and high humidity. Daily temperatures range between 70° and 90°F with little variation throughout the year. Rainfall, though generally heavy and averaging 100 inches a year has a greater variation during the year and from year to year, and seasonal and local variation of greater and lesser rainfall can be identified. The climate has been responsible for the dense primeval jungle and swamp areas which almost entirely blanketed the landscape and which, despite large-scale settlement and cultivation over the last century, still cover a very large portion of the Peninsula. The typical Malayan topography and vegetation consist of a narrow, low-lying coastal fringe of mangrove swamps or beach forests succeeded by a broad coastal plain covered by the pervasive tropical rain-forest. The lowlands gradually give way to the highlands of the Peninsula and the hill and mountain forests which grow in the higher altitudes. These inhospitable natural features of the Peninsula have not deterred settlement but they have been an influential factor in controlling the type and development of settlement.

### Early History

On 20 January 1874 the Perak Malay chiefs signed the Pangkor Engagement with Britain and surrendered effective control of their negeri over to the British. A British Resident was appointed to the state whose advice was to be 'asked and acted upon on all questions other than those touching Malay religion and custom' and who was vested with a 'right of regulation of the collection and control of all Revenues and the general administration of the country'.<sup>3</sup>

---

2 For a general geography of the Malay Peninsula see Ooi Jin Bee, Land, People and Economy in Malaya (London, 1963).

3 Engagement entered into by the chiefs of Perak at Pulo Pangkor. The full text of this treaty which was the model for subsequent ones the British concluded with the other Protected Native States can be found in W.G. Maxwell and W.S. Gibson, Treaties and Engagements affecting the Malay States and Borneo (London, 1924) pp. 28-30.



Perak was the first piece in the strategy of colonial penetration into the Malay Peninsula but the other pieces, Selangor, Negri Sembilan and Pahang soon followed in rapid succession. In July 1895 a further and important step in the process of the colonial political organization of the four states was taken. The Malay Rulers of the four states signed an Agreement with Britain by which they agreed to constitute their countries into a Federation.<sup>4</sup> The Federated Malay States was to survive until 1941 when the Japanese military machine smashed its way into Malaya and temporarily disrupted the British colonial order.

Prior to British colonial intervention Perak, Selangor, the states of the Negri Sembilan and Pahang had been in existence as Malay states for many years.<sup>5</sup> According to indigenous Malay history Perak and Pahang had been founded by descendants of the royal dynasty of Malacca. The Perak sultanate was established by one of the sons of the fugitive Sultan of Malacca who had fled his state after an unsuccessful defence against a Portuguese military force in 1511. Pahang had been established earlier in the fifteenth century, also by a descendant of the line of Malacca Sultans but in the eighteenth century a non-royal lineage of Bendaharas with connections to the Johore Sultanate was begun. Selangor was a more recently formed Malay state and was colonised by Bugis chiefs and their followers in the early eighteenth century. One of these chiefs, Raja Lumut was recognised as the first Sultan of Selangor in 1742. Negri Sembilan

---

4 The text of the Treaty of Federation, 1895 can be found in Maxwell and Gibson, *ibid.*, p. 70.

5 Early histories of the Malay states have been written by several colonial scholar-administrators. See, for example, R.O. Winstedt, 'History of Perak', Journal of the Royal Asiatic Society, Malayan Branch (JMBRAS) XII, i (Kuala Lumpur, 1934); W. Linehan, 'History of Pahang', JMBRAS, XIV, ii (1936); J.M. Gullick, 'Sungei Ujong', JMBRAS, XXII, ii (1949); R.J. Wilkinson, 'Notes on the Negri Sembilan', Papers on Malay Subjects, 1st Series, History, Part 5 (Kuala Lumpur, 1911) and R.O. Winstedt, 'History of Selangor', JMBRAS, XII, iii (1934). General historical works on Malaya also provide brief accounts. See R.J. Wilkinson, A History of the Peninsular Malays (Singapore, 1923).

had been colonised by large numbers of Menangkabau Malays from Sumatra in the sixteenth century. The immigrants had readily assimilated with the ruling Malay society and had established a loose association of nine minor states under a ruler called the Yang-di-pertuan Besar.

Although differing in the details of their political origins these Malay states possessed societies which had broad affinities.<sup>6</sup> The Malay political and social structure was a feudal one at the apex of which was a hereditary ruler, the Yang-di-pertuan or Sultan or Raja, who personified the state and whose supreme power was legitimised by custom and religion. The Sultan ruled over a hierarchy of state officers some performing functions at the royal court and others dispersed in different areas of the state. He usually resided at the kuala of the main river and from his vantage point conducted the affairs of the Malay world. However, the fullness of the Sultan's traditional authority was often negated by the difficulty of communication in the tortuous terrain of the Peninsula and it was common for the Sultan to delegate authority to his territorial chiefs, especially in the inaccessible parts of the state. The delegation of authority was made out in the form of a kuasa which permitted the recipient to exercise various royal privileges bringing him wealth and power such as the right to levy taxes on goods entering or leaving the district. Often, especially with a weak Sultan in power, territorial chiefs were able to seize authority independently of the Sultan's desire and to exercise practical authority within their respective areas. These limitations on the Sultan's authority were mainly responsible for the decentralized power structure of the Malay States.

At the base of the Malay political and social structure was the mass of peasants who formed the main body of the Malay population. The peasants were gathered in small kampongs scattered throughout the river valleys of the state. Between the peasants and their rulers there was a wide gulf maintained by custom and power considerations. The peasants were obliged by custom to meet certain exactions imposed by the rulers, but the rulers possessed powers to decide arbitrarily

---

6 For a definitive study of Malay society in the western Malay States and the Malay political structure see J.M. Gullick, Indigenous Political Systems of Western Malaya (London, 1958).

what these exactions were. At the same time manpower was an important component in the Malay balance of power and this factor deterred rulers from abusing their positions to the extent which would drive their subjects away from their territories. There were also small groups of aborigines who did not come within the Malay system.<sup>7</sup> Unlike the Malays who were more recent immigrants to the Peninsula and had been converted to Islam, the aborigines had been long settled in the lowlands and had an animistic culture. However, in the face of challenge from the more numerous Malays they had either been assimilated or had retreated into the higher and more remote parts where they could pursue their own ways with less hindrance. Both the powerful and the lowly interacted within the narrow confines of isolated and simple societies, and their lives were dominated by local occasions.

These features of the Malay political and social system - the feudal structure, the decentralization of authority, the local nature of the affairs of state - are emphasised where they are related to the economic set-up of the Malay States. The Malay economy was made up of small groups of peasants who lived in kampongs, many of them self-contained and isolated, and were primarily engaged in subsistence agricultural activity, hunting and fishing.<sup>8</sup> The level of material culture was simple and mainly concerned with the satisfaction of the basic requirements of food, housing and clothing. The products of economic activity were shaped by domestic labour and

---

7 There is a big gap in our knowledge of the aborigines during the Malay period. We do not, for example, know of their relationship with the Malay community and why they have generally remained aloof from Islam.

8 A full study of the Malay economy before the imposition of British rule has yet to be made. The earliest writers on the region occasionally wrote on aspects of indigenous Malay economic life. Their works, although mainly descriptive and sometimes of doubtful reliability, have been a basis for much of the generalizations made of early economic conditions in the peninsula. See, for example, T.J. Newbold, Political and Statistical Account of the British Settlements in the Straits of Malacca (London, 1839); J. Anderson, Political and Commercial Considerations relative to the Malayan Peninsula (Prince of Wales Island, 1824); and J. Low, Dissertation on the Soil and Agriculture of the British Settlement of Penang or Prince of Wales Island in the Straits of Malacca (Singapore, 1836).

resources and were directly consumed by the producing unit, the peasant family. Surpluses were infrequent and when they existed were either stored away or bartered within the kampong. In the larger kampongs there was usually some trade in such products as salt, iron goods, cloth or ornaments but this exchange activity was infrequent and confined to a small class.<sup>9</sup> Over the years there have also been small numbers of Malays engaged in specialized production of goods which had an exchange value. The Malay chiefs usually had a force of craftsmen who fashioned their finery and workers who panned for tin and gathered the forest products demanded by an outside world. The tin mining activity was especially important as its proceeds enabled the Malay states to import goods and provided the financial props of the political system. However, these specialized economic activities have been marginal to the main subsistence agricultural activity. The aborigines were engaged in the more simple hunting and collecting economy which was typical of many pre-contact communities in the equatorial region.

The low level of economic activity in the Malay States was largely due to the difficult environment. The country was enveloped on all sides by dense forests which were a formidable obstacle to sedentary cultivation. The Malay States were also unhealthy places where disease took a heavy toll of the population. These sapping conditions of life have discouraged large-scale settlement and prevented the growth of the Malay population to any substantial size.<sup>10</sup>

---

9 Gullick has written that the Malay economy was based on a monetary system of exchange as a consequence of the tin trade and the imports it would buy. For example, in a description of the Malay village community he relates how the sale of surplus foodstuffs or cash crops to Chinese mining communities was the main source of income of the Malay peasant. See Indigenous Political Systems, pp. 20 and 31. These observations, however, are of Malay society in the nineteenth century when it was undergoing rapid changes. Large-scale exchange activity was not present in the traditional Malay economy; the tin trade was confined to a small section of the Malay population and there were very few opportunities for the sale of the peasant produce.

10 The 1891 Census of the Malay States estimated the total Malay population at 218,510, a figure which included large numbers of immigrant Malays and Malaysians who had recently entered the states. At a rough estimate the Malay population of the four states in 1874 would not have exceeded 140,000. See estimates in E. Sadka, The Protected Malay States 1874-1895 (Kuala Lumpur, 1968) pp. 3-4, and Gullick, Indigenous Political Systems, p. 23 for some comparison.

There were areas of permanent settlement where the Malay population had hacked away the forests to carve out kampongs and padi sawahs and enjoyed relatively stable lives. However, large groups of the Malay and aborigine population were only able to eke out precarious migratory existences, mainly dependent on the forests, rivers and seas. Thus, despite their ability to come to terms with the harsh natural conditions, the Malays were not able to master their environment to create large and advanced societies.

The same physical reasons have limited the intrusion of alien groups in the Malay states and enabled the Malay societies to remain intact for a long period of time. Towards the end of the fifteenth century the Malacca empire had begun to break up. This coincided with the coming of the Portuguese and resulted in a period of protracted political upheaval. The Portuguese were able to capture Malacca in 1511 and from it exerted a strong influence over the area for more than a century. But their will and strength was steadily eroded by a series of debilitating and indecisive wars against the old Malacca sultanate, now re-established at Johore and against Atjeh, a powerful state in Sumatra. The Portuguese eventually lost their dominant position to another European power, the Dutch, who captured Malacca from them in 1641. The Dutch were similarly engaged in intermittent wars against the native powers, especially against the Bugis, but successfully preserved their dominant position until the late eighteenth century when, in the political settlement after the end of the Napoleonic wars, they recognized a British sphere of influence in the Peninsula in exchange for a Dutch one in the Archipelago. Other than these conflicts between the European powers against each other and against the native powers, there were also internecine wars between the native states themselves. The Malay states were drawn into the turmoil in varying degrees as they were often compelled to take political sides in the struggles. But generally the actual forays of alien groups for more than three and a half centuries after the fall of Malacca to the Portuguese were confined to small areas and limited objectives and were not sustained or penetrative enough to make an impact on the Malay population scattered in the forests.

The assertion of a British sphere of influence over the central and southern half of the Peninsula in 1824 had been undisputed and appeared to usher in a period of peace for the Malay states.

But it proved to be the proverbial lull before the storm. Events with far-reaching implications were soon to take place, and before the century had run out the very nature of the Malay States had been transformed beyond recognition. The forces responsible for this turning point in the history of the Malay states and of the Peninsula were an unusual combination. The initial catalyst was tin, a mineral which has been sought after since early times. The Malay states have traditionally been important sources of tin in the Archipelago, and the Portuguese and Dutch during their respective periods of ascendancy in the region had attempted with varying success to gain a monopoly control over the profitable tin trade. The Dutch were especially concerned with this and had imposed trade treaties on the Selangor, Perak and Sungei Ujong rulers to enforce the sales of tin to the Dutch. However, despite its value to the participants, early tin mining activity in the Peninsula was carried out sporadically and on a limited scale and did not affect the pattern of life of the states and the Malay population to any extent.

At the beginning of the nineteenth century a strong demand for tin arose in the industrial countries in Europe and the United States. The scale of tin mining activity in the Peninsula began to increase markedly because of the ready supply of Chinese capital and labour located in the nearby Straits Settlements. Many areas of mining were rapidly opened up, including Lukut and Sungei Ujong in Negri Sembilan, the Kinta Valley in Perak and the Bernam and Klang valleys in Selangor. Mining activity especially registered a spectacular growth after the 1840s when rich deposits of tin ore were found in Larut in Perak and Kuala Lumpur in Selangor.<sup>11</sup> Large numbers of Chinese miners swarmed into the Malay states to supplement the groups of Malays working the tin resources. The Chinese miners brought along with them their traditional socio-political organizations in the form of triad societies and violent disorders soon broke out as two rival societies, the Ghee Hin and the Hai San, battled for control of mining areas and domination over each other.

---

11 A comprehensive study of the early Malayan tin industry has been provided by Wong Lin Ken, The Malayan Tin Industry to 1914 (Tucson, 1965). See pp. 1-52 for an account of the growth in tin mining activity before 1874 and especially pp. 17-34 which examine the penetration and role of Chinese mining enterprise.

The increased scale of mining activity was also the outcome of a scramble among the Malay chiefs for opportunities to exploit the tin resources. The reason for Malay enthusiasm was clear enough. The mining activity brought in an unprecedented wealth which was not only desirable in itself but could also be used to buy men and material and advance political ambitions. The presence of large and unruly Chinese groups and the new power derived from tin exploitation added important elements of instability to the Malay political system and upset the frail equilibrium which had previously existed in the Malay states. In the 1860s and 70s disputes over the succession claims in Perak, Selangor and Sungei Ujong were transformed from the normal short feuds to prolonged and bloody wars.

It was against this background that the decision was made by Britain to intervene in the Malay states. British interest in the Archipelago and the Peninsula had wilted after the massacre in Amboyna of a British group by the Dutch in 1622 and for a long time the British made no challenge to the dominant Dutch position in the region. In the eighteenth century, however, there was a revival of British interest as shown by Francis Light's founding of Penang which resulted in the first British foothold in the Peninsula. A bigger step towards the establishment of British hegemony in the Peninsula was taken by Raffles who founded Singapore in 1819. But British designs then appear to have been mostly met by the Anglo-Dutch Treaty in 1824 which delineated a British sphere of influence in the Peninsula. The British possessions during this period comprised Penang, Malacca and Singapore and they were regarded as adequate for the metropolitan country's interests. In the first place, the Straits Settlements, by providing bases which helped to protect the sea link between China and India, satisfied the strategic considerations which were foremost in the minds of the imperial policy makers. Further, a policy of territorial expansion was likely to be expensive and could provoke other powers into activity in an area which was already under a degree of British influence. An official policy of non-intervention in the Peninsula was therefore charted and maintained fairly scrupulously.<sup>12</sup>

---

<sup>12</sup> British policy in the period between the signing of the Anglo-Dutch Treaty and just prior to intervention has been examined by N. Tarling, 'British Policy in the Malay Peninsula and Archipelago 1824-1871', JMBRAS, XXX, iii (1957).

At the same time the rapid growth of the Straits Settlements and its economic prosperity appeared to confirm the soundness of the policy of territorial non-intervention. The Straits Settlements had become the focus of an expanding and valuable entrepôt trade between the region and the rest of the world and within the region itself. The relinquishment of Dutch territorial claims in the Peninsula had also opened an entirely new field of profitable enterprise and all this had been possible without incurring any heavy liability, financial or otherwise. But local political and economic interests were critical of the imperial policy which they assessed as subordinating their local interests to that of the wider and vague imperial one. European and Chinese economic groups in particular had invested heavily in the Malay States especially in the tin trade and were determined on a direct British presence in the Malay States which could protect their investments and pave the way for the widening of their operations in the states. During the period local authorities and interests were watchful for opportunities to extend the paramountcy of British rule in the Malay states and had on their own initiative played an adroit hand of diplomatic pressure, economic sanction and occasional armed force to prise an opening.

The pressure on the imperial authorities to change the policy of non-intervention became very insistent in the 1860s. The anarchic conditions brought about by the incessant warfare in the Malay states had endangered the investments of local Straits merchants and had caused a minor slump in the tin trade of the Straits Settlements.<sup>13</sup> There was another reason why entrepreneurs in the Straits Settlements were so concerned to see a change in British policy in the region. After many years of continued prosperity the Straits Settlements in the 1870s was confronted by a less promising trade outlook. There was a narrowing of trade opportunities in the

---

13 The decline in tin exports from the Malay Peninsula to the Straits Settlements in 1872 and 1873 was quite considerable. The figures of tin exports from the Malay Peninsula to the Straits Settlements between 1867 and 1873 given below are extracted from Wong Lin Ken, Malayan Tin Industry, Table IX, p. 30. (Figures in Tons)

1867	2,030	1871	4,713
1868	4,097	1872	3,648
1869	4,625	1873	2,335
1870	4,639		



Archipelago due to the imposition of trade restrictions by the Dutch; the Straits' share of the China trade was adversely affected by the establishment of Hong Kong and within the region of South East Asia there was much talk of the intrusion of other foreign interests, notably French and German, which could limit the activities of the Straits enterprise. Moreover, the Straits home market was a limited one and had already reached its peak capacity. A memorial by Chinese merchants to Sir Harry Ord, the Governor of the Straits Settlements, which pressed the British Government to restore order in the Malay states pointed out specifically that it was 'necessary for us to seek elsewhere openings for commerce, and our eyes anxiously turn to the Malay Peninsula, which affords the finest field for the enterprise of British subjects.'<sup>14</sup>

Towards the close of 1873 the decisive step was taken by the Secretary of State for the Colonies, Lord Kimberley, who issued the new Governor of the Straits Settlements, Sir Andrew Clarke, with instructions which asked him to report on whether any measures could be taken to restore peace and protect trade in the Malay States and to especially consider the advisability of appointing British officers to reside in the states. One of the reasons proffered for the change in British policy was the fear of intervention by other European powers in the area but it appears that this was more a pretext, or at the best a rationalization, for a course of action which had been precipitated by the skilful pressure applied by commercial circles in the Straits and their connections in London and the ascendancy of the trade consideration in the minds of the policy makers.<sup>15</sup>

Armed with these instructions, Clarke moved quickly and, within three months of his assumption of office, had dictated a settlement to the rival Chinese factions in Perak and executed the Pangkor Engagement with the Perak chiefs which decided the succession

---

14 Translation of a Chinese Memorial to Governor dated 28 March 1873, enclosure in Ord to Kimberley, 10 July 1873, CO 273/67.

15 The factors responsible for the change in the British policy of non-intervention have been studied in detail by C.D. Cowan, Nineteenth Century Malaya: The Origins of British Political Control (London, 1961). The importance of the economic factor in the change in British policy has been assessed by Khoo Kay Kim, 'The Origins of British Administration in Malaya', JMBRAS, XXXIX, i (1966).

dispute and appointed a British officer to administer the state. In August 1874 a piracy incident off the coast of Selangor provided Clarke with the pretext to impose a British officer in Selangor and before the end of the year, a British officer was also to be found in Sungei Ujong. British control over the smaller states of the Negri Sembilan proceeded more gradually and was effectively completed in 1889 when Sri Menanti, Rembau, Tampin and Johol constituted themselves into a confederation under a Resident. The final shape of the Negri Sembilan confederation emerged in 1895 when Sungei Ujong and Jelebu joined the confederation. Pahang also took a longer time to come into the British fold. One of Governor Frederick Weld's last acts was to negotiate a treaty with Pahang which led to the appointment of a Governor's Agent at Pekan in October 1887, and four months later, Governor Cecil Smith who succeeded him completed Pahang's capitulation to the British flag by installing a British Resident in the state.

#### Structure of Residential Administration

The colonial political structure in the Protected Native States, as the four states were known prior to the Treaty of Federation, was built up around the four British Residents appointed to each of them. The legal basis for the wide powers of the British Residents had been contained in the deceptively casual form of the treaties concluded between the states and Britain. But it was made clear very early in Perak that the British regarded the clauses of the Pangkor Engagement as entitling them to nothing less than total control over the administration. An embryonic Malay resistance movement which achieved the killing of the first Resident, James Birch, in November 1875 was quickly crushed and, from then onwards, there was little pretence by either Malay or British parties in Perak and the other states of the totality of British authority. In spite of this, however, it will be of some importance to dissect the segments of the colonial authority and to examine it.

The prime figure in the colonial government of the state was the Resident and initiative in all state matters generally originated from him and his band of administrators and technical officers. Each Resident was under the control of the Governor of the Straits Settlements, the highest ranking British officer in the Peninsula who, in turn, was subordinate to the Secretary of State for the Colonies in London. The Governor was personally responsible

for matters of high policy in the Malay States and was usually content to leave the management of the affairs of the state to the individual Resident once the broad principles of it were settled. Unless there were exceptional circumstances the Governor pursued a line of tacit non-interference towards the Resident and the same stance was adopted by the Colonial Office in its relationship with the Governor and the Residents. The band of Residents who served the states during this first period of British rule were exceptionally well-versed in the art of colonial government. Figures such as Hugh Low, Frank Swettenham, William Maxwell and Hugh Clifford stand out in the pages of colonial history in the Malay Peninsula and their competence in organising men and material in ways alien to the Malay world was one of the most important factors responsible for the transformation of the Malay states into modern colonies.<sup>16</sup>

The state itself was divided into administrative units of districts, each administered by a District Officer who was directly in charge in the district of the land administration, the collection of revenue and the local administration of justice.<sup>17</sup> But as the senior executive officer in the district responsible for the government of the district and as the 'eyes' and 'ears' on whom the Resident relied to help formulate policy, his duties and influence were much greater, and the demands on him correspondingly so. The model District Officer was officially described in these formidable terms:

The District Officer should aim at possessing complete information about the condition and needs of his District - every road, path, river, village and hamlet in which he should know thoroughly. It is in his power...to acquire very detailed knowledge of the circumstances, and trading family connections of the principle native inhabitants, and to have such an acquaintanceship among them that he will be able to judge of the value of information to be obtained from, or assistance to be afforded by each....

---

16 Much of Sadka's work, Protected Malay States, describes the Residents, examines their authority and assesses their contributions to the development of colonial government in the Malay States.

17 The four states in 1895 had a total of 22 districts - Matang, Lower Perak, Kinta, Batang Padang, Upper Perak, Krian and Selama in Perak, Kuala Lumpur, Klang, Kuala Langat, Ulu Langat, Kuala Selangor and Ulu Selangor in Selangor; Kuala Pilah, Tampin, Jelebu and Sungei Ujong in Negri Sembilan and Pekan, Kuantan, Temerloh, Ulu Pahang and Kuala Pahang in Pahang.

Knowledge of one or more of the native languages, of the principles of English law, and of the practice of book-keeping are essential.... If he can survey, make roads, sail a boat, etc., so much the better.<sup>18</sup>

On the shoulders of the District Officers fell most of the burdens of the practical day-to-day administration and they can claim as much credit for the successful introduction of colonial rule as any other group.<sup>19</sup>

Within the state were also to be found other administrative and technical departments manned by specialist officers. These departments were located in the administrative centres of the various states but they often had branches in the towns of the developed districts. In the early years of British rule there were only a few such departments; but in response to the development of the states and the increasing complexities of government, they rapidly proliferated to a substantial number.<sup>20</sup> From these departments were derived many of the technical skills and organizational forms necessary in demarcating the boundaries of the land, constructing the vital public works, maintaining law and order, linking the states internally to each other and externally to the world and generally laying down the foundations of the modern development of the Malay states.

The Malay role in the new administration, contrary to occasional British assurances regarding the preservation of Malay

---

18 Minute by the Resident of Selangor for the guidance of District Officers, 8 May 1890, SGG 16 May 1890, cited in Sadka, Protected Malay States, p. 216.

19 Many high ranking British officers served humble apprenticeships in the District Offices where they learnt much of the trade. Clifford and Swettenham who became High Commissioners of the Malay States are two notable examples.

20 In Selangor in 1895 for example, there were nineteen departments listed in the state directory. These were the Residency, Secretariat, General Printing Office, Courts, Chinese Secretariat, Mines, Land Office, Surveys, Treasury, Audit, Public Works, Post and Telegraph, Medical, Education, Police, Gaols, Railway, Sanitary Board and Immigration departments. This formidable array contrasted with that in Pahang which had recently come under British rule and had rudimentary departments of Treasury and Posts, Medical, Police, Prisons, Courts, Land Office, Public Works and Residency and a total officer staff of six which was equivalent to the numerical strength of the officer staff of the Police Department in Selangor. The Singapore and Straits Directory 1895 (Singapore, 1896) pp. 207-12 and 239-40.

authority, was a minor one. The traditional status of the Sultan and the chiefs was left undisturbed but only vestiges of their former political authority, mainly relating to Malay social matters, remained. A State Council had been established in each state as the chief executive body to provide the constitutional authority for the legislation enacted within the state. In this august body the Malay members of royalty sat together with the most prominent Chinese leaders and British officials. But the State Council never rose to be more than a deliberative organ, concerned with the petty affairs of state allotted to it by the Resident. It was mainly a convenient device which affixed the seal of approval on policies and legislation decided by the British and helped maintain the fiction of Malay rule.

On the lowest level, the position of the penghulu was retained and incorporated within the new administrative structure. In the Malay political system the penghulu was said to have been the responsible head of the district, subordinate only to the chief in all matters of local government and entrusted with numerous duties. In the new administration each district was subdivided into mukims, and penghulus were appointed to them to assist locally in the maintenance of order, the administration of justice, the collection of revenue and the general development of the mukim.<sup>21</sup> The penghulus were directly under the supervision of the District Officer and had especially onerous duties in the spheres of land and agriculture because of the acute shortage of staff in the land department.<sup>22</sup> In all these political developments the Malay participation was a subordinate one, selected by the British and not asserted by the Malays themselves as a matter of principle, and reflecting the supremacy of British authority in the Protected Malay States.

---

21 In Selangor in 1895, there was a total of 35 penghulus listed in the state's directory or an average of six penghulus for each district. Ibid.

22 The penghulu was to be responsible for all encroachments on unalienated land, to see that no timber was cut without a pass, to issue licences for the collection of jungle produce, to encourage the cultivation of all lands alienated for agriculture, to act as an arbitrator in minor land disputes and to assist in the arrangements of dates for padi cultivation. He also had to assist in the collection of land taxes and to see that all land transactions were executed in the prescribed manner. Report by Acting Collector of Land Revenue, Kuala Lumpur, enclosure in British Resident (hereinafter BR) Selangor to Resident-General (RG), FMS, 17 October 1896, SSF 786/96B.

### Pattern of Early Economic Development

The changes to the economic lives of the Malay states were equally drastic. A stream of people from the other parts of the Peninsula and immigrants from the Archipelago, China, India and elsewhere flocked into the Protected Malay States after the establishment of colonial rule and completely altered the character of the country. In 1891 the first census of the four Malay states estimated a total population of 418,527.<sup>23</sup> This was a remarkable threefold increase over the population estimate prior to intervention. The Malay population, bolstered by large numbers of immigrant Malays and Malaysians, recorded large increases. But a more significant feature of the population of the Malay states in 1891 was the size of the non-Malay population. In Selangor the Chinese population was twice the size of the Malay one, and in Perak and Sungei Ujong, it had almost reached a position of parity with the Malay population. In the four Malay states the non-Malay element comprised 44 per cent of the total population and the Chinese alone constituted 39 per cent of the total population.

The immigrant population was engaged in a wide variety of economic activities which were entirely new to the Malay states. Subsistence agricultural activity which had been the basis of the Malay economy was now overshadowed by mining, plantation and other economic activities associated with a developing colonial-type economy. Labour in the Malay economy was self-employed, unspecialized and directed at satisfying the basic wants of the peasant household. In the colonial economy there was a different form of labour consisting of wage workers, many of them alien, with non-agricultural skills and specialized functions working for money wages. The form of capital in the new economy was also entirely different. The new capital consisted of roads, railways, machinery and other products of modern technology. The introduction of money as a medium of exchange further facilitated the process of development. Land in the Malay economy was utilized in small parcels by groups of peasants; now, it was rapidly taken up and opened for large-scale mineral and agricultural exploitation. New centres of settlement sprang up and old ones were revitalized leading to settlement patterns vastly different from the traditional Malay one.

---

23 For statistical details of the population see Appendix 1.1 and 1.2

The vital spark in the economic development of the Malay states was provided by the colonial government. It was earlier written that an elaborate administrative apparatus staffed by British officers and Asian subordinates was established and organized activity in land, health, law and other matters. Simultaneously, an ambitious programme in the construction of communication lines was undertaken and, by 1895, the rudiments of a network of roads in Perak, Selangor and Negri Sembilan, linking the main towns and villages within each state and the states to one another was already visible.<sup>24</sup> In addition, large amounts of money were expended on the construction of railways and on various other public works. Concurrently with the policy of liberal expenditure on projects designed to facilitate the economic development of the states, the colonial government pursued liberal policies in such important subjects as immigration, land and taxation to attract capital and labour. The crux of British economic policy in the Malay States during this period was graphically captured in one of the first proclamations issued in Selangor after it came under British rule. It read:

Now, We, SULTAN ABDUSSAMAD, inform all European Gentlemen, Chinese Headmen and others, that We shall be exceedingly glad if any one will come to do any useful business for themselves in our country, such as to open tin or gold Mines, or for purposes of cultivation, or to cut Timber, or to look for Gutta Percha and on any other profitable business; as for all these we desire to protect them, as much as we can, who come to our country as well as their lives and properties. And whosoever...like to cultivate Sugar, Tobacco, Paddy or other kind of produce we will grant to them lands free of payment for cultivation, and the cultivators may continue their business for a term of three years without paying taxes on the produce.<sup>25</sup>

In the economic development of the Protected Malay States, the exploitation of the tin mineral resources was especially successful. In 1874, of a world tin production of 36,400 tons, the Malay Peninsula was estimated to contribute only 4,200 tons. In 1895 however, the Federated Malay States alone contributed 49,592 tons of a world production of 90,207 tons.<sup>26</sup> This remarkable

---

24 In 1893 Perak alone had more than 150 miles of connected metalled cart road. In contrast Pahang's main form of inland communication was still the traditional means - the rivers. Singapore and Straits Directory 1893, pp. 221 and 274.

25 Proclamations by the Sultan of Selangor, SSGG, 12 December 1874, p.1. A similar proclamation was issued by the Sultan of Perak a short time later. SSGG, 16 January 1874, p.1.

26 For further figures of the FMS tin production see Appendix 3.1

expansion in production greatly benefited the coffers of the state governments. Whereas the revenue of Perak was measured in thousands of dollars prior to 1874, in 1895 tin duty receipts in the state were worth more than one and a half million dollars. There was an increase on a similar scale in Selangor. Negri Sembilan and Pahang were less successful in their quest for the mineral but tin was no less an important contributor to their revenues.<sup>27</sup> These tin duty figures do not take into account the large amounts of revenue obtained from opium, tobacco, spirit and other revenue items directly connected with the tin monolith. The prime importance of tin to the economy of the Malay States is finally emphasised by the fact that tin exports alone were valued at \$27,714,492 or 89 per cent of the value of the total export trade of the Federated Malay States in 1895.<sup>28</sup> It would not be an exaggeration to say that tin provided the financial base on which the colonial edifice of the Federated Malay States was constructed.

Although tin dominated the economy of the Protected Malay States and contributed solidly to the construction of the new colonial economy, British administrators realized that dependence on tin alone for revenue to generate development was a risky economic strategy. A depression in the tin industry would seriously cripple the economic health of the state, and moreover tin was a temporary and wasting resource whose returns would diminish in time. Agriculture on the other hand was seen as a constructive economic activity which would attract a settled population, lead to permanent colonization and yield a stable revenue. The earliest British administrators in the Malaysian region had attempted in their time to encourage the cultivation of tropical products and this first generation of British officers in the Malay States showed similar enthusiasm for agriculture. The seemingly unlimited areas of forest land which lay before them appeared to be ideal for agricultural development and the British envisaged that the Malay States could be a source of supply of tropical agricultural products for the British and European markets. The development of agriculture in the Malay

---

27 Tin duty receipts in 1895 comprised 30.76% and 22.92% of Negri Sembilan's and Pahang's revenue respectively. AR Negri Sembilan 1895; AR Pahang 1895.

28 AR FMS 1895.



States was therefore an important objective of the colonial government.<sup>29</sup>

In their plans to develop agriculture in the Protected Malay States British officers consciously pursued a dual policy. One component of the dual agriculture policy was directed at the development of large-scale agricultural production.<sup>30</sup> Extensive plantations of coffee, sugar, pepper, tobacco and other tropical crops were to be established by the combination of large capital resources and managerial and technical skills and the products were to be exported to Europe. This policy, it was hoped, would have beneficial spread effects on the whole economy through its introduction of new or larger factors of production and its stimulation of subsidiary industries.

British officers generally regarded European capital and enterprise as important prerequisites for the implementation of their plantation agriculture schemes. In the older colonies the lead in plantation agriculture had been taken by European planters who could afford the large amounts of capital needed for the enterprise, and the same tendency was seen as likely for the Malay States. A less obvious explanation for official anxiety regarding European plantation investment was the failure of European capitalists in the tin industry. It was to enable Europeans to recoup their losses that an alternative field of opportunity was provided in agriculture. European participation in plantation agriculture was also sought after for a less rational reason. Notwithstanding the European tin experience, it was a popular myth that only a body of Europeans could bring brains, energy and money to carry out the agricultural development of the Malay States. But these feelings and a pro-European agricultural policy did not prevent the government from welcoming non-European and particularly Chinese enterprise.

---

29 The subsequent account of British policy and the development of agriculture in the Malay States is mainly derived from the writer's thesis for an M.A. degree. See Lim Tech Ghee, 'Perak: Aspects of British Land and Agricultural Policy, 1874-1897' (University of Malaya, Kuala Lumpur, 1968).

30 For a study of early plantation agriculture in the Malay Peninsula see J.C. Jackson, Planters and Speculators: Chinese and European Enterprise in Malaya, 1786 - 1921 (Kuala Lumpur, 1968).

To realise their dreams of converting the forests of the Malay states into vast plantations the government extended generous assistance to planters to induce them to invest. A liberal land policy was devised, and encouraged planters to obtain large areas of land at nominal rates and with a minimum of restrictive conditions. British officials also followed a permissive labour policy. Immigration and labour regulations were simplified so that labour could be rapidly, conveniently and cheaply imported into the country and standards of labour conditions were set at a minimum so that employers could reduce their obligations and labour costs. Further, a government subsidy was granted to assist Indian immigration into Malaya. The government also provided planters with large loans, participated in plantation schemes, established experimental agricultural stations and constructed a network of roads and railways; all of these reduced the risks of plantation investment in the Malay States and demonstrated the urgent importance attached by the government to the development of plantation agriculture.<sup>31</sup>

In spite of its priority status in British economic policy in the Protected Malay States, and although a pampered economic activity in many respects, plantation agriculture failed to achieve much progress prior to the 1890s especially when compared with tin mining.<sup>32</sup> The Chinese planters were a notable exception and through the skilful allocation of the factors of production had successfully carved out large sugar plantations in Perak and pepper, gambier and tapioca plantations in Negri Sembilan; but European planting enterprise, despite some success with coffee planting in Selangor, was a disappointment. During these years plantation agriculture was plagued by a variety of teething problems over labour supply, management, capital funds and crops. Some of these problems were

---

31 Sadka, Protected Malay States, has a useful chapter on British policy and the development of the Malay States economy, pp. 324-363. For an account of plantation labour and immigration policy in the Malay States, see J.N. Parmer, Colonial Labour Policy and Administration (New York, 1960).

32 In terms of export value, labour employment and capital investment, plantation agriculture in the Malay States lagged far behind the tin industry. In 1895 the FMS exports of areca nuts, coconuts, indigo, sago, tobacco, tapioca, sugar, coffee, gambier and pepper, the main plantation crops, were valued at \$1,880,347 compared with tin's export value of \$27,714,492.

less difficult than planters led the government to believe and were due to the shortcomings of the planters themselves. The majority of the early planters in the Malay States were amateurs in the planting business possessing neither the expertise nor financial resources to tame the alien agricultural environment. But for the planters who survived the pioneer conditions the experience was to stand them in good stead when rubber arrived and the success they achieved more than made up for the early disappointments.

#### Peasant Agriculture in the Colonial Scheme

The other component of the dual agriculture concept aimed at attracting peasant agriculturalists from the other parts of the Peninsula and from other countries to reinforce the indigenous peasant group. During this period many administrators stressed that the greatest need of the Malay States was a large population to develop the vast areas of land which had come under British control. In 1891, in spite of the success of the liberal immigration policy, the four states which had a combined area of eighteen million acres had a population of only 418,527. This was a position of population scarcity compared with the Straits Settlements which supported a population of 506,984 on only 960,000 acres and with such tropical colonies as Java and Ceylon. An influx of peasant immigrants from the crowded countries in the region would provide the labour resources required to open up the country. At the same time, a large peasant population would also meet the specific but equally important objective of local food production. In the new economy there was a large and growing number of people engaged in non-agricultural pursuits who required to be fed, and British officers envisaged that a settled agricultural peasantry would be able to cater for the new requirements.

Various inducements were used by the colonial government to encourage the development of peasant agriculture. The chief one was a liberal land alienation system which enabled potential cultivators to obtain land cheaply and easily.<sup>33</sup> The liberal land

---

33 In Perak no rents were levied on peasant land before 1883 except in Krian and Larut which were relatively developed and accessible districts. Similarly, agricultural lands in all the Selangor districts except Kuala Lumpur were exempted from payment of land rent from 1884 to 1886, and newly opened lands in the same areas enjoyed rent remission from 1886 to 1888. The early land legislation in the Malay States empowered District Officers to grant land rent-free for one

policy was supplemented in a few instances by the construction of roads and bridle tracks to help open up the area and by the provision of small irrigation works and water gates to facilitate cultivation. Besides dangling the 'carrot' the colonial government also resorted to the 'stick' in their attempts to foster peasant agriculture. Legislation was enacted to penalize the customary practice of ladang cultivation which was destructive to soil and forest when uncontrolled and was not conducive to peasant agricultural settlement. Other legislation also sought to bring about more efficient agricultural husbandry by synchronizing standard dates for the various stages of padi cultivation and by compelling cultivators to keep their lands free from vermin.<sup>34</sup> These pieces of legislation aimed not only to strengthen the hand of officers but also provided the government with authority to exercise control over the type of peasant agricultural development. Although British officers were hopeful that this legislation which removed practices inimical to peasant interests would improve the peasant condition, they realized that it was possible 'to fill the statute book with enactments of this kind, and with very little result unless the District Magistrates bestir themselves and rouse the indolent and fatalist Malays to action'.<sup>35</sup>

These efforts to develop peasant agriculture were only partially successful. A flood of immigrants entered the Malay states, irresistibly drawn by the prospects of economic advancement. But large numbers of the immigrant population gravitated to other occupations than peasant agriculture. British officers had been

---

33 (Continued)

to three years to cultivators in special cases. See Perak General Land Regulations of 28 February 1879 and 31 January 1885 in W.E. Maxwell, Memorandum on the Introduction of a Land Code in the Native States in the Malay Peninsula (Government Printing Office, Singapore, 1894) pp. 10-13, 16-25.

34 For examples of this legislation in Perak, see Order in Council No. 6 of 1890, Discouragement of Ladang Cultivation, and Order in Council No. 14 of 1890, Bendang Cultivation, in Reports furnished by order of His Excellency the Governor upon the best means of Encouraging the Cultivation of Rice in the Malay Peninsula (Reports Encouraging the Cultivation of Rice) (Government Printing Office Singapore, 1893) pp. 22-33, SSF 170/93

35 Ibid. Acting BR Perak to Colonial Secretary (Col. Sec.) 5 April 1892, p. 6.

especially impressed by the economic initiative of the Chinese and had publicly expressed the view that the Malay States would benefit from the introduction of Chinese agriculturalists. In 1890 the Secretary of State had cited the success of Canadian and Australian agricultural colonization schemes and suggested to the Malay States that their agricultural development could be facilitated if Chinese immigrants were provided with free or assisted passages and land grants.<sup>36</sup> The following year the Perak government acted on this suggestion and issued a circular announcing the offer of generous government assistance to immigrant Chinese agricultural families.<sup>37</sup> However, the response to this initiative was disappointing and Chinese peasant colonization failed to take place during this period. Similarly, despite official hopes of Indian agricultural colonization in the Malay States and the view point that the Malay States 'must appear an El Dorado of peace, wealth and comfort to peasants from overstocked famine-threatened districts both in Ceylon and South India',<sup>38</sup> there was little Indian peasant agricultural activity.

There were several reasons to explain the failure of Chinese and Indian agricultural colonization of the Malay States during this period. In the first place the colonial administration only had a paper commitment to non-Malay peasant colonization and had no carefully considered schemes which could convert their wishes into reality. Secondly, the mining industry absorbed a large number of Chinese immigrants, and the plantation industry and Government were continually engaged in competition for Indian labour. The demand for Chinese and Indian labour increased wages to such a level that peasant agricultural activity, especially padi cultivation with its small and uncertain returns, could attract only a few adherents. This was the main reason why Chinese and Indian agricultural schemes failed badly. Moreover, Chinese and Indian immigrants to the Peninsula and, to a lesser extent, Malaysian immigrants from the Archipelago were not intent on making the Peninsula their permanent homes; it was merely a source of

---

36 Secretary of State for the Colonies to Governor, 16 September 1890, PGG 1890, p. 785.

37 Acting BR Perak to Col. Sec., 5 April 1892, Reports Encouraging the Cultivation of Rice, p. 4.

38 *Ibid.*, T.H. Hill to W.H. Treacher, 25 January 1892, p. 19.

livelihood which they intended to leave as soon as they had made their fortunes. In this respect agricultural settlement which tied the immigrant for long periods to the land compared unfavourably with other economic activities which emphasized quick returns.

British hopes for the successful development of peasant agriculture chiefly rested with the immigrant Malaysians from the Archipelago and the indigenous Malays of the Peninsula. These people shared a common background of subsistence agricultural activity which conveniently fitted in with British designs for peasant agriculture. The indigenous Malays of the Malay States were relatively long established in the traditional agriculture of kampong and padi cultivation whilst the immigrant Malaysians generally had entered the Malay States with the intention of carrying on the same activity. But large groups of immigrant Malaysians regarded the Malay States as temporary residences to make quick fortunes and were less attached to subsistence agricultural activity centred on padi cultivation. Many of them, often after initial involvement in government peasant colonization schemes, turned to wage employment in other occupations. These economic activities of large numbers of immigrant Malaysians which did not contribute to increasing the country's agricultural production were a major blow to British peasant agriculture plans. Disappointment of a different sort was dealt by immigrant peasants who remained in the agricultural sector and grew non-food crops. This was a widespread practice in Selangor in the 1890s where coffee was a profitable cash crop, but it also took place in other areas which were developed and had accessibility to markets. The peasant cash cropping activity tended to meet the needs of an export and not a home market and was regarded with mixed feelings by the British especially, since it encroached upon the commercial agricultural activity demarcated for the plantations.

For many Malays and some immigrant Malaysians peasant agricultural activity continued to be the pivot of their economic lives. But British hopes that the agricultural activity could be expanded to meet the food needs of the non-agricultural population were not fulfilled. Peasant agriculture was traditionally a subsistence activity. The peasant cultivator worked on a small area and possessed a simple level of agricultural technology. Occasionally he obtained a large crop above the normal requirements of his household but generally adverse weather conditions and the ravages of animals,

birds, rodents and a variety of insect pests reduced the crop, and the harvest was barely sufficient to meet the consumption of his family. Peasant agriculture failed to rise above subsistence level during this period of British rule. The crops continued to be adversely affected by natural enemies; there were no agricultural advances which increased yields and the growth of agricultural production was further handicapped by several new factors. In the developed districts, especially in the tin areas, padi peasants were tempted by the high prices to sell their lands to non-Malays who required these lands for mining, plantation agriculture or other purposes. A more serious threat was the activities of tin mines situated above agricultural areas and making use of the rivers and streams which irrigated the fields below. These mines deposited large amounts of silt and other mining debris in the water and often disrupted water courses badly, leading to the ruin of the crops.<sup>39</sup>

The biggest factor inhibiting the development of peasant agriculture during this period was the external economic one. Rice was the staple food of the Asian population of the Malay States and it was greatly demanded by the mining, urban and plantation population. The British had recognised that it would not be possible to supplant rice by any other substitute grain and had directed their peasant agriculture campaign principally at the development of padi cultivation. Yet the price of local rice was not sufficiently high to make rice as remunerative as other economic activities. This paradoxical situation was due to the large expansion in the South East Asian rice trade after the 1850s. Extensive areas were brought under cultivation in Siam, Burma and Indo-China and rice was placed in the world market at low prices.<sup>40</sup> Unfortunately for the padi peasant, Malaya was situated in the middle of this tremendous production and found herself in a better position to import rice than most other countries. Therefore, although the internal demand for rice kept increasing at a

---

39 One officer was so pessimistic of the future of padi cultivation in the face of the tin threat that he warned 'Tin-mining and rice-growing will not prosper side by side; the latter must inevitably go to the wall'. Summary by Government Secretary, Selangor, undated, *ibid.*, p. 37.

40 Burma's rice exports, for example, increased from 0.52 million tons in 1881 to 0.82 million tons in 1891 and 1.42 million tons in 1901. E.H.D. Dobby, 'The Changing Significance of Padi Growing in South East Asia', Journal of Tropical Geography, Vol.8 (1955) p. 81.

rapid pace, the price of rice failed to reach a level that would encourage cultivators to expand production or attract more adherents to the cultivation. There was also little demand for the local padi because the immigrant non-Malay consumers generally had a taste preference for imported rice and were on wage levels where they could afford the small margin of price difference existing between the two products.

The failure of British plans for peasant agricultural production was primarily reflected in the rapid increase in rice imports during this period especially in Perak and Selangor. Admittedly there was an increase in padi production due to some successes in government padi colonization schemes, notably in the Krian district. The production of both the immigrant Malaysian and the indigenous Malay groups was however barely sufficient to meet their own needs and it was necessary to import very large quantities of rice into the Malay States to feed the non-Malay population. In Perak, in 1876, rice imports were valued at \$180,621 of the total import trade of \$831,375. The value of rice imports steadily increased in pace with the growing import trade of Perak and in 1895 it was valued at \$2,609,303 of the total import trade of \$9,581,372. Imports of agricultural produce other than rice also figured prominently in the import trade of the Malay States. In Selangor in 1893, for example, imports of livestock, eggs, fish, flour, fruits, lard, poultry, pork, sugar, tea and tobacco - much of which could have been produced locally by peasants - totalled \$1,494,765 out of total imports valued at \$9,274,650.<sup>41</sup> The same trend was present without exception in the other Malay States and rice alone was the principal item of value in the Malay States import trade during this period of British rule except for occasional years when specie imports were worth more.

In summary, there was little growth of peasant agriculture during the first two decades of British colonial rule and the British expectation that peasant agriculture could be developed to supply the food requirements of the Malay States was too ambitious. The seat of economic success at this time was located mainly in tin mining and in

---

<sup>41</sup> Further details of the annual import trade according to value and commodity are obtainable from the AR's of the respective states.



the other new sectors of the colonial economy. These sectors gave superior returns when compared with peasant agriculture which was adversely affected by competition from cheap rice imports. They also monopolized capital and labour to the extent that attempts by the administration to establish non-Malay peasant agriculture were nullified and non-Malay peasant agricultural activity was almost entirely absent during this period. It was also noted how, despite the uncertain and often meagre returns, a large number of Malays and immigrant Malaysian peasants still preferred working on their own lands to employment in the unfamiliar plantation, mines or government works which took them away from the kampongs. At the same time the traditional subsistence agricultural activity was not able to buy the peasant cultivator the goods which flooded into the states. He was compelled, therefore, either to combine the cultivation with other economic activities or to modify it when it was necessary for him to earn money. During the slack period between the planting and harvesting seasons the padi peasant cut timber, made attap or even took part in casual wage employment. A growing number of peasants also began to devote greater attention to market gardening and cash crop growing. The development of cash cropping in particular was often at the expense of padi cultivation and can be seen to be the forerunner of the remarkable development of rubber as a peasant crop in the first quarter of the twentieth century. But all these activities in the peasant sector were rather the outcome of a spontaneous peasant response to the new conditions than of specific policies formulated by the colonial administration.

## CHAPTER II

### THE FIRST DECADE AFTER FEDERATION: The Years of Uncertainty

#### Federation and Some Political and Economic Consequences

AT the end of the century the British were firmly entrenched in the Malay Peninsula. The process of political expansion in the Malay States which had begun with the conclusion of the Treaty of Pangkor in 1874 had quickly brought the southern and central parts of the Peninsula under British control, and these acquisitions together with the original bases in Singapore, Penang and Malacca gave the British a commanding position over the entire Malay Peninsula. The first stage of the post-1874 expansion had resulted in the extension of colonial rule over Perak, Selangor, Negri Sembilan and Pahang - four key states where British interests were most active and which were regarded as possessing the greatest economic potential.<sup>1</sup> A system of administration centred in the British Resident had been separately established for the four states and had proved successful, especially in the west coast states. However, despite the progress made in these states, it soon became clear that the system of separate residential administrations was unsatisfactory and that it should not be continued indefinitely. Under the system of separate administration, for example, wide and glaring disparities between the states had grown in the important spheres of land, finance, the judiciary and the public service. At the same time, Pahang and Sungei Ujong were bogged down by financial and administrative problems which they were incapable of dealing with on their own and which required the assistance of the other states. To smooth out the divergences and co-ordinate the exploitation of the resources of the four states it appeared necessary to the British that a central administrative structure which would control the administration of the four states be set up.

The pressure for a central administrative structure for the four states became more insistent in the 1890s and moves to bring

---

1 One other state in the Peninsula highly prized by the British was Johore. Here, although the ruler was able to negotiate with the British a treaty which preserved to him a greater amount of sovereignty, the British were able to secure the same measure of control over economic matters as in the FMS. For a meticulous study of British colonial expansion and its consolidation after the 1890s, see E. Thio, British Policy in the Malay Peninsula 1880-1910, vol. 1 (Kuala Lumpur, 1969).

this about culminated in 1895 with the signing of the Treaty of Federation between Perak, Selangor, Negri Sembilan and Pahang on the one hand and Britain on the other. There were two key provisions of the Treaty of Agreement. Clause 3 provided for the appointment of an officer called the Resident-General 'as the agent and representative of the British Government under the Governor of the Straits Settlements whose advice was to be followed in all matters of administration other than those touching the Mohammadan religion'. Clause 4 contained the obligation of the rulers of the four states to provide 'to those states which required it such assistance as the British Government might advise'.<sup>2</sup> The political consequences of the federation were immediate. The Resident-General became the chief executive officer of the four states and was placed in control of the Residents whose former powers were diminished. A federal secretariat and federal departments were established in Kuala Lumpur and became the most important institutions of administration, relegating the state administrations to relatively insignificant positions. In this process, the Malay chiefs became even more estranged from the government of the states and the British scheme for an ultimate centralized control over the Peninsula was greatly advanced.

The scheme for federation also had an economic objective. One of the strongest points made in favour of federation was that it would enable the co-ordinated development of the four states and in this way bring about greater economic progress. This expectation was amply fulfilled as an examination of the then commonly held indices of development in the years after federation - population growth, mineral exploitation, trade, revenue and expenditure - will show. The large-scale immigration which had taken place in the first two decades of British rule continued unabated. A population census of the Federated Malay States in 1901 confirmed the remarkable changes in the population structure of the country which had been first apparent in the 1891 census. The 1901 census enumerated a total population of 678,595; an increase of 62 per cent over the

---

2 The Treaty of Federation consisted of five short provisions and, in the manner of previous treaties between these states and Britain, was a model of loose and casual drafting which enabled the British to fill in the fine print to their advantage.

1891 figure.<sup>3</sup> In 1905 it was estimated that the population had reached 850,000. A feature of the population growth was the very large increase in the immigrant population in all four states, particularly of the immigrant Chinese population. The Chinese population in Selangor, Negri Sembilan and Pahang doubled itself between 1891 and 1901; and in Perak where the Chinese population was already substantial in 1891, there was an increase of 58.9 per cent.<sup>4</sup> The Indian population which had a smaller base in 1891, had an even greater rate of increase, almost trebling itself in the ten years between the two censuses whilst the small European community doubled itself in the same period.<sup>5</sup> The Malay population also registered an abnormal growth and in 1901 totalled 312,486, or an increase of 25.9 per cent over the 1891 figure. The increase was located mainly in Perak and Selangor where the high rate of immigration from the Dutch East Indian islands and the other Malay states was sustained. However, the Malay increase was on a smaller scale than the non-Malay so that barely 27 years after intervention

---

3 The increase in each state was: Perak - 115,411, Selangor - 87,197, Negri Sembilan - 30,809 and Pahang 26,169. See also Appendix 1.2

4 Figures of the Chinese population of the FMS by state in 1891 and 1901 are given below.

	<u>1891</u>	<u>1901</u>
Perak	93,953	149,375
Selangor	50,844	108,768
Negri Sembilan	15,391	32,901
Pahang	<u>3,241</u>	<u>8,695</u>
Total	<u>163,429</u>	<u>299,739</u>

Source: FMS Census of the Population 1901, compiled by G.T. Hare, (Kuala Lumpur, 1902).

5 The Indian population increased from 20,154 in 1891 to 50,211 in 1901. The European population increased from 717 to 1,422 during the same period.

there was a non-Malay numerical superiority over the Malay population.<sup>6</sup> This fact emphasises the rapidity of the changes in the Malay States since the introduction of colonial rule.

The large increase in the population was indicative of the prosperity in the country. In the first year after Federation, the tin industry which had provided the main thrust of economic development in the first stage of British rule had caused some alarm when its annual production suddenly slumped from the peak output of 1895. There was a fall in the tin output for three years but in 1899, world tin prices climbed to their highest levels for more than 20 years and encouraged a resurgence of mining activity. This recovery enabled the Federated Malay States on two occasions, in 1903 and in 1905, to surpass its previous record production,<sup>7</sup> but more important, it provided a strong fillip to the entire economy which had been languishing as a result of the shadow over its primary economic activity. The export trade more than doubled in value during the decade and the import trade registered a similar increase.<sup>8</sup> The revenues, swelled by the large amounts derived from the tin duties, also climbed to new levels and in 1905 reached an astonishing figure of \$24 million. At the same time, the growth of expenditure kept pace with that of revenue as the government lavished huge sums of money on building the infrastructure of roads, railways, telegraphs, waterworks and other projects essential to the accelerated development of the states.<sup>9</sup> One of the chief recipients

---

6 In Selangor there was already an absolute Chinese majority and the Malay position as the largest racial component of the FMS was only maintained because of the small size of the non-Malay population in Pahang and Negri Sembilan.

The figures below compare the Malay and non-Malay population of the FMS by state in 1901.

	<u>Non-Malay</u>	<u>Malay</u>
Perak	187,942	141,723
Selangor	128,405	40,384
Negri Sembilan	39,111	56,917
Pahang	<u>10,651</u>	<u>73,462</u>
Total	<u>366,109</u>	<u>312,486</u>

Source: FMS Census of the Population 1901

7 See Appendix 3.1

8 See Appendix 2.1

9 More than \$37 million had been spent on railways alone by 1905.

of funds was communications and, before the end of 1905, there were more than 1000 miles of roads in the states and 350 miles of rail opened to traffic as well as a main trunk railway line linking the western states.

These developments had been achieved without any need for significant change in the economic policy of the states, the crux of which was to make the country attractive to all and to cause an influx of capital and labour. The population growth, for example, was an outcome of the 'open door' immigration policy. When the Resident of Negri Sembilan wrote in 1899 that the 'first essential in these states is Population, the second Population and the third Population'<sup>10</sup> he was merely echoing a policy which had been formulated in the early years of administration. The prosperity of the tin industry was due in no small measure to the efforts made by the government to encourage it, a feature present since early days. The expansion of commerce was attributable to the generous expenditure on projects and 'everything likely to encourage trade and private enterprise'. This liberal approach to economic development had its most fervent advocate in Swettenham, one of the architects of federation and the most influential administrator during this time,<sup>11</sup> but it was regarded almost without exception by the entire body of Malay States' administrators as a tried and tested blueprint for development.

The one section of the economy where the administration was most anxious to promote development was agriculture. The early British officers had had few doubts that they were in control of a country of great agricultural potential. Looking at the immense variety of plant, insect and animal life around them and at the seemingly fantastic rate of growth of vegetation, they had quickly

---

10 AR Negri Sembilan 1894.

11 On the eve of federation, Swettenham wrote in his annual state report, 'The lesson to be learnt from these facts and figures is, I think, a very plain one. It is that in the administration of a Malay State, revenue and prosperity follow the liberal but prudently-directed expenditure of public funds, especially when they are invested in high-class roads, in railways, telegraphs, water-works....' AR Perak 1894, PGG 1895, p. 370. Twelve years later, in an eulogy of British rule in Malaya, Swettenham reiterated that he was 'quite content to stand by every word of it now.' Frank Swettenham, British Malaya (London, 1907), p.298.

jumped to the facile conclusion that all the country needed to convert it into an agricultural colony was an intelligent group of men to direct the turning over of the soil. The first two decades of their rule in the Malay States had, however, failed to be marked by the same prodigious development in agriculture as in mining. But this had not dimmed the high hopes that the British placed in agriculture. It was earlier shown how the British attempted to foster the development of plantation agriculture by providing assistance which went beyond the confines of liberality. The industry, however, generally continued to fall short of the expectations of the administration, and it was not until the mid-1900s that the enterprise responded in the spectacular fashion that population, mining and commercial development had done long before it. The Krian sugar industry, the largest plantation industry in the Malay States, had entered a relatively lean spell when sugar prices fell immediately after the high levels reached in 1893 and 1894. Sugar prices had picked up again in 1898, but from then on until 1905 the industry expanded slowly in a manner that generated little excitement.<sup>12</sup> Pepper, gambier and tapioca were three other crops whose prospects tarnished even more noticeably during this period. However, the biggest blow to the administration's plantation dreams was the failure of the coffee industry. Coffee had been recommended as the most promising crop for European planting enterprise, and large areas of land had been alienated in the western states for its cultivation. On the eve of federation, many coffee

---

12 Figures of sugar exports from Perak for the period 1893 to 1903 are given below.

	<u>Quantity (pikuls)</u>	<u>Value (dollars)</u>
1893	188,610	898,667
1894	183,499	1,045,328
1895	220,796	798,592
1896	210,331	734,533
1897	273,296	958,857
1898	274,720	1,214,701
1899	276,689	1,282,237
1900	278,156	1,315,974
1901	343,881	1,500,000
1902	n.a.	1,588,790
1903	n.a.	1,807,679

Source: AR Krian 1893-1903, PGG 1894-1904

plantations were coming into bearing and the produce was fetching peak prices.<sup>13</sup> The promise was however only short-lived. In the late 1890s the world coffee market reacted adversely to the phenomenal coffee production of Brazil and coffee prices plummeted to very low levels, almost completely destroying the fledgling industry in the Malay States.<sup>14</sup>

During this period of uncertainty for plantation agriculture when the position of established crops was threatened by low prices in the world markets, a fortituous turn of events took place which was to affect profoundly the plantation industry and the entire Peninsula. In the late nineteenth century the foundations of the motor transport industry were laid down in the United States by Henry Ford, whose pioneering work in mass production of the vehicle led to a tremendous expansion in the industry. This development was responsible for a sharp increase in the demand for rubber which was used primarily in the manufacture of pneumatic tyres and in other

- 
- 13 The growth of the Perak coffee industry in the early 1890s can be seen in the figures below. However, an omen of the disaster in store for coffee planters was provided by the figures for the year 1898. Although quantity exports reached an all-time peak, the export value plunged drastically, reflecting the poor prices which were to continue to afflict coffee in the world market for several years.

<u>Year</u>	<u>Quantity Exported</u> <u>(pikuls)</u>	<u>Value</u> <u>(dollars)</u>	<u>Average Price</u> <u>(dollars per pikul)</u>
1891	336	8,398	24.93
1892	1,033	25,836	25.01
1893	999	25,113	25.14
1894	1,362	46,831	34.22
1895	1,953	80,759	41.34
1896	2,209	80,112	36.27
1897	2,760	74,122	26.86
1898	2,837	48,664	17.16

Source: AR Perak 1891-8; PGG 1892-9

- 14 The state most seriously affected by the fall in coffee prices was Selangor where more than 47,000 acres had been planted with coffee and where the bulk of the FMS coffee production came from. In 1902, for example, Selangor contributed 48,906 pikuls of the total FMS coffee production of 62,580 pikuls.



parts of the vehicle.<sup>15</sup> Long before this development took place, the unique qualities of rubber had been recognised and it had been used in a variety of industries. But there was no great demand for the product and 'wild' rubber supplies from Brazil, supplemented by inferior rubbers, mainly from Africa, had been sufficient to meet the demand. The new and extraordinary demand for rubber resulted in a spectacular boom in the rubber market.

Just prior to this, experiments in the cultivation of rubber-bearing plants had been conducted in several parts of the world. One of the centres of experimentation was the Kew Gardens in London where a small proportion of para rubber seeds collected by Henry Wickham in the Amazon in 1876 was successfully germinated and despatched to the tropical colonies. The Malay States was one of the recipients of the first cultivated para rubber seeds and experiments on the seeds were conducted in the agricultural station in Kuala Kangsar, Perak. However, Hugh Low, the Resident of Perak, regarded them primarily as ornamental trees and Swettenham, who succeeded him, was equally unimpressed. The absence of a strong official patronage and the preoccupation of planters with sugar and coffee explained the slow development of the crop during this period. Much of the early propagation of rubber in the Malay States was the work of one man - Henry Ridley, Director of Botanical Gardens in Singapore who earned the label of 'mad Ridley' or 'rubber Ridley' for his pains in trying to convince the planting and official communities of the potential of rubber. At this time the difficulty of deciding between the merits of the different varieties of the rubber-producing plants and the cultural problem of extraction of the latex were still unresolved. But even at this early stage the para variety was noted to be extremely versatile and to 'thrive in any locality from the bakau swamps to the foothills, and on any soil, from rich alluvial to old mine heaps'.<sup>16</sup>

---

15 The 'big four' of the United States rubber manufacturing industry, B.F. Goodrich Co., United States Rubber Co., Goodyear Tyre and Rubber Co., and Firestone Tyre and Rubber Co., were established during this period in 1870, 1892, 1898 and 1900 respectively. P. Schidrowitz and T.R. Dawson, eds., History of the Rubber Industry (Cambridge, 1952) p. 45.

16 L. Wray, Notes on cultivation of rubber-producing trees in Perak, 4 December 1897, HCOF 852/97.

In the late 1890s the failure of coffee and the doubts over the prospects of the other established crops coupled with continuous high prices for rubber compelled a fresh look at the para rubber plant. The government played a hand in encouraging this by offering land on liberal terms for rubber cultivation in August 1897<sup>17</sup> and by allocating a federal vote of \$4,000 for rubber experiments in 1900. In 1899 the first consignment of para rubber from the Malay States to the London market fetched high prices and this further advanced interest in the crop.<sup>18</sup> Over the next few years large areas of land were planted with rubber, either on its own in newly opened estates or interplanted with other crops on the older ones, and by 1905 it was estimated that more than 40,000 acres were under rubber.<sup>19</sup> The stage was now firmly set for the appearance of a new export crop which was to oust all the previous established ones and for the

- 
- 17 Secretary to the RG to BR Negri Sembilan, 16 August 1897, NSSF 2139/97. By these terms a prospective rubber planter would pay a quit rent of only ten cents per acre for the first ten years, after which time the quit rent was raised to fifty cents an acre. The government attempted to safeguard its interests by specifying that whilst the rental of ten cents an acre was being paid, no other crop than rubber was to be planted and at least one tenth of a concession of one thousand acres or less was to be brought into cultivation each year. For concessions between one thousand acres, one twentieth of the total concession was to be planted each year. The produce of such land was to be subject to a duty of 2<sup>1</sup>/<sub>2</sub>% ad valorem for fifteen years from the date of commencing work, and thereafter subject to whatever duties might be in force, up to a maximum of 5%.
- 18 AR Director, Botanical Gardens Singapore, 1901.
- 19 The figures below trace the increase in rubber cultivation. The rubber acreage in the year 1905 shows the industry in the FMS poised to take-off.

<u>Year</u>	<u>FMS Plantation Rubber Acreage</u>
1897	345 acres
1898	1,761
1899	3,227
1900	4,693
1901	5,965
1902	7,239
1903	11,239
1904	19,239
1905	43,425

Source: AR Department of Agriculture FMS 1906; 1907.

passing of dominance of the plantation industry from Chinese to European hands.

In contrast to the crucial events unfolding in the plantation sector there was little new or exciting happening in the peasant sector. The first two decades of British rule had seen a growth in the peasant population. This growth continued after the establishment of the federation. In the 1901 Census Report a total of 155,082 males and females were enumerated as belonging to the agricultural class.<sup>20</sup> Perak alone of the four states had carried out a similar occupational enumeration in the 1891 census and offers a basis for comparing the peasant population of 1891 with that of 1901. However, the trend here can be regarded as typical for the other states. In 1891 Perak had a total of 52,640 persons listed in the agricultural class; in 1901 there were 75,777 persons, an increase of 23,137 persons or more than 50 per cent over the 1891 figure.<sup>21</sup>

The detailed occupation enumeration of the 1901 census provide some indication of the size, nature and location of the early peasant population. Of the number enumerated as belonging to the agricultural class in 1901, 45,363 were listed as gardeners, 69,168 as padi planters and 22,615 as kampong holders giving a total of 137,146 peasants in a population of 678,595 or a peasant component of 20 per cent of the population.<sup>22</sup> The peasant population during this period was overwhelmingly of Malay ethnic-type; there was a total of 119,915 Malay agriculturalists and they probably almost exclusively dominated the categories of padi planters and kampong holders. Malays also were predominant in the category of gardeners but this category probably included a substantial group of Chinese peasants and a small number of Indian peasants.<sup>23</sup> The peasant

---

20 Table XXIV, FMS Census of the Population, 1901, p. 72.

21 The Perak returns can be found in Table XXV, *ibid.*, p. 75.

22 The other 17,936 persons in the agricultural class comprised a small number of European and Chinese planters, managers and overseers of estates and a large number of Chinese and Indian agricultural labourers working on the estates.

23 There were 25,578 Chinese and 9,359 Indians enumerated as belonging to the agricultural class. The great majority of these were agricultural wage labourers but an unknown number were self-employed peasants working on their own lands. There were few official references to this peasant group. Among them is one by the Commissioner of Lands in 1897 who reported an increase in the number of smallholdings taken up by Chinese in Negri Sembilan. AR Lands, Mines and Surveys FMS 1897.

population was unevenly distributed in the four states. Perak had the largest number of peasants but Negri Sembilan had the highest proportion of peasants and Selangor had the smallest although her population was almost twice as large as Negri Sembilan's.<sup>24</sup>

The growth in the peasant population was made up of the natural increase in the indigenous population and an increase due to the immigration of foreign peasants. The two decades of colonial rule had not only provided a large measure of security absent during the troubled transitional period in the mid-nineteenth century but had also opened many new avenues of economic advancement. This was conducive to the steady growth of the indigenous peasantry and to the influx of immigrant peasants. An important inducement was held out by the administration to the peasant population, both indigenous and immigrant, to remain in the country and work the land. The first colonial officers had regarded the vast areas of land as an expendable commodity in the British plan to develop the Malay States and had

24 The table below gives the breakdown of the FMS agricultural population. There are no figures available for the peasant component but the agricultural population statistics can be substituted since the peasants comprised nearly 90% of this.

<u>FMS Agricultural Population 1901 (By Race)</u>					
<u>State</u>	<u>Malay</u>	<u>Chinese</u>	<u>Indian</u>	<u>Other</u>	<u>Total</u>
Perak	65,217	9,678	719	163	75,777
Selangor	13,766	9,089	5,720	80	28,655
Negri Sembilan	26,102	6,374	2,892	23	35,391
Pahang	14,730	437	28	64	15,259
	119,815	25,578	9,349	330	155,082

Source: Table XXV, FMS, Census of the Population, 1901, p. 75.

devised a liberal land policy.<sup>25</sup> The original features of this policy in agricultural land alienation were land rent exemption for a number of years followed by low rates of land rent fixed in perpetuity, a long lease form of tenure and light taxation of the agricultural produce.<sup>26</sup> In the post-federation years minor changes were made to the liberal agricultural land policy. The practice of land rent exemption was gradually dropped but in the undeveloped areas, especially in Pahang, it was still official policy to alienate land rent free for specified periods to encourage agricultural settlement. Land rents were slightly increased by the government in

---

25 Some samples of this opinion are given below.

'In Selangor, I consider that we require, above all things, to introduce a large settled native population into the State...and that we consequently should hold out every inducement for persons to enter and take up land on the easiest possible terms.' BR Selangor to Col. Sec., 29 November 1883, SSF 1790/83.

'Capital and labour are what we want, and if we can get them by the gift of certain areas of forest the exchange is no sacrifice but the wisest choice the Government could pursue.' BR Perak to CO. Sec., 7 October 1891, enclosure in Smith to Knutsford, 28 October 1891, CO 273/176.

'It has been the consistent policy of the Native States Governments, in almost every instance, to encourage the immigration of agricultural settlers by offering land upon easy terms.' Acting Secretary to Government, Perak to Col. Sec., 2 October 1891, *ibid.*

26 Several early efforts to bring some restraint to the liberal land policy were unsuccessful. In 1879, an attempt to abolish the system of long-term leases in favour of short-term ones was withdrawn after criticism from planters and the press. In 1885, the action of the Perak authorities in alienating land free of rent was unsuccessfully opposed and in 1891 the liberal policy won a further respite. Proponents of a less liberal policy had argued that the states had passed the stage in their development where it was expedient to sacrifice land to attract population but this objection was turned down. See Lim Teck Ghee, 'Perak: British Land and Agricultural Policy', Chapter 1.

1899 and 1904 to take advantage of the increased demand for land;<sup>27</sup> but generally the bait of cheap, readily procurable and relatively unencumbered land was maintained during this period.

Some statistical consequences of the liberal agricultural land policy are available. In 1896 71,555 acres of agricultural land were alienated to 10,395 applicants in the four states but mainly in Perak and Selangor; and in 1897, 42,965 acres were alienated to 7,303 applicants. By the end of 1897 it was estimated that a total of 463,981 acres had been alienated for agriculture in the states to 94,002 applicants.<sup>28</sup> The overwhelming majority of the agricultural

27 The following is a comparison of the 1899 and 1904 rents for agricultural lands below 10 acres in area.

	<u>Quit Rent per acre per annum</u>	
	<u>1899</u>	<u>1904</u>
1st class land	\$1.00 to \$2.00	\$1.20 to \$3.20
2nd class land	0.75c	0.80c
3rd class land	0.50c	0.60c

In addition to the quit rent, 1st class land in 1904 paid a premium of \$1.00 per acre. The class of land depended on such considerations as soil, situation and water supply. For the 1899 land rules see Final draft Land rules, Secretary, RG to BR Selangor, 2 February 1899, HCOF 428/99. For the 1904 land rules see Rules made by the Resident, with the Approval of the Resident-General on the 30th day of November, 1903, under the provisions of section 17 of the Land Enactment, 1903, HCOF 76/05.

28 These figures are obtainable from the AR Lands, Mines and Surveys, FMS, 1897, Returns E and F, Part 1. The breakdown by state of all agricultural lands alienated for permanent occupation in the FMS up to December 1897 is given below. These land returns, as with most other statistical returns during this period and for a long time must be regarded as approximations. However, land returns, more than population, revenue or mining statistics, had a wide margin of error. Until 1896, for example, in Pahang each cultivator estimated the size of his lot and forwarded it to the government. In 1896, penghulus were made directly responsible for the measurement of the land in their mukims, and demarcators employed in checking the measurements. The Pahang and Negri Sembilan returns below do not include many native lands which had not been brought under the mukim register.

	<u>Land Applicants</u>	<u>Land Alienated</u>
Perak	54,860	231,691
Selangor	17,359	123,645
Negri Sembilan	5,158	83,891
Pahang	<u>16,625</u>	<u>24,754</u>
	<u>94,002</u>	<u>463,981</u>

land holders were peasant agriculturalists, and it is probable that they held approximately two thirds of the total alienated agricultural land in the states in 1897, or about 300,000 acres.<sup>29</sup> In 1902 the Annual Report of the Resident-General estimated that the area of 'occupied' agricultural land was 718,707 acres, an increase of 254,726 acres over the 1897 figure. It is not known how much of the increase was in the peasant sector but a less substantial part must be attributed to it because of the rapid expansion of the plantation rubber industry during this period.

This evidence of peasant land activity appears formidable, but no simple relationship should be drawn between the increased tempo of agricultural land alienation and the condition of peasant agriculture. A large quantity of land at this time was alienated to applicants whose bona fides were questionable.<sup>30</sup> Some applicants who already owned lands were able to obtain new lands and abandon the old unfavourable lots and some other applicants speculated in land without any intention of cultivation. It was not until much later that care was exercised in some land offices to scrutinize applicants but in the great majority of offices, most applicants were regarded with favour and were required to establish only flimsy credentials for them to obtain land. Another discrepancy was that land owners were required to bring only a small proportion of the land into cultivation, and although some conditions were attached to alienated land, which attempted to ensure that it was put to proper use, there was little pressure on land owners to make them comply. As a result, it was estimated that only about half of the 320,000 acres of alienated agricultural land in the Federated Malay States in 1902 was under cultivation. This puts into finer perspective the condition of peasant agriculture.

---

29 Estimating from another angle: in 1897 there were approximately 100,000 Malay male adults over 15 years of age in the FMS and if each of them had a 3 acre plot of land, their combined holdings would total 300,000 acres.

30 The land offices usually relied on the penghulus' recommendations when they considered land applications and blame for any laxity was consequently put on the penghulus. See AR Kuala Selangor 1901, supplement to SGG 22 August 1902 where the penghulus were accused of land jobbing, of not seeing that the peasants cultivated the land properly and of not ensuring that applications submitted to the Collector were genuine.

### The Condition of Peasant Agriculture

The answer to what the actual condition of peasant agriculture was at this time in the Federated Malay States is a complex one which requires a detailed examination of the activity in the broad context of its interaction with the physical, political, economic and social setting. Peasant agriculture was most developed in Negri Sembilan where the indigenous population was made up of Menangkabau peasants who formed relatively large and stable communities in the inland river valleys. In Rembau, Tampin, Jelebu and the Sri Menanti states they had brought most of the available agricultural land into a high state of cultivation long before the arrival of the British, and they kept up their agricultural activity during the years of residential rule. According to agricultural reports of the state in 1891, Rembau was so thoroughly cultivated that there was practically no land lying fallow; Tampin had little available for development and in Ulu Muar, Jempol, Terachi and Gunong Pasir there had been a subdivision of old lands to enable more intensive cultivation, and a search for new agricultural lands.<sup>31</sup> The main agricultural crop was padi and in 1891 the yield from Negri Sembilan was estimated at 180,000 pikuls, a production adequate in meeting the needs of the Malay population of Kuala Pilah and Tampin.

There was no decline in peasant agriculture in these areas in the period after federation and the indigenous population remained self-supporting in their basic agricultural needs as they had been in the past. In 1898 Kuala Pilah and Tampin were described as having the 'most populous native agricultural population' in the Malay States;<sup>32</sup> in Kuala Pilah the population sprawled for more than 100 miles and in Tampin they occupied the length and breadth of the valleys. Unlike in other areas the agricultural lands here were thoroughly planted up with padi, coconuts, fruits and vegetable crops, and there was a prosperous atmosphere in the kampongs. The excerpts on land and agriculture in the official reports of these areas offer a striking

---

31 See Report by the BR Sungei Ujong, April 1892, p. 38; Report on the Promotion of the Cultivation of Rice and other Grain Seeds in the Unfederated States of the Negri Sembilan, pp. 39-40; and Report on the Importance of Promoting the Cultivation of Padi in the Kuala Pilah district of the Negri Sembilan, pp. 41-42; all in Reports Encouraging the Cultivation of Rice.

32 Report on Lands, Mines and Surveys FMS 1898, supplement to PGG 9 June 1899.



contrast to that of other districts, and the padi excerpts in particular were optimistic and buoyant.<sup>33</sup> After 1900 the agricultural condition tended to be less satisfactory due to a series of poor padi crops and to frequent outbreaks of rinderpest disease among the buffaloes used to work the padi land but the peasant agriculturalists of Negri Sembilan were closest to the picture of the ideal peasantry that the British had in mind.

The explanation for the flourishing condition here appears to be the developed and stable social structure of the Menangkabaus, which enabled them to ward off more effectively the forces of change that deeply affected other Malay communities. The Menangkabaus who crossed the Straits into Negri Sembilan from Sumatra several centuries previously had managed to preserve relatively intact their adat perpatih, a complete system of personal law. This has considerably reduced the tensions and conflicts which have undermined peasant agriculture in other Malay communities. An important part of the adat perpatih related to the manner in which land was held. In the customary tenure the rights to lands were jealously guarded by the female members of the community on whom the ancestral lands devolved. This enabled agriculture to be more assiduously maintained during the colonial period, as unlike the male landowners found in other areas, the female cultivators of Negri Sembilan have been less drawn to other occupations. A final reason was the comparatively large agricultural population in these areas and its pressure on existing agricultural lands which has made for more intensive cultivation.

The condition of peasant agriculture was least satisfactory in Selangor. In 1891 it was estimated that Selangor with an area substantially larger than Negri Sembilan and with a much bigger population had only 3000 acres under padi. Agricultural reports at that time were very pessimistic about the future prospects of padi cultivation and of peasant agriculture generally.<sup>34</sup> Eleven years

---

33 The 1895 Jelebu crop was described by the Resident as 'magnificent....as fine, if not finer, than anything I have seen' and the 1896 crop was another bumper one. The 1898 padi harvest throughout Negri Sembilan was reported to be 'more abundant than has ever been known'. See respective AR's of Negri Sembilan.

34 See especially reports by Selangor officers in Reports Encouraging the Cultivation of Rice, pp. 29-37.

later in 1902, the pessimism was still pervasive. The padi acreage was estimated at 5,171 acres, mainly located in the less developed districts of Kuala Selangor, Kuala Langat and Ulu Selangor.<sup>35</sup> There were few established padi areas and much of the cultivation was carried out in a desultory manner in small and scattered kampongs. The quantities of padi produced in this way were insignificant and were described as 'totally inadequate to meet even the wants of the people who grow it',<sup>36</sup> and the state was dependent on imported agricultural produce to a greater extent than the other three states.<sup>37</sup>

The administration laboured under several handicaps in attempting to develop padi cultivation in the state. Historically Selangor had a less firm agricultural tradition than the other states as the population consisted of relatively recent immigrants who had not yet developed close ties with the land and many of the inhabitants scorned sedentary agriculture for other forms of economic activity.<sup>38</sup> The indigenous experience was repeated in the period of colonial rule. It was in this state that the appeal of the mining, plantation, urban and commercial sectors was strongest and the pull of peasant agriculture weakest, particularly for immigrant peasants who had little or no capital but had dreams of making quick fortunes. Small groups of immigrant peasants, especially new arrivals to the country, did venture into padi cultivation and although there were instances of successful cultivation, generally the economic returns were not

---

35 AR RG 1902

36 AR Selangor 1900. See also AR Selangor 1901, supplement to SGG 11 July 1902, for remarks in a similar vein. In Kuala Selangor the main padi district in the state, the cultivation was reported as 'beneath description' and 'nearly always birds, rats and the padi bug claim at least half the crop'. AR Kuala Selangor 1898, supplement to SGG 1899.

37 In 1897, for example, it was estimated that the price paid for imported padi and rice per head of population was: Selangor \$18.25, Perak \$10.40, Negri Sembilan \$5.00 and Pahang \$4.15. E.W. Birch, A Memorandum upon the subject of Irrigation for the Resident-General (Memorandum on Irrigation) (Kuala Lumpur, 1898) fn. 27, p. 13, HCOF 584/00.

38 This is not to say that there was no sedentary agricultural activity. Large crops of padi are said to have been grown in Kuala Selangor during Malay times and the supply exceeded the demand 'even in those days when the country was far more populous than it is now'. In the 1850s it was reported that no padi was imported into the state and Sultan Muhammed imposed punishment on his subjects who were lax or failed to plant the crop. AR Selangor 1904.

sufficiently large, rapid or consistent enough to satisfy its practitioners who soon abandoned it.<sup>39</sup>

In Pahang the traditional peasant agriculture had been less disrupted because of the later imposition of colonial rule and the state's relative isolation to the forces of change rampant in many parts of the west coast. The early development of peasant agriculture, however, had received setbacks of a different kind. In 1891 an anti-British uprising broke out in Semantan district and soon spread to many areas. The disturbances were not quelled until 1895, and while they lasted, many kampongs were abandoned and cultivation neglected. Semantan district, the original scene of the trouble, had been a flourishing agricultural district but at the height of the disturbances it became almost completely depopulated as its inhabitants either fled to avoid being drawn into the conflict or participated in it. The condition of political instability and its disruptive consequences on peasant agriculture was not entirely new to Pahang. After the death of Bendahara Ali in 1857 the state had been plunged into civil war for many years. The tumultuousness of the early years of British colonial administration in Pahang therefore bore a striking resemblance to the frantic last period of Malay rule. Another disruptive force, not man-made or avertable, was the occurrence of natural calamities which visited Pahang with more frequency and greater intensity than other parts of the peninsula. The state was exposed to the capricious north-east monsoon, and every once in several years, was lashed by furious rains or baked by enervating droughts. In 1891, both flood and drought hit Pahang, and in three successive years in 1896, 1897 and 1898, floods of abnormal magnitude occurred after continuous monsoonal rains fell and swelled the Pahang river, causing it to burst its banks. On these occasions severe damage was inflicted on the numerous peasant settlements perched opposite the river banks and whole padi fields and fruit orchards

---

39 For accounts of padi cultivation in Selangor see AR's Klang; Kuala Langat; Ulu Langat 1902; supplements to SGG 24 July 1903; AR Klang 1905, supplement to SGG 1906. In Ulu Langat in 1902, soil conditions had appeared suitable, but the harvest was disastrous and it was written that no padi ears were produced, 'only straws'.

were destroyed.<sup>40</sup>

Peasant agriculture in Pahang however appears to have successfully weathered these disruptions. In 1901 the British Resident in a special report on padi cultivation in Pahang estimated the area at 27,400 acres, an increase of more than 5,000 over an estimate taken in 1895.<sup>41</sup> The peasant population was mainly located in a triangular area between Temerloh, Perak and Kuala Lipis and cultivating padi and the other minor food crops characteristic of Malay peasant agriculture. Padi itself was cultivated in three different ways. Wet padi cultivation in permanent sawahs similar to that in the traditional padi areas of Perak and Negri Sembilan was carried out in Temerloh and Ulu Pahang. Plough or tenggala padi was cultivated on alluvial tracts on the lower reaches of the Pahang River. The land in this cultivation was planted for three to five seasons in succession and then left in fallow for the same period. Although yielding less than wet padi cultivation, tenggala cultivation was suited to slightly high ground where wet padi cultivation was impracticable and had distinctive padi strains which had a quicker

40 For accounts of damage to Pahang's peasant agriculture see AR Pahang 1896; Pahang Report for December 1897, BR Pahang to RG, 3 January 1898, HCOF 101/98 and Pahang Report for January 1898, BR Pahang to RG, 5 February 1898, HCOF 182/98. It was estimated that 65% of the crops in the Pekan and Ulu Pahang districts were destroyed in the 1897 floods. The 1898 monsoon also caused some damage to agriculture in Perak. MR Lower Perak, January and April 1898, PGG 1898, pp. 74 and 376.

41 Both these estimates were probably exaggerated. But they are given below to give some indication of the location and method of cultivation of Pahang's padi cultivation.

	Padi Acreage (All types)		Padi Acreage		
	<u>1895</u>		<u>1901</u>		
		<u>Sawah</u>	<u>Tenggala</u>	<u>Ladang</u>	<u>Total</u>
Ulu Pahang	3,894	5,500	3,500	4,000	13,000
Temerloh	11,105	8,200	40	200	8,440
Pekan	6,585*	1,700	2,600	900	5,200
Kuantan	<u>458</u>	<u>440</u>	<u>nil</u>	<u>320</u>	<u>760</u>
	<u>22,042</u>	<u>15,840</u>	<u>6,140</u>	<u>5,420</u>	<u>27,400</u>

\* Exclusive of Rompin and Endau

Source: For 1895 figures see AR Pahang 1895. For 1901 figures see Report by BR Pahang on Rice Cultivation as Practised in Pahang in Acting RG to Acting High Commissioner (HC), 29 April 1901, HCOF 842/01.

ripening period.<sup>42</sup> Hill padi or ladang cultivation was a popular method in the inland areas along the sides of low hills where there was no established supply of water and gave the same yield per unit of land during one season as tenggala cultivation.

The large area of Pahang's peasant agriculture and the variety of cultivation did not impress the British. On the contrary the condition of peasant agriculture in the state appeared woeful. There were no large and continuous areas of cultivation; the padi fields were scattered and inaccessible and the agricultural population dispersed over a huge area with little means of communication. The administration was especially concerned over the standard of Pahang's peasant agriculture. It was in this state that ladang cultivation - a less developed agricultural activity - was most widespread and the state had been cut off from the developments which had touched many peasants in the west coast states. Consequently, cultivation methods were very crude, the strains of seed were bad and it was said that there was a general inertia which made Pahang's peasants the most backward in the Malay States.<sup>43</sup> Here, as in Selangor, the administration resigned itself to the fact that any expansion of agriculture could only be undertaken by immigrant peasants. But though mining development was less pronounced than in the western states, the trickle of immigrants who entered the state, like their fellow immigrants, gravitated to the more profitable non-agricultural sectors and peasant agriculture in Pahang during this period remained at the level it had reached in the 1850s prior to the outbreak of civil war.

A large part of the peasant population of the Federated Malay States lived in Perak in two clearly defined areas. One area consisted of the indigenous Malay settlements in Kuala Kangsar, Kinta and Larut and the other consisted of the newly opened districts of Krian and Lower Perak where an immigrant Malay population had

---

42 An average of 150 gantangs per acre was secured over the four seasons of cultivation. For descriptions of tenggala cultivation refer to MR Tampin, July 1898, NSGG 1898, p. 254; Agricultural Bulletin, Vol. IX, January-December 1921; HCOF 192/00; HCOF 842/01.

43 A scathing criticism of Pahang's peasant agriculturalists and their 'antiquated methods of cultivation' can be found in AR Pahang 1891.

settled comparatively recently.<sup>44</sup> In 1897 these peasant areas accounted for more than 150,000 acres of the estimated 230,691 acres of alienated agricultural land in Perak or about half of the total area of land in the Federated Malay States estimated to be held by peasants.

It was in Perak that the British had made the biggest efforts to develop peasant agriculture during the period of residential administration. Under Hugh Low and Frank Swettenham the state had taken the lead in devising policies to attract peasants and develop agriculture. The first land rents were not fixed on agricultural land in Perak, except for Krian and Larut, until 1882, and the practice of rent remissions for new peasant holdings was very widespread here. The colonial administration can therefore claim some credit for the development of Perak's peasant agriculture. But the development induced by these policies was not founded on a firm basis and the course of development of peasant agriculture was marked by haphazardness, uncertainty and a fair quota of failures. This can be shown by relating the development of the area regarded commonly as the showpiece of peasant padi cultivation in the Malay States - the Krian district. During the early years of British rule a large number of 'foreign' Malays and immigrant Malaysians had entered the district, attracted by the generous land alienation terms. The first British officers established a district headquarters, laid out a network of roads and small canals and set out flourishing villages. By 1885, more than 50,000 acres had been alienated, mainly to planters and to peasant agriculturalists. There was a large expansion in the production of padi and in 1885 padi worth \$204,405 was exported from the district. All this progress reflected favourably on British policy and augered well for their hopes of peasant padi production. However, disaster soon struck. Between 1886 and 1890 a series of padi crop failures seriously set back progress. No new lands were

---

44 The Krian and Kurau Malay population increased from 6,852 in 1879 to 14,991 in 1891. This 120% increase appears to have been the largest Malay increase of all the districts in the Malay States, both in absolute terms and in proportion to earlier figures. Five-sixths of the Malay population was returned as 'foreign' Malay in 1879.

opened and the district's padi exports fell heavily.<sup>45</sup> There was a widespread abandonment of the land as whole kampongs of cultivators, demoralized by repeated padi failures, deserted the fields and, at the height of the depression in 1890 it was written that from 'Bagan Tiang along the coast to Perak there is hardly an acre to be seen and the inhabitants have cleared out wholesale'.<sup>46</sup>

The cause of the padi crop failures had been diagnosed as a lack of water. The rapid denudation of mangrove forests and the cutting of roads, drains and canals had combined to reduce the moisture retention qualities of the soil and rainfall during the crucial growing period had been inadequate. In addition there were the problems of controlling the tide waters in the low plain and of supplying drinking water to the cultivators. The peasants had agreed to the imposition of a rate to help towards the cost of the vital waterworks; but for many years the government was reluctant to commit itself to any assistance. A disastrous drought in 1895 finally brought home the necessity of an extensive irrigation system if the development of the foremost peasant agricultural district of the Malay States was to be maintained.<sup>47</sup> A scheme costing \$656,000 was drawn up but work on the Krian Irrigation Scheme did not begin until 1898 and it was completed only in 1906, almost two decades

---

45 Between 1885 and 1890, the annual padi exports from the district were valued at \$204,405, \$166,306, \$165,002, \$131,415, \$86,608 and \$24,033 respectively. Another painful consequence, especially for the administration, was the arrears in land revenue which reached a record sum of \$41,378 in 1890. AR Land Department 1890, PGG 1891, p. 336.

46 MR Krian, January 1890, PGG 1890, p. 111.

47 In 1894 the average rainfall for Krian during the padi growing months from August to November had been 8.96 inches per month. In 1895 an average of only 4.38 inches was recorded for the same period. In a desperate attempt to minimise their losses, cultivators had planted their nurseries on several occasions but each time the seedlings shrivelled up because of the lack of water. AR Krian 1895, PGG 1896, p. 339. In that disastrous year, Krian's padi exports were valued at only \$32,586 compared with \$371,687 in 1894. AR Perak 1895, PGG 1896, pp. 492-3.

after official recognition of its necessity.<sup>48</sup> Meanwhile, although they expanded their cultivation,<sup>49</sup> the peasant cultivators had to gird themselves for the customary padi failure every one in three or four seasons.<sup>50</sup> During a poor season many cultivators preferred to eke out a living by other means and left their padi lands uncultivated, whilst others pulled out of the district altogether.

#### Problems in Padi Development

In terms of natural conditions, Krian was the most suitable padi area in the Federated Malay States, but the success of the cultivation here and throughout the country was greatly dependent on water control. The padi fields of Malaya mainly derive their water from rainfall and from streams and rivers into which the rain drains. But the rainfall, although varying little in quantity from year to year, is unevenly distributed and can consist of convectional downpours which usually last a few hours or long spells of monsoonal rains which might go on for several days. The unpredictability of rainfall, both of its intensity and its timing,<sup>51</sup> makes padi

48 The delay in the scheme was due to government indecision in choosing between two rival plans and to an inquiry held to reduce the costs of the successful plan. Technical details of the Krian scheme are available from enclosures in Mitchell to Chamberlain, 14 December 1897, CO 273/230. See also Report on Krian Irrigation Scheme by Major Anderson, 16 June 1898, HCOF 7126/98.

49 In 1894 it was reported that only two mukims of the five in Krian had land available for new settlers, and in 1899 padi land accounted for 46,941 acres of the 78,773 acres alienated in Krian. AR Krian 1894, PGG 1895, p. 405; AR Krian 1899, supplement to PGG 3 August 1900.

50 There were severe padi failures in Krian in 1897, 1901 and 1903. MR Krian, March 1897 and May 1897, PGG 1897, pp. 221 and 386; AR's Lands, Mines and Surveys FMS, 1897, 1901 and 1903. The British Resident in 1897 was personally of the opinion that irrigation was required every one in three seasons. AR Perak 1897, PGG 1898, p. 418.

51 The table below shows the months of greatest rainfall in the five districts of Negri Sembilan from 1913 to 1918.

<u>District</u>	<u>1913</u>	<u>1914</u>	<u>1915</u>	<u>1916</u>	<u>1917</u>	<u>1918</u>
Seremban	Dec.	Oct.	June	April	March	Nov.
Kuala Pilah	Nov.	Oct.	Nov.	April	May	Dec.
Tampin	Nov.	Nov.	March	March	March	Oct.
Jelebu	April	Oct.	Nov.	Oct.	March	Oct.
Coast	June	June	Aug.	April	Dec.	Sept.

Source: D.H. Grist, Wet Padi Planting in Negri Sembilan, FMS Agricultural Bulletin No. 33, Department of Agriculture (Kuala Lumpur, 1922), p.7.



cultivation in Malaya a hazardous operation, because padi, more than most other grain crops, requires a definite water regime. In the traditional areas of cultivation, the peasants had devised water wheels, driftwood dams, small drainage canals and aqueducts to control the amount of water in the fields and to lessen their dependence on rainfall. These water-control devices were, however, frequently technically inefficient and economically costly to maintain. They were also of a temporary nature, easily destroyed in a flash flood and often created problems for the cultivators.<sup>52</sup> Elsewhere, particularly in newly-established padi areas where there was no water-control facilities and where the cultivators were completely at the mercy of the elements, successful padi cultivation was even more difficult.

The importance of water control in the development of peasant agriculture generally and padi cultivation specifically was recognised by many officials in the administration and was a frequent theme in their reports.<sup>53</sup> It was also realised that Malay water-control technology was very limited; most peasants had little conception of engineering methods and relied on a fallible combination of natural aptitude and inherited practical knowledge. This was, therefore, a definite area in which the superior technology of the West could be put to valuable use. However, despite all the fine words that were written, the British for a long time pursued a restricted irrigation policy in the Malay States. It was to remedy the past neglect of a matter which he considered held the key to the agricultural development of the country that Ernest Birch, the Resident of Negri Sembilan, submitted his irrigation memorandum in 1898.<sup>54</sup> Birch was

---

52 Driftwood dams which consisted of rows of poles and brushwood driven into the beds of rivers to trap the debris and raise the water level often caused heavy erosion of river banks and the deposition of silt on the fields.

53 See such district reports as AR Kinta 1896, PGG 1897, p. 337 and the annual administration reports of the states, particularly RG's Report on the FMS 1896 and AR's Pahang 1893 and 1895. Among the numerous reports of padi crop failures attributed to the absence of irrigation, see AR Selangor 1900, supplement to PGG 5 July 1901; AR Lands and Mines Department, Coast District 1904, enclosure in Acting District Officer (DO) to Secretary to the Resident (SR) Negri Sembilan, 14 February 1905, NSSF 839/05.

54 Birch, A Memorandum on Irrigation.

convinced that padi cultivation was more necessary to the people of the country and more deserving of government support than any other cultivation and that its success depended, first and foremost, on the ability of the government to provide assistance in irrigation. He argued that the acceptance of this premise would enable the government to convert the great majority of the immigrant peasants into permanent agriculturalists, a change which other policies had failed to bring about, and he was optimistic that it would also enable peasants to secure a life of comparative ease. Not least of all, he pointed out that in 1897 the Federated Malay States had imported a total of \$6,533,730 worth of padi and rice. The provision of irrigation would stimulate local production, help reduce the dependence on imports and save a large sum of money.

The gist of Birch's memorandum was that an official irrigation policy for the Federated Malay States should be defined and laid down by enactment; irrigation boards with authority to carry out irrigation projects should be appointed; and a liberal financial vote should be allocated to meet the costs of irrigation development. These proposals were the first attempt at drafting a comprehensive and long-term irrigation policy for the Malay States and were submitted at a time when the agricultural outlook for the states was bleak. Both plantation and peasant agriculture had achieved faltering progress and the latter in particular needed a bold initiative if it was to realise the government's hopes. In Perak the decision to build the Krian Irrigation Scheme in 1895 had been an important breakthrough in the government's policy and Birch was hopeful that it could be capitalised on. But he was badly disappointed. Swettenham, the Resident-General and the man to convince, was not convinced that irrigation was of such importance as to necessitate special measures, and he reiterated his argument that the subject should be regarded by the administration in the same way as other public works - to be asked for by officers, reported upon by the Public Works Department and carried out if the report was favourable and funds were available. Opposition also came from the other Residents. The Perak Resident thought that little could be done about irrigation until a sufficient staff was employed, the Selangor Resident was pessimistic that irrigation would be able to induce the population away from lucrative occupations to agriculture and the Negri Sembilan Resident did not agree that the time had arrived for the establishment of a Central

Irrigation Board. The Acting High Commissioner, however, saved the proposals from being relegated into complete obscurity by vaguely concurring in the advisability of encouraging irrigation and the establishment of a special fund for it.<sup>55</sup>

The crucial issue was finance, without which there could be no successful organisation of irrigation. Birch, the administrator, knew this and in his memorandum had taken great pains over the financial aspects of irrigation, framing them in terms intended to make them more palatable to the government. He proposed that irrigation expenditure should be funded by the allocation of an annual sum fixed for the next ten years. The allocation could be raised by a tax of 50 cents per bhara on the output of tin and tin-ore from each state during the preceeding year and he estimated that the 1898 allocation for the western states would amount to \$108,600, or less than one half per cent of the duty on tin. This proposal, however, was not accepted. Instead it was decided that an annual appropriation related to the requirements of each state would be set aside from the general finances of the state to defray costs.<sup>56</sup> The decision indicated a definite financial commitment by the states to irrigation expenditure but it turned out to be a pyrrhic victory for the advocates of a government expenditure on irrigation. In the first place, in a development which Birch had feared, the states were not obligated to spend the allocations set aside. Birch, who was personally acquainted with the numerous ways in which allocations were juggled and 'misallocated', had asked that the irrigation allocations should not be diverted to other purposes. The rejection of these conditions robbed the states' financial commitment of much of its meaning. In Pahang, in 1897 for example, the state pleaded that its finances were run down and no funds were allocated for irrigation,<sup>57</sup> and in Selangor money for irrigation purposes was funnelled instead into draining lands in the coast districts for

---

55 The official response to Birch's proposals is contained in HCOF 584/00 and HCOF 1735/00. A convenient summary of the correspondence on the subject is found in 'Précis by O. Marks', 20 November 1900, HCOF 1735/00.

56 Précis by O. Marks, 20 November 1900, *ibid.*

57 AR Pahang 1897.

plantation agriculture.<sup>58</sup> And even when the allocations were upheld they were invariably for small amounts which could not effect significant results.

Further hampering the development of irrigation was the principle that the government should only undertake work in specially selected areas where it was certain it could recoup the capital outlay together with a sufficient interest.<sup>59</sup> The financial profitability principle was a long-standing one and was related to the colonial government's traditional policy of concentrating its expenditure in the sectors of greatest potential economic return - the mining and plantation industries. In Perak, between 1890 and 1894, for example, although the Resident asserted that waterworks were the most beneficial type of public works and despite statements that utility was an important consideration when deciding the allocation of expenditure, the amounts spent on waterworks to assist peasant agriculture were only a small fraction of that spent on railways and roads which were constructed primarily to facilitate plantation and mining development.<sup>60</sup> The same trends were found in the other states and became more pronounced in the first decade of federation when expenditure in communications was accelerated. It was possible for an officer to make out a strong case for a particular scheme, but these occasions were infrequent and generally the rigid attitude that, if the work was not remunerative, the scheme was bad and should be abandoned, prevailed. The Krian scheme was no exception to the rule and was undertaken only after repeated

---

58 Return of Irrigation and Drainage Works, Selangor 1904, HCOF 200/05; State of Irrigation in FMS, HCOF 509/01.

59 Minute by the Col. Sec. 28 January 1893, Reports Encouraging the Cultivation of Rice, p. 62.

60 During that period the Perak Government spent \$2,896,560 on railways, \$3,175,465 on roads and only \$196,078 on water-works. AR Perak 1894, PGG 1895, p. 368. The extraordinary expenditure in the Kinta Valley Railway was one of the reasons for the delay in the Krian Irrigation Scheme. AR Perak 1891, PGG 1892, p. 418. By 1891 the Kinta Railway had cost \$2.5 million or more than six times the projected cost of the Krian scheme. In Selangor the Resident reported that he would submit an irrigation scheme for padi land only after a cessation of the exceptional expenditure on railways. AR Selangor 1885, enclosure in Weld to Granville, 22 July 1886, [C. 4958] of Parliamentary Paper.

assurances by sympathetic officials that the government would obtain a handsome return for its investment.

Another blow to Birch's proposals was the decision not to establish Irrigation Boards and to continue vesting authority over the executive and administrative aspects of irrigation in the individual Residents. As a rule the Residents, in the past, had been preoccupied with other more 'pressing' matters and the burden of responsibility for irrigation had fallen on the District Officers who for several reasons were themselves unable to contribute significantly on the matter.<sup>61</sup> The establishment of Irrigation Boards could have rectified the unsatisfactory situation by its provision of specific bodies with legalised authority and this could possibly have resulted in a constructive and sympathetic policy. The technical aspects of water control were unchanged. It had been formerly entrusted to the Public Works Department and the experience of the early years had been that the time and resources of this key department was monopolised by the construction and maintenance of roads, bridges, buildings and other works which had no connection with water control.<sup>62</sup> By permitting this position to be unchanged the British ensured that the technical side of the subject continued to be in a state of neglect.<sup>63</sup>

One recommendation which was accepted was that of irrigation legislation for the states. In July 1899 the Federated Malay States passed an enactment which provided the Residents with powers to define and control irrigation areas, and to impose rates in such areas.<sup>64</sup>

---

61 Many officers had only a short stay in the district before they were transferred to another area or to other duties. During their stay the greater part of their time and attention was taken up with administrative matters, and very few officers could manage to carefully investigate the irrigation needs of the area.

62 See, for instance, the case in Lukut and Sepang in Negri Sembilan where an irrigation project was shelved because the Public Works Department could not spare officers to carry out preliminary work. RG to HC, 18 July 1901, HCOF 1402/01.

63 There were no officers in the department who had irrigation experience and the department had been specifically built up to undertake road and public works construction.

64 Perak SCM, 8 July 1899, PGG 1899, p. 610. The enactment can be found in PGG 1899, pp. 523-4.

This legislation fell far short of what Birch had wanted, but it appears to have served a useful purpose in Krian where a conflict of interests had arisen between padi and sugar cultivation, and had been detrimental to the former cultivation. Krian was the major sugar district of the Malay States besides being the main padi one, and sugar planters in their expansion drive had bought up large areas of padi land. At the same time, sugar estates in close proximity to padi areas had adversely affected padi cultivation by diverting water and by harbouring pests.<sup>65</sup> The incompatibility of the two activities was, however, not questioned until the late 1890s when, in view of its heavy financial expenditure on the proposed irrigation scheme, the authorities became concerned that the position of the padi cultivators should not be further jeopardised. The enactment, by enabling the suspension of alienation of potential padi lands, was a timely assistance to padi cultivation in Perak, but it was a dead letter in the other states where there were no irrigation areas in which it could be applied.<sup>66</sup>

Irrigation during this period therefore remained a low priority activity. With the exception of the Krian Scheme there were no large irrigation works. A number of small projects were carried out with varying degrees of success,<sup>67</sup> but such projects were indirectly discouraged by the practice of imposing a levy on land benefitting from the water.<sup>68</sup> Several reasons were advanced by

---

65 AR's Lands, Mines and Surveys FMS 1898; 1901; 1902; AR Krian 1896, PGG 1897, p. 312; AR Perak 1898.

66 For an explanation as to why no action was taken in Selangor see HCOF 509/01.

67 See, for example, Batang Padang DOF 650/00 and the account in AR Lands and Mines 1896, PGG 1897, p. 188. For a list of small irrigation works constructed in Perak in 1904 see HCOF 200/05.

68 See AR Ulu Langat 1902, supplement to SGG 24 July 1903 where the administration undertook a scheme to irrigate 60 acres only on the condition that the land tax was doubled. See also MR Matang 1897, PGG 1898, p. 160 and MR Matang March 1897, PGG 1898, p. 316 where a deputation of peasants petitioned against the imposition of an irrigation levy, but to no avail. Birch in his irrigation memorandum had advocated that the government levy a minimum water rate of \$1 so that it obtained a return to cover both capital investment and maintenance costs and an interest of 7.5%.

officials to justify the levy. The most common one was that the government had a right to enforce a levy on works it had expended money on. Another was that irrigated padi cultivation was a highly profitable enterprise which could easily tolerate a tax. A third stemmed from the attitude that the people were more appreciative of what was done for them by the government when they had to pay for it.<sup>69</sup> Whatever the reasons, the government should have placed greater weight on the principle of the capacity to pay than on the strict revenue principle. If the former principle had been a major consideration the irrigation levy should not have been imposed in many instances as the land rent alone was already a severe drain on the resources of the peasants. A further discouragement was the barricade of administrative procedures that had to be complied with before approval was granted to irrigation proposals.<sup>70</sup> Due to the government's noticeable lack of enthusiasm some peasants attempted the construction of irrigation works by themselves but their efforts were not successful,<sup>71</sup> except in parts of Negri Sembilan where there was a tradition of local irrigation works.

The administration had felt that it had sufficient cause to tread slowly and cautiously as its experiences with irrigation had not been entirely happy. One attempt in Selangor, the Kuang Irrigation project, served as a salutary example. This first government irrigation scheme for padi cultivation in the state was begun in 1900 as a trial to discover the potential for irrigated peasant agriculture in Selangor and the administration had given an assurance that it would press ahead with other schemes if it was successful.<sup>72</sup> A total of \$15,000 was spent on the scheme but four years after its completion the state had little to show for its

---

69 AR Perak 1896, PGG 1897, p. 610.

70 In 1898, for example, District Officers were instructed that no expenditure on any new irrigation works or extension was to be incurred until detailed estimates including estimates of probable revenue from water rent was approved by the Resident, Circular 33 of 1898 on Government Irrigation Works, NSSF 3010/98.

71 For some description of Malay-constructed irrigation works, see MR Kuala Kangsar, September 1897, PGG 1898, p. 823.

72 Minutes of the Session of Chiefs of the FMS, 21-22 July 1903, p. 18.

investment. Only 320 acres of land had been provided with water and only \$410 had been recovered in enhanced rents from cultivators between 1902 and 1904.<sup>73</sup> Closer examination of the scheme, however, shows that the administration was not entirely blameless in the failure. There was little preliminary work done on the project and the state administration appears to have plunged carelessly into the project on account of its envy of the Krian scheme in Perak. The planners had also paid scant attention to the fact that the indigenous padi peasantry in Kuala Selangor was a small one and that a scheme dependent on foreign peasants was a risky proposition. Several other government irrigation schemes were flawed by equally basic errors,<sup>74</sup> and, in other instances, where the administration had played its part properly, the peasants failed to respond to the opportunity before them.<sup>75</sup>

Although it is arguable whether the administration was justified in its reluctance to construct irrigation works, there is no doubt that this failure to provide the vital service was an important reason for the unsatisfactory condition of padi cultivation during this period. But it was not the sole reason because there were padi failures not only in the new and unirrigated padi areas but also in traditional and irrigated fields throughout the country. In 1896 widespread floods seriously damaged padi crops everywhere except in Negri Sembilan; in 1897 crops failed in Perak and Pahang; in 1900 rinderpest disease outbreaks took a heavy toll of the buffaloes used to plough the sawahs, seriously impeding padi

- 
- 73 HCOF 200/05. For an early report on the Kuang Irrigation scheme, see AR Ulu Selangor 1902, supplement to SGG 24 July 1903.
- 74 See, for example, MR Batang Padang, October 1897, PGG 1898, p. 928, where the only error of a Government irrigation scheme at Sungei Cherok was that there was no urgent demand for it.
- 75 In Selinsing and Matang, in spite of the provision of irrigation facilities, the padi crops continued to deteriorate and eventually, much land irrigated at considerable expense, had to be abandoned. AR Land Departments FMS 1900, supplement to SGG 28 June 1901. One instance damaging to the cause of irrigation facilities for padi cultivation was at Pondok Tanjong in Larut where a peasant settlement failed despite a government expenditure of \$15,000 on it. Report by the Collector of Land Revenue on the Siamese padi settlement, Pondok Tanjong, 23 June 1898, HCOF 747/98.



cultural operations in Negri Sembilan and Pahang; and in 1901 padi crops in all the four states were poor, due either to flood, drought, rinderpest outbreaks or padi pests.<sup>76</sup>

Some officers in trying to find explanations for the dismal padi record thought that an important reason was the absence of co-operation among the padi peasantry. The individual clearing of fields, they argued, heightened the danger of pests spreading from one field to another, and the unco-ordinated use of water increased the possibility of water shortage at a vital stage of cultivation. These same officers held that some rules should be enforced which could synchronise the stages of cultivation.<sup>77</sup> Such rules would not be new to the peasants as Malay customary law had compelled cultivators to keep their fields free from pests and penalised them when pests from their fields destroyed a neighbour's crop. These views were soon given an opportunity of verification. Enactments which regulated the dates of the different stages of cultivation were passed in all the states,<sup>78</sup> and in 1897 these enactments were credited with saving a large part of the padi harvest in Pahang and improving padi cultivation in Negri Sembilan.<sup>79</sup> But the hope that the problems of cultivation could be largely resolved by the measure was gradually not realised and, in fact, there were several occasions when cultivation dates had been fixed without consideration of the local

---

76 AR Lands, Mines and Surveys 1897; AR Jelebu 1900, supplement to NSGG 19 July 1901; AR Pahang 1900; AR RG 1901; AR Tampin and Kuala Pilah 1901, supplement to NSGG 18 July 1902.

77 Birch was a strong supporter of this line and in his irrigation memorandum had stressed the need for a code of customary laws to govern padi cultivation.

78 In Perak in 1879, Raja Dris, a member of the State Council was asked to draft a notice calling on Malay padi cultivators to prepare their lands simultaneously. Perak SCM 4 March 1879 in Papers on Malay Subjects, Wilkinson ed., History, Part 3 (Kuala Lumpur, 1907) p. 44. This move was reinforced by Order 14 of 1890 which authorised District Magistrates to fix standard dates for the various operations of planting and harvesting. Bendang Cultivation, Krian and Matang, PGG 1892, p. 621. Selangor synchronised her planting time in 1887 and Pahang in 1897. A proposal that a condition be imposed on lands which would require its holders to keep all uncultivated portions clean and free from pests was not implemented. Conference of Residents, 25 November 1903, HCOF 2798/03; Conference of Residents, 1 March 1904, HCOF 438/04.

79 AR Pahang 1897; AR Negri Sembilan 1897.

conditions and had led to the failure of crops.<sup>80</sup>

There was another more obvious reason to explain the unsatisfactory condition of padi cultivation which the administration preferred not to draw attention to. It was mentioned earlier that tin mining activity, if it was sited in the same area as peasant agriculture, constituted an important disruptive influence on the latter, especially if the agriculture consisted of padi cultivation. The mining activity polluted streams and rivers watering the fields or diverted away water required to irrigate the fields. In its early years, however, mining development had generally taken place in areas located far from the traditional areas of peasant agriculture and damage to the cultivation had been minimised.<sup>81</sup> After the establishment of residential rule, however, there was an increased scale of mining activity and considerable areas of peasant cultivation in the west coast states, both in the traditional as well as the new areas, were rapidly encroached upon.<sup>82</sup> The administration, faced with the dilemma whether it should protect the interests of padi cultivation at the expense of its most important economic activity, was predictably slow to react.<sup>83</sup>

---

80 See, for example, the 1900 Kuala Pilah padi crop which failed because the date fixed for the commencement of planting was too early. In 1904 in Kuala Pilah again, a severe drought disrupted the promulgated dates of cultivation. AR Kuala Pilah 1904, supplement to NSGG 14 July 1905.

81 The initial areas of tin development were Larut, Kinta, Kuala Lumpur, Seremban and Raub. All of these were newly populated areas with a non-agricultural base or thinly populated ones with a migratory agricultural population.

82 For an account of mining activity inimical to padi planting see MR Kinta August 1898, PGG 1898, p. 709. Mining began later in Pahang and was less developed than in the other states and its effects on peasant agriculture was consequently less damaging.

83 This was partly due to the Mines Department which fought a tenacious action to forestall any curtailment in mining activity. See, for example, the 1896 AR of the Mines Department which argued that there was much more agricultural land than mining land and that mining should be provided with every concession. PGG 1897, p. 422.

By the 1890s, however, the situation had become so serious that it could not be ignored,<sup>84</sup> and the first steps to protect peasant agriculture from mining were undertaken. In 1895 a Mining Code was enacted in Perak which sought to extend the powers the administration exercised over the mining industry and to bring about more scientific and less wasteful mining. Included in this Code was the assurance that in granting water licences to miners, care would be taken to safeguard the rights of padi planters and to see that irrigation works were not interfered with.<sup>85</sup> In 1897 the government went a step further and drafted rules to prevent tailings produced by hydraulic mining, one of the chief offenders in the pollution of Malayan waters, from being dumped into rivers.<sup>86</sup> Finally in 1899, the first Federal Mining Enactment was passed and extended the provisions of the Perak Mining Code of 1895 into the other states. However, these measures were much less than agriculture protectionist officials hoped for; although they introduced a measure of restraint into mining operations in agricultural areas, they did not prevent water from being fouled and mining residue being deposited on the fields.<sup>87</sup> The spoilation of agricultural land could only be stopped by totally prohibiting mining activity in agricultural areas or by

---

84 For example, the Kuala Lumpur Land Department felt that 'the padi planting Malay cannot stand up beside the Chinese mines under our present Land Regulations'. Report of the Land Department for the Year 1894, Kuala Lumpur, SGG 1895, p. 252.

85 The Mining Code, PGG 1895, p. 896. Section 96 of the Code, however, gave the State Council powers to decide when agriculture should give way to mining.

86 Officers were instructed that tailings from hydraulic mining were not to be allowed to enter the rivers but were to be dumped on worked-out or non-stanniferous land. Circulars, Instructions and Rulings Issued by Resident-General's Office, 1896-1900, p. 78.

87 See, for example, Seremban, where padi fields sited below streams which were used by lampan miners were damaged. The Settlement Officer described the miners as the terror of the peasants but said that it was difficult to check them as they were a considerable number and extremely mobile. Collector of Land Revenue Seremban to BR Negri Sembilan, 2 April 1900, NSSF 1236/00.

enforcing costly filtering processes. The government, however, was not prepared to take these drastic measures.<sup>88</sup>

But even the limited measures were chaffing to the miners and they longed for a return to the unfettered days of early mining development. In 1904, largely at their insistence, a commission was appointed to investigate their complaints that the present mining legislation was restricting the development of the industry.<sup>89</sup> One of the main items investigated by the commission was the efficacy of rules relating to ground sluicing operations and the differences which had arisen between the interests of mining and agriculture.<sup>90</sup> The major part of the evidence given before the commission destroyed the hopes of the mining industry for a liberalization of the restrictions on mining operations in agricultural areas. It related how indiscriminate and uncontrolled mining activity had deposited sludge and waste into streams and rivers watering padi fields and kampong lands, and ruined these areas, in many instances, permanently. It also showed clearly that water contaminated by mining wastes could not be subsequently used for padi cultivation purposes.

The nature of the proceedings emphatically laid to rest any notions that the mining industry had of extracting further concessions on the matter. But it also placed the commission, which contained a number of supporters of the tin industry, in an awkward position. As the commission had been specifically appointed to listen to the grouses of the tin industry, it could not be expected to put forward suggestions which would restrict the activity. The main recommendations of the commission were, therefore, relatively innocuous. It proposed that some rivers should not be fouled

---

88 At the same time, officers issuing mining licences were reminded that they should first negotiate the settlement of the rights of peasant agriculturalists likely to be affected by the mining activity. Circulars, Instructions and Rulings issued by Resident-General's Office, 1896-1900, p. 78.

89 There had also been some disquiet among peasants affected by mining. In one instance in Negri Sembilan, the peasants petitioned the administration. Inche Kasim and five others to BR Negri Sembilan, 21 January 1904, NSSF 575/04.

90 FMS, The Tailings Commission 1904. Report containing a Summary of the Proceedings with the Resolutions Passed and Recommendations made to which are appended the minutes and notes of evidence with exhibits and appendices (Kuala Lumpur, 1905) HCOF 460/05. See also AR Mines Department 1905.

although in other rivers tailings could be permitted to be discharged under certain conditions. It also proposed that minor amendments be made to the Federal Mining Enactment and Mineral Ores Enactment of 1904. These recommendations were made on the premise that it was not possible to devise any method to confine tailings to the mining site or prevent agriculture from being adversely affected whenever it came into physical contact with mining.

Despite the failure of the Commission to forward stronger measures to prevent padi fields from being disturbed by mining operations, the instances of conflict between these two activities became less numerous as time went on. In the areas where mining development had been the principal preoccupation of the local administration, district officers had quietly pursued an ad hoc policy which confined the two activities to separate and distinct localities.<sup>91</sup> The physical separation of mining and agriculture in the Malay States was reinforced by other factors. In the tin areas, employment in the mines, either as a full-time or an auxiliary occupation, was often more profitable than working in the fields, and explained the many instances of non-cultivation of alienated agricultural land.<sup>92</sup> Secondly, peasants working lands which were potentially stanniferous were often induced to sell them to the miners,<sup>93</sup> or were relieved of them by the government for alienation

---

91 See, for example, Acting BR Negri Sembilan to RG, 20 September 1900, NSSF 3165/00 where an attempt was made to restrict mining to specific localities.

92 In Serendah, Ulu Selangor, a considerable quantity of land cultivated with padi was abandoned when land around it was alienated for mining. Report by District Officer, Ulu Selangor, undated in Reports Encouraging the Cultivation of Rice, p. 36. A sadder position existed in Chenderiang, Perak where the penghulu who had invested his personal capital and labour into irrigating padi land, found it difficult to persuade his people to settle because it was easier to mine for tin and buy rice than to grow rice. Report by Collector and Magistrate, Batang Padang, 14 March 1892, Reports Encouraging the Cultivation of Rice, p. 12.

93 Stanniferous agricultural land in Batu Gajah fetched between \$500 and \$1000 an acre, extremely attractive prices which few peasants could resist. AR Kinta 1894, PGG 1895, p. 320. For other reports of sales of peasant land to miners see NSSF 1344/97; AR Kuala Kangsar 1901, supplement to PGG 21 November 1902; AR's Lands, Mines and Surveys 1901 and 1905; AR Ulu Selangor 1905, supplement to SGG 1906.

to miners.<sup>94</sup> The 1895 Perak Mining Code had laid down that the government was not to interfere with agricultural holdings or to hand them over to miners whilst large tracts of uncultivated lands were still available. Section 96 of the Code, however, also provided a legal means of circumventing the protective clause by giving the State Council powers to decide when mining should have precedence over agriculture. In these areas, therefore, unless peasant agriculture was exceptionally well-established and productive, it gave way to the more dynamic mining activity,<sup>95</sup> and this has led to the phenomenon of mining areas with a minimal peasant agriculture sector.

The instability of peasant agriculture based on padi cultivation was one of the reasons explaining the persistence of ladang cultivation in the Malay States. In this cultivation clearings of forest were felled and burnt and a variety of food crops planted. After one or two harvests the clearings were abandoned and the cultivators moved on to a fresh patch of forest. This system of migratory cultivation was not found solely in the Malay Peninsula but was common to many tropical areas. It was probably the predominant form of agriculture in the Peninsula before wet padi cultivation techniques were introduced, and it continued to be widely practised after sawah cultivation was established. The popularity of the system was due not only to its long tradition. It was a cultivation which was especially suited to areas where an absence of flat low-lying land and regular supply of water precluded wet padi cultivation. It was an apt system for peasants who did not possess the skills or resources to construct permanent agricultural holdings. Finally, it was well suited to communities living in unstable political systems where people had often to migrate at a moment's notice. British

---

94 For example, an application for a mining licence on padi land in Setapak was described as a 'most severe blow against customary tenure and agriculture'. Report by Collector of Land Revenue Selangor, 4 March 1892, Reports Encouraging the Cultivation of Rice, p. 31.

95 In Kinta district, only 3,700 Malays were registered on the agricultural roll out of a Malay population of 12,000 in 1888. AR Kinta 1888, PGG 1889, p. 338. In 1894 only 5,028 acres had been alienated for agriculture as against 24,481 for mining. AR Land Department 1894, PGG 1895, p. 168.

officers, however, noted that only one crop was taken off the land which then reverted to valueless secondary forest and could not be recultivated until it had remained in fallow for several years. This method of land utilization according to Western standards was very wasteful and attempts were made by the early administration to discourage ladang cultivation.<sup>96</sup>

At the time of federation the practice of ladang cultivation appeared to have been controlled and on the decline in the western states.<sup>97</sup> However, in the less developed areas, ladang cultivation continued to flourish. The main reason for the failure to contain ladang cultivation in these areas were that peasants who were unfamiliar with wet padi cultivation found the transition a difficult one and the administration generally failed to supplement the restrictive legislation with positive assistance. Moreover, although official policy frowned on ladang cultivation, for many years after federation in the less developed areas, efforts to curb the practice fell short of total prohibition because of the fear that this would lead to a population exodus. Official laxity was most pronounced in Pahang where the need for population was most acute and where, it argued, the harsher natural conditions necessitated concessions to

---

96 In Perak, rent on ladang land alienated after September 1887 was increased from 25 cents to 50 cents an acre to encourage the cultivation of permanent agriculture. Acting BR Perak to Col. Sec. 5 April 1892, Reports Encouraging the Cultivation of Rice, p. 5. This, however, had little effect and on 1st January 1890 a stronger measure was introduced which prohibited all forest except secondary forest of six years growth from being felled for ladang cultivation. Discouragement of Ladang Order, PGG 1889, p. 839. In Selangor discouragement of ladangs took a different form. After 1st August 1886 the agriculturalist was required to plant at least ten permanent trees to the acre. SSF 546/86.

97 Selangor had moved earliest in the matter. The State Council decided that from and after 1st January 1887 no more ladangs were to be allowed in the state. Selangor SCM 21 August 1886, SSF 1780/86. In Perak it was not until 1 April 1896 that a similar prohibition was imposed. Ladang Passes, PGG 1896, p. 146. The following year, the State Council in response to requests from many peasants to be allowed small areas of ladang land to plant vegetables, decided that there were to be no exceptions to the rule, and that all forms of ladang cultivation were to be abolished. Perak SCM 16 February 1896, PGG 1897, p. 182.

peasant agriculturalists.<sup>98</sup> In 1904, however, the system of ladang cultivation throughout the Federated Malay States received a decisive rebuff when it was named as one of the chief causes of the large lallang tracts in the west coast states.<sup>99</sup> A circular was issued calling on District Officers to 'guard against any extension of this nomadic practice.' This official denunciation coincided with a tightening up of land administration and with developments in the peasant economy which stabilised the peasant population and permitted it to cast aside ladang cultivation. After this, except in unusual circumstances,<sup>100</sup> ladang cultivation was a minor system of agriculture, practised by the aboriginal tribes in the undeveloped parts of the state or carried on surreptitiously by peasants in isolated clearings hidden from the gaze of the administration.

#### Early Peasant Cash Cropping

An increasingly popular form of peasant agriculture in all the four states, but especially in Perak and Selangor was the cultivation of crops for sale. This activity differed from the wet padi and ladang cultivations previously described in a number of ways. The latter were mainly subsistence activities, carried out with a view to satisfying the peasant's staple food requirements. Although

- 
- 98 AR Pahang 1899. See also HCOF 842/01 where the Resident of Pahang argued that the damage caused by Sakai hill cultivation was not serious enough to warrant government interference. On the other hand, the District Officer of Kuala Selangor claimed that if the peasant was not provided the opportunity to practice ladang cultivation, he usually turned out to be an energetic wet padi cultivator. AR Kuala Selangor 1897, p. 3, supplement to SGG 23 September 1898.
- 99 J.C. Willis, A Report Upon Agriculture in the Federated Malay States (Kuala Lumpur, 1905). Willis pointed out that much of this was carried out under the guise of approved applications for native holdings. The consensus among the District Officers was that although these 'legal' ladangs did exist, their scale and harmful effects were exaggerated. See pp. 13-15.
- 100 Ladang cultivation revived temporarily in Kuala Kangsar in 1900 and 1908 after the failure of the wet padi harvest. AR's Kuala Kangsar 1900 and 1908, supplements to PGG 5 July 1901 and PGG 26 November 1909. One general exception to the Perak prohibition of ladangs was in Kinta district where, unlike the other districts, there was no cheap peasant tenure. Every piece of alienated land in Kinta was obliged to be surveyed and held under lease and because of the high rates many peasants resorted to temporary occupation of land. AR Lands and Mines 1896, PGG 1897, p. 193.



there were occasional harvests where the peasant reaped a surplus above his domestic requirement, generally average production was at a level which only met the immediate needs of his household.<sup>101</sup> In contrast, in the cash cropping activity, a significant part of the agricultural production was placed for sale in the market. Spatially, this activity, unlike wet padi or ladang cultivation which was mainly found in the older Malay settlements or in remote areas, was located in the newly developed areas where there was a demand for certain types of produce, near or alongside roads which enabled the produce to be transported easily and quickly. It was also notable in that it was practised by a sizeable non-Malay group as well as by an immigrant and indigenous Malay one. For all these peasants cash cropping was a recognition of the limitations of subsistence agriculture and an outcome of their search for a new agriculture which could supply them with money returns.

There were two main types of cash cropping activity. One was the cultivation of short-term fruit, vegetable and staple crops such as bananas, yams, coconuts and Indian corn which provided quick and often considerable cash returns. This activity did not require any innovation on the part of the peasant. Minor food crops had formed an important part of the traditional diets of both Malay and non-Malay peasantry in their native lands and it was relatively easy for them to abstain from normal consumption or to grow more to meet the commercial demand. A more drastic change was the specialised monoculture of commercial crops usually unfamiliar to the peasant's experience with the almost exclusive view of sale to a market. During the early years of colonial rule, some peasants had been encouraged by the example of successful plantation development and had dabbled in crops as pepper, tapioca, gambier and tobacco. This cultivation of long-term commercial crops conflicted with the British plan that the peasantry should be primarily engaged in food production.<sup>102</sup>

---

101 Krian was a notable exception where peasants were able to obtain regular padi supluses and sell them.

102 A small minority of officers thought that peasant cash cropping was a healthy development. As early as 1891, the District Officer of Kuala Pilah was advocating that each lembaga be provided with coffee and pepper seedlings for distribution to the peasants. See Report on the Importance of Promoting the Cultivation of Padi, etc., in the Kuala Pilah District of Negri Sembilan, Reports Encouraging the Cultivation of Rice, p. 41.

But the British initially offered little opposition to it, and many officers who preferred to see the peasants concentrate on padi consoled themselves that any form of agricultural development was preferable to no development at all. In the late 1890s, however, the British moved away from their original position of tacit acceptance of peasant cash cropping to one of active denunciation. The change in attitude was prompted by the experience with coffee, the most recent and popular of the cash crops. In the late '80s and early '90s there had been a coffee boom and many peasants had either taken up new land for coffee cultivation or converted their old lands into coffee fields. In 1895 coffee prices began to fall and continued falling over the next few years. The coffee peasants at first neglected their lands, but when no prospect of a coffee price recovery became apparent, many of them abandoned them and migrated. At the same time, there was a decline in the gambier, pepper and tapioca markets, and a similar peasant loss of interest in the three crops.<sup>103</sup> The ailing peasant cash cropping situation had two important effects which will be further discussed. One was to make the activity disreputable in official eyes,<sup>104</sup> and the other was to discourage peasants from trying their hands at the activity.

The only encouraging development in the peasant cash cropping sector was in coconut. The coconut palm had been an ubiquitous feature of the traditional peasant economy in the Peninsula, performing an indispensable role, and regarded by the peasants as being equally important as padi. It had been grown wherever there was settlement, particularly by sedentary agriculturalists and fishermen in neat groves in the interior, or in lazy lines fringing the sea or in isolated stands. During the colonial period the traditional regard held for the palm was greatly enhanced - coconuts were one of the most demanded agricultural products in the local

---

103 Accounts of the peasant withdrawal of interest in coffee are found in AR Selangor 1897, supplement to SGG 15 July 1898, p. 6; AR Kuala Langat 1897, supplement to SGG 23 September 1898; AR Klang 1898, SGG 1899; AR Kuala Langat 1899, SGG 1900; AR Ulu Langat 1899, SGG 1900.

104 For example, it was newly discovered by some officers that coffee was eminently unsuited to Malay peasants and one officer derided the peasants as 'imbued with the idea that coffee trees once stuck in the ground would take care of themselves'. AR Lands, Mines and Surveys FMS 1897.

markets and the sale of coconuts was an important source of money income. As a result there was a considerable expansion in the traditional areas of coconut cultivation.<sup>105</sup>

Coconut was also very popular among many immigrant peasants, but unlike the indigenous peasantry, they tended towards specialised monoculture of the crop. The cultivation among these peasants was given a stimulus by the declining importance of other cash crops, and in the districts where early peasant cash cropping had taken place, the expansion of coconut cultivation at the expense of other crops was very noticeable. The most important area of coconut development, however, was a new area - Lower Perak. The district had initially been viewed by the administration as a second Krian, suitable for large-scale padi colonization. But coconuts quickly became the chief crop. In 1903, of an estimated 20,000 acres alienated mainly in the mukims of Bagan Datoh, Utan Melintang and Sungei Rungkup, about 16,000 acres were given out for coconuts and 4,000 acres for padi.<sup>106</sup> Much of the padi cultivation was a temporary activity indulged in while the peasants were waiting for the coconut trees to bear fruit, and much of the padi area was subsequently converted to coconut land.

In contrast to its attitude towards other peasant cash cropping developments, the administration's attitude towards coconut was distinctly favourable. This was mainly because the crop in no way interfered with the peasant 'food production' plan; although having a commercial value, coconut, like padi, was a major subsistence food whose expanded cultivation was desirable. Most of the efforts by the administration to extend coconut cultivation were directed at Lower Perak where a liberal policy was successful in attracting peasants from the Archipelago and from other parts of the Peninsula. The chief feature of the liberal policy was land - cheap land given out with a minimum of administrative processing. The administration also cut some paths, and lands opened up in this manner were quickly snapped up, in lots two and three deep.<sup>107</sup> The accessibility provided

---

105 In Kuala Kangsar in 1903, for example, there was a total of 6,175 acres under padi and 4,820 acres under coconut. AR Lands, Mines and Surveys FMS 1903.

106 Ibid.

107 MR Lower Perak September 1897, PGG 1898, p. 763. It was estimated that the access paths cost \$500 a mile, a comparatively cheap facility for the government to provide.

was very welcome as it enabled the produce to reach the market quickly. Some waterworks also were constructed, and proved especially useful as Lower Perak was a coastal area and susceptible to flooding. In addition, the administration legislated a general enactment which sought to prevent the spread of coconut pests and established a special service to inspect and advise coconut small-holdings.<sup>108</sup>

### Peasant Forest Economy

A large part of the labour of many peasants in the Federated Malay States was devoted to the gathering of produce from forests. This activity falls outside the strict definition of peasant agriculture. However, it is so much an integral part of the peasant agricultural economy during this time that to ignore it would be to leave a gap in our understanding of the peasant agriculturalist. The Malayan forests cover the great mass of the Peninsula and have been a liability to the inhabitants in several ways. But it was also turned to beneficial use. It was the main natural source of supply for many of the subsistence requirements of the indigenous population, providing food, medicine, fuel and raw materials for the houses, boats, utensils and other products of the indigenous economies. The forest, as a source of food, was especially important to the aborigines to whom foraging in the forest was central to the hunting and collecting economy. It was only slightly less important to the Malay peasants to whom forest food was a supplement to their agricultural production, but was the main ingredient when normal crops failed, as they did frequently.

Not only was the forest well integrated into the indigenous economic system but there also appears to have been a balanced relationship existing between the peasant and the forest. There was only a small indigenous population, and although some of their demands on the forest were excessive, they did little damage to their principal natural resource. In the practice of shifting cultivation, for example, virgin forest was slashed, burned and abandoned when the soil had lost its fertility. But the damage was only a temporary one

---

108 See Enactment for the protection of Coconut Trees from the Ravages of certain Beetles. In 1902 a Federal Inspector was appointed under the enactment. Acting Secretary to RG to Acting BR Negri Sembilan, 10 September 1902, NSSF 3297/02.

and was soon corrected by the natural process of regeneration of the forests. The forest component of the indigenous economic system was to face a different set of forces during the period of colonial rule.

The first was a potentially lethal one which threatened to upset the peasants' traditional equilibrium with the forests. The initial wave of immigrants in the Malay States carved a swathe of destruction through the forests in their endeavours to clear the land for development. Subsequently normal human activity in the mines, plantations, factories, households and other places accelerated the process of denudation of the forests.<sup>109</sup> Most of the early administrators, however, were quite unperturbed by the destruction; on the contrary, they approved of it. The official view on forests was that they were a hindrance to economic development and had to be eradicated in the quickest possible time.<sup>110</sup> The basis for this view was examined earlier - land and forests were plentiful in the Malay States, population was sparse and development was the slogan on the lips of every officer who was worth his salt.

The results of this policy were soon very clear in many parts of the west coast states. Development had been secured but at great cost. Large and ugly scars marred the country, and blukar and lallang thrived where once forests had stood. A large part of the early destruction had taken place in unpopulated areas but, as the pace of development increased, it took a toll of forests on which peasants subsisted. At this point, anxiety began to mount among some officers. It was given a sharp edge from an unexpected quarter. In 1899, the Colonial Office, before consenting to legislation to farm out forest produce rights in Perak, Selangor and Pahang, sought an assurance that the customary rights of the peasants to the produce of forests would be protected.<sup>111</sup> In reply, the Resident-General

---

109 Tin mines and plantations especially consumed large quantities of forest timber and for many years they enjoyed the privilege of free extraction of timber from the state's forests. See BR Perak to RG, 27 February 1899, NSSF 1977/99 for some reference to the privilege.

110 See, for example, Acting BR Negri Sembilan to RG, 20 September 1900, NSSF 3165/00 where the argument was put forward that the state's forest resources were so enormous that free working should be permitted.

111 RG to Acting HC, 16 January 1900, HCOF 117/00.

conceded that many forests had been wilfully destroyed during the process of development. However, he asserted that peasant rights had always been, and would continue to be, safeguarded 'as far as practicable and reasonable'. This correspondence can in no way be regarded as significant; a higher authority queried, the local administration gave a stock reply and the subject was closed. But the fact that the subject was considered at all is indicative of the gradual awakening of official concern for the fate of the forests and of a change in attitude which eventually resulted in the formulation of a rational forest policy.

The second disruptive force was less lethal, but it had no less important consequences for many peasants. In the pre-colonial period the forest had yielded raw material such as camphor, gharu, rattan and gutta percha. These products had an exchange value and their sale had constituted one of the few sources of commercial activity outside the normal scope of the Malay subsistence-oriented economy. But this function of the forest had been relatively unimportant when compared with its function as a source of raw material, consumed directly by the gatherers; it was a small-scale and irregular activity carried out by small specialised groups. In the colonial period commercialized forest activity rapidly grew in importance as the demand for forest produce expanded and the range of economic activities based on the forest increased. The cutting of wood, especially, became a popular and profitable activity. Therefore, whilst the function of the forest as a source of subsistence requirements continued for some peasants, for many others the forest became one of their main sources of non-subsistence livelihood.<sup>112</sup> In this respect the forest can be seen to have fulfilled an important role in the phase of change from the subsistence Malay economy to the commercial colonial one.

A third disruptive force, related to the second, was the over-exploitation of certain forest produce. Initially the colonial administration had regarded the commercial exploitation of the forests

---

112 In some areas, large numbers of aborigines were in this position. In Kuala Langat in 1899 it was reported that more than 1000 Sakai were employed in collecting rattan. AR Kuala Langat 1899, SGG 1900. The collection of forest produce for sale was especially popular among the Pahang Malays. See AR Pahang 1895.

with favour. The grant of forest licences brought revenue to the states' treasuries, and forest products formed an important item of export. However, as the states progressed, the administration experienced difficulty in controlling the numbers of collectors and in limiting the extraction of forest produce. The problem of unlicensed collectors who smuggled produce out of the states was an especially serious one.<sup>113</sup> At the same time the administration began to be concerned at the wasteful and often destructive manner in which valuable resources such as wild rubber and mangrove wood were collected.<sup>114</sup> This was related to a growing realization that the forest could be a profitable asset to the state if it was properly conserved and developed.

For many years, however, the Federated Malay States administration had only a limited vision of what it should do with its forests. The control of forests had originally been in the hands of the district administration. These local administrators, besides having little time to spare, generally had attitudes which were not beneficial to the natural resource. They principally regarded forests as a source of revenue and their forest duties, which consisted of the collection of forest revenue and the administration of the rules regulating forest produce collection and timber cutting, were related to this revenue outlook. In 1898, however, forest departments were established in Perak and Selangor and gave rise to hopes that the administration was charting a new course in its forest policy. Further evidence was the appointment of H.C. Hill, a high-ranking forest officer in the Indian Civil Service, to report on the forest administration of the Federated Malay States.

These signs were, however, misleading as the new concern of the administration for its forests was not very much more enlightened than the past one. The forest departments were established to find out how best the forests could be exploited and had to justify their

---

113 The problem was especially acute in Pahang where attempts at preservation of gutta percha trees were unsuccessful because of the impossibility of supervision over wide areas. Minute by Acting BR Pahang, 18 November 1899 on HC to RG, 3 November 1899, HCOF 1654/00.

114 RG to HC, 16 January 1900, HCOF 119/00. It was to protect the states against this that the decision to farm out forest privileges was made in 1899.

existences by their revenue potential. Due to the lack of financial support for them, the departments were seriously under-staffed and could only pursue limited programmes of forest conservation and development.<sup>115</sup> The narrow and utilitarian nature of the concern is also reflected in the questions on financial and administrative organization directed by the administration to Hill.<sup>116</sup> Although a great part of the report was in response to the administration's specific queries, a few issues which had wider implications were discussed.<sup>117</sup> One was the proposal that a forest enactment be legislated; another was that wide powers be reserved by the government to constitute forest reserves; a third referred to peasants' rights in the forests and the need to protect them;<sup>118</sup> finally, there was the recommendation that the forest departments be expanded. Together, these aspects of the report could have been the foundations of a policy which could safeguard from further disruption the peasants' traditional relationship with the forest, but this was not to be. Although Hill's report was generally well accepted by the administration, it was many more years before the recommendations were effectively implemented. During this period no forest enactment was passed, forest reservation proceeded very slowly, forest departments remained small and innocuous, and forests continued to be denuded with little thought for the future.

The picture which emerges of peasant agriculture during this time shows little change from that during the residential period. It was a vague picture of advances in some directions, stagnation or

- 115 In 1900 Perak had one forest officer, two assistant officers and a field staff of 76 foresters and forest rangers to care for 6,550 square miles of forests. Selangor had two officers and a staff of 21 spread over 3,200 square miles. Negri Sembilan and Pahang did not have forest departments.
- 116 Brief notes and queries for H.C. Hill, by Acting RG, undated, HCOF 782/00.
- 117 Report on the Present System of Forest Administration in the FMS with Suggestions for the Future Management of the Forests of those States by H.C. Hill (Kuala Lumpur, 1900), HCOF 1428/00.
- 118 Hill suggested that reservation provisions be made for the aboriginal tribes living in forests to enable them to continue their nomadic mode of life. Ibid., p. 2. He also briefly referred to the right of the Malays to free use of the forest. Ibid., p. 9.



retreat in others, with contours imprecisely sketched and often changing. This variability resulted from the total environment: the Federated Malay States was still very much a frontier territory, characterised by impermanency, mobility and diversity. These characteristics were most apparent in the nature of the peasant population. A core of settled peasants existed, but the greater part consisted of large numbers of restless people in search of elusive fortunes.<sup>119</sup> They were reflected in the patterns of agriculture which emerged; in the rapidity with which different types of crops were adopted and rejected; in the spatial instability.<sup>120</sup>

These characteristics had been viewed by the administration with dismay but there were valid reasons why they were present. Impermanency was suited to peasants who had no long-term stake; diversity was necessary because there was no outstandingly profitable agriculture; mobility was a product of the competition among various forms of economic activities. Unwittingly too, perhaps, the administration was partially responsible for these characteristics. The liberal policy on land, the principal frontier resource, facilitated the movement of peasants and enabled them to pursue several crop options more than if they were restricted to a limited amount of land, all already planted up. But, more than any other reason, these characteristics were derived from the raw wilderness of

---

119 See, for instance the following remarks: 'Year after year the small Malay holder is wiped out of the rent-roll, having abandoned his land and left but still others take their place, but none of them ever seem to stay for long'. AR Ulu Langat 1901, supplement to SGG 22 August 1902. See also AR Ulu Langat 1899; AR's Kuala Selangor and Klang 1902, supplements to SGG 24 July 1903; MR Kuantan, August 1898, Phg.GG 1898, pp. 357-8 for similar remarks on peasant movement.

120 Selangor's peasant agriculture is a prime example of this. After the chastening coffee experience most of the new alienations were planted with fruit trees, coconuts, yams, gambier and other crops. See AR Klang 1901, supplement to SGG 22 August 1902; AR Klang 1900, supplement to SGG 14 June 1901; AR Kuala Langar 1899, SGG 1900.

121 See, for example, Kuala Lipis where peasants initially planted padi, switched to ladang cultivation when a drought affected the area and finally took out mining licences when the crops failed. AR Lands, Mines and Surveys FMS 1902.

the Malay States, where agricultural activity was often a harsh struggle for survival, and where men had not yet conquered their environment.<sup>122</sup>

---

122 Several indications of this are available from official reports. In Ulu Pahang in 1898, a drought wiped out the padi crop, brought about widespread semi-starvation and led the DO to warn that the failure of the new crop would bring many other peasants 'face to face with actual starvation'. MR Ulu Pahang, July and August 1898, Phg.GG 1898, p. 344. In Kuala Kangsar a crop failure in 1897 resulted in many peasants being 'sorely put ... even to obtain regular food of the poorest description'. AR Lands, Mines and Surveys FMS 1898.

CHAPTER IIITHE COMING OF RUBBER AND THE END OF UNCERTAINTY, 1905-12Political Consolidation and Economic Growth

THE period 1905-1912 appears on first sight an insignificant one in the political history of the Malay Peninsula. Broadly, it was a period of further consolidation for the colonial régime after the take-over of Perak in 1874; an unobtrusive period. But it was also one which tied more firmly the Malay Peninsula to the British imperial yoke. During the early period the British administration had encountered only marginal resistance to its efforts to assert its authority over the country and fewer difficulties than had been expected had arisen over the actual imposition of colonial rule. More contentious was the question of what form the colonial hegemony was to assume, and in the British efforts to find the answers emerged the different constitutional entities in the Peninsula. The Straits Settlements was one early answer, and here the administration had every reason to be satisfied, for the Settlements had prospered. The Malay States of Perak, Selangor, Negri Sembilan and Pahang initially, under the administration of the Residents and then under the federation, was a later creation, and here too, the political sketching had been brilliant. In the south, in Johore, the Sultan and the British were manoeuvring themselves into a mutually beneficial position which both parties were eager not to upset. It was only in the north that the British faced a trickier situation. There was a tangle of Siamese claims in the Malay states of Kedah, Kelantan and Trengganu to unravel and the slight but perceptible shadow of other European powers in the area to contend with. But even here, despite the cautious approach, there was little doubt of the impending raising of the British flag; it was only a matter of time.

Whilst the individual regularization of the colonial position in these four entities - the already functioning Straits Settlements, the Federated Malay States and Johore and the nascent Unfederated Malay States - comprised one set of material for the British political draughtsman, the ranking of these entities in the ultimate colony of a unitary British Malaya and, by implication, of the authorities controlling them, was another. The problem was

especially complicated for the Straits Settlements and the Federated Malay States, where powerful personalities in each area schemed for the box seat in the new setting. In the latter area the initial excitement of the political federation in 1895 had been followed by a quieter period during which the reins of authority were transferred from the individual Residents and state administrations to the Resident-General and the federal offices, and most of the key functions of administration were soon being directed from Kuala Lumpur.<sup>1</sup> This process of political centralization had been master-minded by Frank Swettenham, Resident-General from 1895 to 1900, who, through sheer force of personality and frequent reference to his extraordinary record of experience, was able to overshadow the Governor of the Straits Settlements to whom he was theoretically a subordinate. In 1901, Swettenham became Governor but he continued to crack the whip over the Malay States from the stage which he had previously decried as inadequate. Swettenham, however, departed in 1903 and his exit signalled the start of a struggle between Taylor, the new Resident-General and John Anderson, the new Governor, with the former bent on recapturing the former independence that the Resident-General had enjoyed in the Malay States, and the latter intent on preventing this and on consolidating his own authority. By 1910, though the battle was by no means over, it was clear from the establishment of the Federal Council with the Governor as its President, and the passing of the Chief Secretary Enactment which redefined and reduced the Resident-General's position, that the early honours had gone to the Governor.

The power struggle, however, did not interfere with the economic development of the Malay States. This was fortunate for the colonial administration because the period was in many ways crucial in shaping the economy. The past thirty years had seen the growth of the mining, plantation and urban enclaves, and the development of a commercial economy. But the transition from a traditional self-subsisting economy to a relatively modern one was still far from

---

1 The transfer of authority can be seen in the decline of state legislation and the corresponding increase in federal legislation. From 1900 to 1909 an average of 18 enactments was passed by the State Councils annually. From 1910 to 1925 an average of about one a year was passed. FCP Appendix 37 of 13 December 1926, C633.

being accomplished, and it was only over these next few years that some vital ingredients were added which made the change-over decisive and irreversible, and gave the colonial economy its characteristic structure which was to persist for the next half century.

The first of these ingredients was population. A prime concern of the administration had been the stimulation of the growth of the population of the Malay States. The 1891 and 1901 censuses had borne evidence of the early success and the 1911 census found a continuation of this. In 1911 there was a total population of 1,036,999, an increase of 358,404 or 52.82 per cent since the census of 1901. All the main races recorded increases, but by far the most gratifying one, in the administration's view, was that of the Indian population which tripled in the ten years between 1901 and 1911. The earlier increases had been in the Chinese and Malay populations but the British had long wanted an Indian influx to supply the states with the labour necessary to turn it into an agricultural colony. This was finally realised. Whilst the linear growth of population had been achieved early, the administration had not been able to gauge whether the growth was a transient or permanent one. Some officials had feared that the population was of an unstable nature which could endanger British plans of long-term development. This uneasiness was, however, dispelled by various demographic developments during this period. The 1911 census confirmed that the Federated Malay States was a stable domicile for many people and found that there was an increasing tendency to permanent settlement. Despite the remarkable increase in immigrants from the islands of the Archipelago, fully 81 per cent of the 420,840 Malays, for example, was classified as 'indigenous'. Of the Chinese population which had previously been regarded as a transient one, the census found in the increase in the number of females, in the more balanced structure of the age group and in the increase in the number of families, evidence of a small but growing number of permanent settlers. This feature of an increasingly stable non-Malay population was to become more pronounced much later on, but its modest appearance at this time provides a significant portent.<sup>2</sup>

---

2 For further figures of the racial composition of the population, see Appendix 1.4 and 1.5.

While these demographic developments were unfolding, important structural changes were taking place in the tin industry, the major prop of the economy. For many years the industry had been dominated by Chinese miners who possessed the labour resources and financial organization to operate successfully in the pioneer conditions. By the beginning of the twentieth century, however, the advantages which had given the Chinese a commanding edge over their European counterparts became less marked. Labour became scarcer and more expensive, partly because of the greater mobility of the labour force and partly because of competition from the plantation rubber industry. At the same time the rich surface deposits which suited the Chinese labour-intensive mining methods, began to peter out and new government fiscal and mining policies adversely affected the Chinese miners.<sup>3</sup> These changing conditions coincided with and lent themselves to the large-scale influx of western mining enterprise which, because of its superior technology and capitalization, soon began to contribute a substantial and growing share to the tin production. Therefore, whereas a decade earlier Western miners produced a negligible amount of tin, in 1910 they accounted for 23 per cent of the 43,149 tons produced in the Federated Malay States.

But the growth of western mining enterprise did not have a significant impact on overall tin production. It has been mentioned that the tin industry had made a strong recovery from the depression conditions of the 1890s and had reached a record production in 1905 when 50,992 tons were exported. This proved to be its zenith for a long time, and in fact, production declined marginally during the period.<sup>4</sup> This disappointing performance confirmed the general suspicion that the Malay States was not one vast tin field after all. In the early euphoric days, some officers had been optimistic that there were many new fields which awaited discovery but the recent opening up of the country had shown them to be wrong. In Selangor and particularly in Negri Sembilan, no new important tin finds replaced the old depleted fields, and production slumped noticeably.

---

3 A discussion of the causes of decline in Chinese mining activity and the growth of Western mining activity can be found in Wong Lin Ken, Malayan Tin Industry, pp. 216-227.

4 See Appendix 3.1.

Pahang, on which the administration had placed so much hope, was a greater blow as it turned out to be largely non-stanniferous, with small tin pockets which were a pale comparison of the rich Perak and Selangor ones.

These developments in the industry did not affect the position of tin as the most prolific money earner and the foremost contributor to government revenues. But tin, especially after 1910, no longer had claim to being the sole prop<sup>5</sup> of the economy. This was due to the arrival of the long-awaited and much-heralded agricultural boom. The timing of the agricultural boom was fortunate as it began to take off when mining development had simmered down from its own boom conditions in the 1890s to a predictable and steady pace. The effects resulting from tin development were shown to be substantial. But, in terms of general development, that from the agricultural boom was even greater. Whereas mining tended to an 'introverted' economic activity pursued by the Chinese community and bearing marginally on the rest of the population, agricultural development affected virtually all communities. Also, whereas mining involved utilization of small areas of land, agriculture occupied enormous areas. Again, although mining had brought in substantial revenues, its benefits had mainly accrued to a small group of capitalists and to the administration which ploughed a large part of the profits back into further services for the industry. Agriculture was to bring in much greater revenues to a far greater number of people and its profits were spread over a wider field. Finally, it was this additional prop of agriculture which enabled the momentum of development in the colonial economy begun by tin activity to be sustained.

The agricultural boom was brought about by a single crop - rubber. It was mentioned earlier that pioneering work on the plant had begun in government agricultural stations in the 1880s but that there had been a delay in its introduction because it was considered a subordinate crop to coffee in which heavy capital had been

---

5 In 1905 when the total FMS revenue was \$23,964,593, the revenue from tin duty amounted to \$9,253,361. In 1912 the total FMS revenue had almost doubled to \$42,647,687. The revenue from tin duty, however, had only increased slightly to \$10,850,105 so that its share of the total revenue dropped from 38.6% in 1905 to 25.44% in 1912. See Appendix 2.3.

invested.<sup>6</sup> By 1902, however, there was no longer any dispute over the relative merits of the two crops; rubber had passed the experimental stage but, more important, it had clearly established its superior profitability and potential. Rubber prices had risen steadily as the demand outstripped the production capacity of the few sources of supply;<sup>7</sup> that of coffee had failed to recover after its disastrous crash in the 1890s. Over the next few years, the plantation rubber rush began in earnest. There was frenetic activity as planters, speculators, adventurers and an assortment of other people, bitten by the rubber bug, flooded the western states, buying and selling land, planting new fields and converting old ones.<sup>8</sup> In five hectic years between 1905 and 1909, the acreage of rubber planted in the Federated Malay States increased sevenfold, and at the end of 1909 there was a total of 377 estates with a combined area of half a million acres.<sup>9</sup> Never before in the history of tropical primary products had there been anything to match this; and by any other contemporary criteria,

---

6 This was particularly true of Selangor where coffee development was most advanced. There was a less difficult switch to rubber in Perak and Negri Sembilan where many of the estates were opened up more recently and therefore less committed to a single crop.

7 The average price of rubber imported into Britain rose from 2s.3d. per lb. in 1901 to 3s.0d. in 1905. A list of the London yearly average natural rubber prices for the period can be found in Lim Chong Yah, Economic Development of Modern Malaya (Kuala Lumpur, 1967) Appendix 3.1, p. 323.

8 The scramble for rubber also left its mark on the administration. A circular warning against participation by officers in rubber speculation was issued in 1907 but had little effect. In view of the large number of officers involved and the consequent lowering of the morale of the service the Colonial Office called for stronger measures from the local administration. HC to SS, (Conf.) 19 April 1910, CO 273/361/14559.

9 The figures below show the increase in the rubber acreage in the four states and indicate that the thrust of development took place in the west coast states.

	<u>1905</u>	<u>1906</u>	<u>1907</u>	<u>1908</u>	<u>1909</u>
Perak	11,934	29,612	46,167	56,706	68,278
Selangor	25,758	44,821	61,552	82,246	93,953
Negri Sembilan	5,718	10,663	17,656	27,305	31,945
Pahang	<u>15</u>	<u>483</u>	<u>860</u>	<u>1,791</u>	<u>2,877</u>
Total	<u>43,425</u>	<u>85,579</u>	<u>126,235</u>	<u>168,048</u>	<u>196,953</u>

Source: AR Director of Agriculture 1906-09.



this scale of economic operations was impressive.

Much of the initiative for the early growth of the plantation industry came from the administration, which, initially, had been preoccupied with coffee, but had moved quickly to champion rubber once the collapse of coffee seemed confirmed. The official initiative can be seen in the handling of land, capital, and labour, the three prerequisites of plantation development. In land, the government had persisted with its cheap land policy, and although two upward adjustments of land rents and premium were made between 1904 and 1906 to bring prices nearer to actual market values,<sup>10</sup> the new land rates were still much less than what the government was entitled to. Furthermore, the new rates, by being arranged on a progressive scale, actually benefited many planters by burdening them least during the first years of cultivation and heavy costs. Another important facility was the establishment of a Planters Loan Fund which made large amounts of capital cheaply and easily available. The fund was set up in 1904 to assist planters who, because of the coffee collapse, found themselves with insufficient funds to plant rubber, but it soon became widely accessible to many other planters and enabled them to see through the difficult early period of development.<sup>11</sup> The administration also extended the construction of drainage works,

---

10 By the 1906 land terms, the quit rent on agricultural land over 10 acres in the western states was fixed at \$1 per acre per annum, rising to \$3 or \$4 depending on its class after some years. See HC to SS, Desp. 28 of 17 January 1906, CO 273/320.

Cheaper land was available to planters in the form of lallang land. For such land, quit rent was fixed at \$1 per acre for the first seven years and thereafter at \$1 per acre. No premium was levied. The offer was first made in Negri Sembilan in 1904 and extended to the other states in 1905. RG to HC, 24 February 1906, HCOF 269/06.

11 Among some of the loans given out by the government were \$30,250 to Sungei Kapar Estate, HCOF 2306/04; \$35,000 to Uganda and Kent Estates, HCOF 565/05; \$36,000 to Kuala Kangsar Plantations, HCOF 1085/05; \$20,000 to Golconda Estate Rubber Co., HCOF 174/07; \$100,000 to Cumberland and Co., HCOF 289/07; \$100,000 to Jugra Estate Ltd., HCOF 310/07; \$20,000 to Sungei Serdang Estate, HCOF 506/07; \$75,000 to Sengali Estate Kinta, HCOF 547/07. Details of other loans can be found in HCOF 1071/07; 1072/07; 1564/07; 1606/07; 1887/07; 233/08; 234/08; 264/08. It was estimated that more than \$3 million had been made out to planters, mainly Westerners, by 1914. FCP 3 November 1914, B10. Working details of the Planters Loan Fund can be found in HCOF 779/08.

anti-malarial projects, roads, railways and bridges and other works that strengthened the physical infrastructure of the plantation economy. Finally, in 1908, it established an Immigration Fund which financed the large-scale importation of Indian labour and went a long way towards alleviating the chronic labour problems plaguing the plantations. This decisive government response enabled planters to seize the moment and capitalize on the turn of events that made rubber one of the most demanded commodities in the industrial world, and was the main reason for the smoothness of the take-off stage of the plantation rubber industry.

The administration's faith in the industry soon began to pay dividends. In the period after 1908, many plantations came into bearing and the rubber production doubled itself every year between 1908 and 1912.<sup>12</sup> At the same time, rubber prices stabilised at a high level, making the cultivation immensely profitable.<sup>13</sup> British investors and speculators had been among the first to appreciate the profit potential of the industry and had poured large sums into rubber companies, especially floated to invest in the Malay States, and they obtained returns which were quite outstanding in the history

- 12 The figures below are of net rubber exports from the FMS during the period 1905 to 1912. They do not agree with the figures given by the Commissioner of Trade and Customs nor do they match the sum of exports given out by the individual states, and should therefore be regarded as approximations. (Figures are in tons).

	<u>Selangor</u>	<u>Perak</u>	<u>Negri Sembilan</u>	<u>Pahang</u>	<u>Total</u>
1905					104
1906					432
1907					905
1908	941	196	263	-	1,402
1909	1,875	427	390	-	2,698
1910	3,663	1,127	634	3	5,439
1911	4,682	2,480	1,614	17	8,792
1912	7,998	4,674	2,782	52	15,638

Source: (a) AR RG 1905-10  
(b) AR CS 1911-12

- 13 Rubber prices had made an upward spurt in late 1909 and early 1910 and reached a peak of 12s. per lb. Although this fell to 4s.9d. per lb. in October 1910, this price was estimated to be still four times the average cost of production. AR FMS 1909; 1910. In Perak the value of rubber exports increased from \$2,430,755 in 1909 to \$7,733,485 in 1910. AR Perak 1910.

of modern capitalistic agricultural investment. In 1912, for example, sixty rubber companies in the Federated Malay States, at a time when rubber prices had peaked off, paid an average dividend of 68 per cent; the lowest being a satisfactory twenty per cent and the highest an astounding 275.50 per cent.<sup>14</sup> In that year there was an estimated 399,197 acres cultivated with rubber in plantations chiefly in the west coast states and many hundreds of thousands of acres were in the process of being opened up. This was indeed one of the proudest moments for the colonial administration which, since its earliest days, had striven to convert the Malay States into an agricultural colony where British capital and enterprise could be profitably invested.

#### Peasant Response to Rubber

It was inevitable that the expansion in plantation agriculture should have an impact on peasant agriculture. The initial impact, however, was an indirect one and took two forms. One was the numerous employment opportunities available to peasants as large-scale plantation development took place. It was noted earlier that the growth of mining, commerce and the expansion of public services had led to an increased demand for labour and that the bulk of this was

14 C.E. Akers, Report of the Rubber Industry of the Orient (London, 1912) pp. 25-6. This extraordinary profitability is confirmed by other authorities. In 1912, six rubber companies chosen at random in Selangor were found to have paid dividends of 175%, 100%, 30%, 30%, 325% and 55%. BR Selangor to Chief Secretary FMS (CS) 25 March 1912, SSF 356/12. The most detailed statistics are provided by D.M. Figart and are reproduced below. These statistics were derived from the reports of companies, mainly Malayan, chosen at random.

Year	No. of Companies	Issued Capital £	Dividends		No. of Companies Paying Divs.
			Total £	Per Cent of Capital	
1909	17	1,579,500	493,771	31	17
1910	27	2,295,944	1,059,352	46	26
1911	30	3,764,068	1,128,178	30	30
1912	37	4,327,759	1,231,832	28	37

Source: D.M. Figart, The Plantation Rubber Industry in the Middle East, U.S. Dept. of Commerce, Trade Promotion Series No. 2, Crude Rubber Survey (Washington, 1925) p. 93.

supplied by Chinese and Indian, and to a smaller extent, Malaysian immigrants. The great majority of the Malay peasantry had, however, been preoccupied with their own lands and had generally stood aside from these unfamiliar activities. But the opening up of plantations provided work which was more palatable, and increasing numbers of Malay peasants sought employment, especially on short-term contracts such as forest felling and timber removal which did not involve permanent collision with their traditional way of life. The administration approved of the peasant response as it saw in this a prospect of thousands of peasants employed on the estates, contributing a cheap and convenient labour supply.<sup>15</sup>

Another response brought very much less satisfaction to the administration. Until about 1905, the peasants, with the exception of some who were able to take advantage of the demand for mining land, generally had been inactive in their land dealings. Land was used to grow crops to feed the family and was less thought of as a commercial proposition. After 1905, however, this attitude changed. Numerous land brokers scoured the countryside, trafficking in land, and many peasants were approached and persuaded to sell.<sup>16</sup> Some of these sales were by peasant immigrants who had obtained lands with the intention of disposing of them and making quick fortunes. Other land sales, however, were by long-established peasants who sold their traditional fields of kampong and padi. Both these peasant land-selling activities appear to be based on rational economic reasons. There was a madness in the air and this was one way, perhaps the best way, to capitalize on it. No one could foresee how long the rubber bubble would last, and it appeared more sensible to sell the lands immediately and make something than to sit and lose out. These sales, however, came under strong criticism from the administration, which

---

15 Birch, for one, thought that plantation activity was well-suited to the Malay temperament. AR Perak 1905.

16 For accounts of peasant land sales to planters, see MR Klang, August and October 1909, SSF 576/09; MR Ulu Langat, April 1909, SSF 633/09.

saw its plans of a settled peasantry threatened,<sup>17</sup> and various officers began taking steps to correct this. Their efforts culminated in the passing of the Malay Reservations Enactment in 1913. This measure, which was to have a great influence on the course of the development of the peasantry, will be discussed later.

A direct peasant participation in rubber cultivation was not slow in coming. It is difficult to pinpoint exactly when large numbers of peasants began planting the crop. The administration in the flush of plantation success had paid only cursory attention to the peasant sector, and obviously the peasant activity varied from area to area. Among some of the earliest accounts was one from Lower Perak in 1898 which described peasant gutta rambong holdings and methods of cultivation.<sup>18</sup> Another early report came from Raub in Pahang where it was said immigrant Malays had planted large areas of rambong rubber by importing stumps and seeds from Selangor.<sup>19</sup> In Negri Sembilan the first signs of interest in rubber was in the coast and Seremban districts in 1906 when 4,500 acres were alienated to Malay and Chinese peasants who intended to plant rubber.<sup>20</sup> The year

---

17 See, for example, AR Perak 1909; AR Negri Sembilan 1912; Negri Sembilan SCM 21 May 1912, SSF 4962/12; 5853/12. At the district level see SSF 2627/10 where the District Officer charged the penghulu of Kajang, who had arranged the sale of peasant Malay land to a capitalist, with dereliction of duty. See also MR Kuala Selangor, February 1911, SSF 1158/11 where the District Officer referred to the practice of Europeans dispossessing native land owners by buying up their lands as a 'highly objectionable one' and thought that the only remedy was the good sense of the native to see that this was against his best interests.

18 MR Lower Perak, September 1898, PGG 1898, p. 764. Gutta rambong (Ficus Elastica), variety of rubber producing tree, underwent a long period of trial before losing its place to the Para rubber tree (Hevea Brasiliensis). Interest in gutta rambong reached its peak in 1900 when more than 52,000 trees were planted in Selangor alone but it almost completely died out by 1909. The reason for this was the resin in the rubber produced by the tree which reduced its elasticity. I.H. Burkill, A Dictionary of Economic Products of the Malay Peninsula, 2 vols. (London, 1935) pp. 1007-08.

19 AR Pahang 1906. Meanwhile, however, the great majority of the peasantry in Pahang were devoting their energies to padi and coconut.

20 AR Negri Sembilan 1906.

of take-off for peasant rubber cultivation in the west coast states, however, from the available information can be regarded as 1909.<sup>21</sup> In that year, in Selangor, the rubber craze was said to have permeated all classes of cultivators, including those holding land on temporary licences in which cultivation of a permanent nature, including rubber cultivation, was prohibited and it was observed that there was hardly a garden or orchard which did not contain some rubber trees.<sup>22</sup> In Perak the 1909 Annual Report, in a similar vein, spoke of the 'wonderful strides' made in rubber development and of the participation of all nationalities in it, and uncharacteristically contained an excerpt which defended the peasant activity against criticism. In Negri Sembilan it was estimated that there was an increase of 6,799 smallholdings, mostly rubber, between 1908 and 1910, and the tree was being planted not only on new land but also in old established tapioca and gambier lands.<sup>23</sup>

This dating of the beginnings of large-scale peasant rubber cultivation in 1909 puts the peasant development four years behind the plantation one. The slower development was due to several causes. Firstly, it was because many cash crop oriented peasants who would normally have jumped at the opportunity of growing a profitable crop required time to recover from the coffee disaster, while others engaged in coconut, padi or similar subsistence cultivation did not have the resources to plant rubber immediately. A second reason was the wave of peasant land sales during the plantation rush and the engagement of many peasants in estate work.

---

21 The material consulted on this point were the AR's of the states, files from the High Commissioner's Office, the Selangor Secretariat and the Negri Sembilan Secretariat and reports of the Department of Agriculture.

22 AR Selangor 1909.

23 The figures below show the distribution and growth of peasant holdings in Negri Sembilan between 1908 and 1910.

	<u>1908</u>	<u>1909</u>	<u>1910</u>
Seremban	3,503 holdings	3,564	3,989
Coast	1,563	1,644	1,920
Kuala Pilah	10,670	11,479	13,056
Tampin	6,054	7,634	9,305
Jelevu	2,228	2,324	2,543

Source: AR Negri Sembilan 1910.

These reasons, however, were not the only ones to explain the delay in peasant rubber development. A crucial one was the unfavourable and frequently hostile stand taken by the administration against it. For years, many officials, including the highest ranking ones, considered rubber as an unsuitable cultivation for the peasantry, particularly for the indigenous peasantry, and they erected formidable barriers to discourage peasant rubber cultivation and prevent its spread.

The early history of peasant rubber cultivation is a struggle against great odds. At the beginning of the century the administration had actively pursued a policy designed to establish the rubber tree as a plantation plant. In the government agricultural stations, research was conducted with the specific purpose of discovering its potential as a plantation crop and Ridley, the man behind the early rubber work in the Peninsula, went to extraordinary lengths to persuade the plantations to use his results. The subsequent orientation of research after rubber was confirmed as a cash crop of great promise - research on planting methods, tapping implements, cultivation régimes, disease control - all were geared towards the plantation.<sup>24</sup> In contrast to this policy the administration showed a blatant disregard for the extension of its rubber efforts into the peasant sector. At no time was rubber research conducted with a view to its use by peasants and little attempt was made to communicate the results of the early research to the peasants. Consequently, many peasants went astray in their choice of rubber varieties and cultivation methods. Early peasant knowledge of the plant was painfully gathered; through emulation, through trial and error, and it is both a tribute to the strength of the rubber trees and to the resourcefulness of the peasantry that the cultivation was mastered by so many peasants.

Credit provision was another area in which the administration's benevolent treatment of the plantation industry contrasted with its uncompromising attitude towards peasants. Rubber produced returns only four or five years after initial planting so that its cultivators had

---

24 Besides his forays into the estates, Ridley was for many years editor of the Agricultural Bulletin of the Malay Peninsula and then of the Agricultural series of Bulletins of the Straits and FMS and published a series of important articles covering a wide field of rubber research. These articles were mainly directed at the European planter.

a great need for credit assistance. This was recognised by the administration but whereas it met the needs of the plantation industry it ignored peasant needs because it believed that the latter were bad creditors. This dim view of peasants might have been true of padi cultivators, but it was not necessarily true of rubber cultivators and a peasant rubber credit policy could have considerably eased the difficulties facing many peasants, besides enabling others to participate in the industry. It should also be pointed out that the plantation industry was not an entirely safe credit risk. In 1908, for example, the Resident-General admitted that the Planters Loan Fund provided the means for 'miners, traders, officials and professional men to speculate...in rubber with the knowledge that if the speculations turned out badly the public funds would mainly suffer'.<sup>25</sup> But this knowledge did not deter the administration from continuing to commit large amounts of credit for plantation development.

It is possible that the plantation bias of the government's rubber development efforts was not linked with any deliberate policy which aimed at depriving the peasant sector. But other policies were devised to prevent the spread of peasant rubber enterprise, and even to cripple it. One such policy made use of the considerable powers that the administration wielded in the sphere of land. When the first mukim registers were introduced in 1891, they contained columns which described the nature of cultivation. These cultivation entries were duplicated in the land titles issued to the applicant and appear to have been inserted as an administrative record of the land-use intended at the time of alienation. They often also specified certain forms of cultivation to encourage products regarded as desirable by the administration. On other occasions they merely contained the condition that a certain proportion of land was to be permanently planted and appear to have been inserted to check the practice of shifting cultivation. Despite such specific entries as '60 coconuts, 4 mangosteens' and '2 durians, 10 coconuts, 9 mangosteens', it does not appear that the administration intended to rigidly control the

---

25 RG to HC, 18 October 1908, HCOF 779/08. See also memorandum by Secretary to HC, 11 May 1908, and his observations that the object of the loan fund was being lost sight of. Ibid.



type of cultivation and generally all forms were permitted so long as it had an acknowledged economic value.<sup>26</sup>

When rubber planting became popular with the peasantry, the administration, in an attempt to prevent its spread, replaced its previous casual interpretation of the cultivation condition with a more rigid one. The first use of the cultivation condition to discourage peasant rubber cultivation was, however, a by-product of a different campaign. In 1910, the District Officer of Ulu Langat submitted to the government a memorandum describing the sale of Malay peasant lands to planters and forwarded various proposals to put a stop to a process he considered disastrous to British plans for a settled peasantry.<sup>27</sup> One of these proposals entailed land applications to be endorsed with a 'no-rubber condition'. The District Officer reasoned that since peasant rubber lands were most vulnerable to sale, the imposition of such a condition would discourage potential purchasers who would not be able to carry out the intended cultivation. This proposal was approved by the Secretariat and was soon implemented in several districts.<sup>28</sup> Besides this reason for the imposition of the 'no-rubber' condition - the forestalling of peasant land dispossession - it was also intended to channel the peasants' enterprise towards crops other than rubber which were considered as more suitable for the peasantry. To encourage padi, kampong and coconut cultivation, therefore, the administration imposed a higher rental on rubber land and permitted a lower one on land which carried a 'no-rubber' condition.<sup>29</sup>

---

26 In the 1906 instructions to land officers, the government reminded of the need to insert a condition which required the occupant 'to plant yearly for five years and thereafter to maintain in good condition not less than five trees to the acre of any indigenous plant, any rubber bearing or cotton bearing tree'. Circular No. 13, 10 May 1906, 'Land Administration in Perak'. Perak Circulars 1885-1906, pp. 60-1.

27 Memorandum on 'The absorption by large Land Owners and Estates of native (Malay) holdings', by R. Clayton, 28 July 1910, SSF 3170/10.

28 In Jebebu, for example, ordinary land applications were endorsed with a 'no-rubber' special condition. AR Jebebu 1910 in DO Jebebu to SR Negri Sembilan, 23 February 1911, NSSF 486/11.

29 Some examples from Selangor are found in SSF 2551/10; 5936/11; 16/12; 3301/12; 3776/12; 4078/12; 4659/12.

Various attempts were made by officials to rationalise their hostility towards peasant rubber cultivation. The following was one:

The ghosts of coffee and tapioca are still in every mukim in the shapes of abandoned patches waving their warning blades of lalang. Moreover one cannot but feel that, whatever be the future price of rubber the danger to the industry in the Peninsula will be very great when the large estates are surrounded by patches of native grown rubber, ill-kept as, in the absence of any special legislation on the lines of that for the planting of coconut trees, the majority are likely to be. Clean weeding will only appeal in theory to the average raiat. Any infectious diseases that may come will almost certainly find its source in a native kampong.<sup>30</sup>

The charge that peasant cultivators had been responsible for lalang wastes contained some substance but the insinuation that they had a monopoly of bad husbandry must be rejected. In fact, it was the activities of planters and miners in the Malay States which had been mainly responsible for the expanses of devastated forest land. As to the second allegation - that peasant holdings were breeding grounds for diseases - it must also be rejected, at least during this period, as a gross generalization not borne out by facts. Not only was it untrue but, as will be explained later, it was based on a misconception of what sound rubber husbandry entailed. The motive of the writer in raising these spectres was, however, clear: it was to protect the plantation industry from being contaminated by its poor peasant cousins.

Such an attitude was not exceptional and prevailed among many officials who were convinced of the undesirability of peasant rubber cultivation. There were exceptions, perhaps the most notable of whom was Birch, who defended the rights of the peasant to participate in the rubber boom in some memorable lines in the Perak Annual Report of 1909. Birch criticised the theory that peasant holdings were hot-houses of disease as being so one-sided that they might have been written by a planter, and pointed out that the coffee blight had originated from the estates and not from peasant lands. On the question of Malay rubber cultivation, which many officials were opposed to, he took the enlightened stand that if rubber 'makes

---

30 AR Perak 1909.

him rich and makes him happy, I, as one of his friends look on in perfect compliance'. But Birch and the officers who were able to think clearly on the issue, also shared the misgivings of their fellow officers when the peasant rubber cultivation interfered with the cultivation of padi. The latter was regarded by the colonial administration as the most suitable cultivation for the peasantry and the country and any activity which diverted interest away from it was looked on with disapproval. Birch, in the same breath, was able to remark that it was 'a matter of congratulations that Malays are as apathetic as they are and distrustful of changes otherwise little padi would be grown'.

Although peasant rubber development was generally an uphill struggle against an unsympathetic government, there were exceptions. One in Negri Sembilan, was due to the initiative of a local chief, the Dato of Johol. In 1906 the Dato proposed that his anak buah be alienated land rent-free during the first five years to plant rubber and he forwarded a list of 417 prospective participants.<sup>31</sup> The administration rejected the suggestion of total rent remission but agreed to charge low rents and provided a loan of \$300 to purchase seeds and plants. The scheme made rapid progress and was commended as a sound one. Such initiative on the part of the Malay leadership and co-operation from the administration was quite unusual and there is no indication that similar schemes took place. Another exception was a result of a missionary project which recruited peasants from Foochow and Fukien for an agricultural settlement in the Malay States. The first batch of 363 peasant families reached the site, an undeveloped tract of jungle in Sitiawan, in 1903, and within two years, had opened up 1,600 acres with government assistance.<sup>32</sup> It had originally been planned to establish a padi colony but the settlers had taken to rubber from the start, and by 1905 had planted more than 40,000 trees, making Sitiawan one of the centres of early peasant rubber cultivation in the Peninsula. These instances were more the

---

31 DO Kuala Pilah to SR Negri Sembilan, 1 November 1905, NSSF 4986/05. Details of the progress of the scheme are obtainable from AR's Kuala Pilah 1906 and 1907, supplements to NSGG 23 August 1907 and NSGG 2 October 1910.

32 Some account of the early development of the settlement is provided in AR's Lower Perak 1904 and 1905, supplements to PGG 8 September 1905 and PGG 5 October 1906.

outcome of unusual circumstances than of established official policy and, for the most part, peasant rubber activity was unplanned and unassisted. Notwithstanding this, by 1912 peasant rubber cultivation was already well established and on its way to being the dominant peasant economic activity.

#### Other Peasant Agriculture

The peasant development of rubber meant that less attention was devoted to other crops, but it must be stressed that the cultivation of rubber was not entirely exclusive of other crops. Many peasants, especially those with newly acquired tracts of land, grew rubber solely but in the great majority of cases rubber was cultivated with other crops. Therefore, at about the same time that interest in rubber was sweeping the country, coconut cultivation was also increasing in popularity, although in a less dramatic fashion. When coffee prices fell in the mid-90s, many agriculturalists had switched to coconuts and there was already 112,560 acres of coconut under cultivation in 1907, when peasant rubber development was still in its infancy. Coconut development after this, however, was on a smaller scale and in 1912 the area was estimated at 157,600 acres.<sup>33</sup> The major part of the crop was grown in peasant holdings, only 30,308 acres or about twenty per cent of the total coconut acreage in 1912 being found in coconut plantations. The main area of cultivation was Perak, which accounted for half of the Federated Malay States acreage. Selangor, Negri Sembilan and Pahang had smaller acreages, but whereas that in Negri Sembilan and Pahang had remained static during the six year period from 1907 to 1912, that in Selangor had witnessed some development in the coastal districts.

The coconut palm was grown in nearly every peasant holding,

33 The table below gives the breakdown of the FMS coconut area by state.

	<u>Perak</u>	<u>Selangor</u>	<u>Negri Sembilan</u>	<u>Pahang</u>	<u>Total</u>
1907	57,776	21,321	18,000	15,463	112,560
1910	66,088	28,667	19,246	16,343	130,344
1911	73,120	33,355	19,584	17,000*	143,000*
1912	81,320	38,323	20,595	17,362	157,600

\* approximate

Source: AR Director of Agriculture 1907; 1910-12.

usually in conjunction with other crops, but there were some areas of specialized coconut cultivation. The chief one was Lower Perak which accounted for more than a quarter of the coconut area in the Federated Malay States in 1912. Another was Kuala Selangor where it was estimated 11,729 acres had been planted by 1910, and a considerable export trade in coconut products had grown up.<sup>34</sup> In these areas the demand for land by immigrant peasants had continued to be brisk and peasants were encouraged to plant coconut not only by the nature of the land but also because of rent incentives. However, although the administration regarded coconut as an appropriate crop for the peasantry and preferred its development to that of rubber, it failed to provide assistance which could offset the superior returns obtainable from rubber. Even more distressingly, it failed to respond to the needs of the peasant industry. Numerous complaints had been made about the unhealthy condition of peasant holdings and the need for replanting old coconut stands,<sup>35</sup> yet the federal administration, in 1906, rejected a Perak request for the appointment of Malay coconut inspectors.<sup>36</sup> But it had, in 1903, met the demand of the United Planters Association, an important organization of European planters, for the appointment of a Federal Inspector of Coconuts to combat the beetle pest in estates.<sup>37</sup> The request for Malay inspectors was only reluctantly acceded to after a pointed reference was made on the need to extend to peasants 'the excellent

---

34 AR Kuala Selangor 1910 in DO Kuala Selangor to SR Selangor, 21 February 1911, HCOF 997/11.

35 See especially, 'Memorandum on the working of legislation regarding coconut cultivation', by Inspector of Coconuts, FMS enclosure in RG to BR Negri Sembilan, 6 August 1903, NSSF 3439/03. The government tried to improve the condition of peasant coconut lands by using the big stick in the form of the Coconut Trees Preservation Enactment. In Seremban, in 1899, for example, 334 notices were issued to peasants warning them to improve their holdings or face fines. AR Land Department Seremban, 1899, NSGG 1900.

36 Acting SR Perak to Federal Secretary, 15 June 1907, HCOF 877/07.

37 Acting Secretary to RG to Acting BR Negri Sembilan, 10 September 1902, NSSF 3297/02.

work that has hitherto been confined to coconut plantations only'.<sup>38</sup> In view of such official inertia and the counter-attraction of rubber, it is not surprising that coconut cultivation failed to develop into the major peasant activity.

Padi cultivation fared little better and its ailing condition was quickly glossed over in a few lines in the official reports, sandwiched between lengthy accounts of the meteoric rise of the Western plantation rubber industry. An exception was in the Krian district where the government had poured more than \$1.5 million into an irrigation project designed to assist agriculture. Prior to the project, padi cultivation in Krian had progressed unsteadily due to the absence of water control measures to alleviate the effects of drought and flood. The completion of the scheme was a major step in remedying this. Cultivation became much less dependent on the vagaries of weather and regular harvests became more assured. This, in turn, provided an incentive for permanent peasant settlement, as was seen by the increase in land values throughout the district.<sup>39</sup> The scheme mainly affected lands already under cultivation but it also led to an increase in new land alienation.<sup>40</sup> By 1908 only one of the seven mukims in the district had any considerable amount of land available for alienation.<sup>41</sup> Statistics of the padi area and

---

38 Acting SR Perak to Federal Secretary, 15 June 1907, HCOF 877/07.

39 The value of land transfers in the district rose from 25% to 400% between 1906 and 1908. 'Information regarding benefit derived from Krian Irrigation Scheme', enclosure in BR Perak to RG, 3 October 1908, HCOF 1514/08.

40 Between 1903 and 1906 there were 1005 applicants for 5891 acres of padi land. In 1907 alone, there were 1343 applicants for a total of 7077 acres. Ibid. The increase in padi land was facilitated by the decline in sugar cultivation. This was a reversal of the process in the 1870s and 80s when sugar planters bought up large areas of land, including padi land. It was also due to a more rigid enforcement by the land offices of padi cultivation conditions. AR Perak 1907 and 1908.

41 This was Selinsing. The six other mukims were Bagan Tiang, Tanjong Piandang, Kuala Kurau, Bagan Serai, Gunong Semanggol and Parit Buntar. The Irrigation Engineer estimated that there was a total of between 12,000 to 13,000 peasant padi holdings in 1908. F.H.G. Caulfield to Under Secretary, Colonies, 2 October 1908, HCOF 1655/08.

production at this time tend to be informed estimates at best,<sup>42</sup> but there was no dispute that the Krian padi area was the largest and most productive in the Federated Malay States.

The Krian Irrigation Scheme played an important part in keeping alive an interest in irrigated padi cultivation, at least, in Perak, at a time when most eyes were fixed on the rubber phenomenon. In 1908, the Annual Report of Perak described the scheme as a gigantic success and optimistically pointed out that all the other districts of the state had a need for the same facility. In fact, a start at implementing a programme of small-scale irrigation works in the state appears to have been begun immediately after the Krian work was completed. In 1906 the Perak return of irrigation and drainage showed that more than \$100,000 was spent on water-control measures, benefiting an estimated 14,000 acres.<sup>43</sup> This level of expenditure was maintained over the next few years. Some of the works improved agricultural lands for planters but others benefited padi cultivators. The programme was encouraged by Birch who appears to have obtained the funds by exploiting a loophole in the financial votes. The other Residents were either less imaginative or less keen on irrigation, and so far as can be ascertained, Negri Sembilan and Pahang spent negligible amounts on irrigation while Selangor used

---

42 Padi statistics were compiled from returns forwarded by penghulus and fluctuated greatly from year to year. In the 1906-07 padi season, for example, it was estimated that 38,059 acres were cultivated producing a crop of 14,705,558 gantangs. In the following season a crop of only 8,046,873 gantangs was obtained from a cultivated area of 36,225 acres. This low figure was attributed to deliberate under-estimations by the penghulus because of the collection, for the first time in Krian, of a zakat, a religious tithe on the produce of the land.

43 Annual returns of Irrigation and Drainage for Perak and Selangor 1906, enclosure in Federal Secretary to Secretary to HC, 15 February 1907, HCOF 180/07.

its funds for improving plantation lands.<sup>44</sup>

The federal administration itself was quite unmoved by the Krian demonstration, neither was it persuaded to drop its previous cautious attitude or to forsake the principle of profitability. In 1910 the High Commissioner, after studying the Perak irrigation programme for the previous year, queried the poor returns the government was receiving for its investments.<sup>45</sup> He noted that the water rate in the Krian scheme was \$67,000, a return of \$37,000 on the capital cost after deduction of the maintenance costs.<sup>46</sup> More generally, he observed that many of the works were entirely charitable and, in an attempt to cut down the programme of small-scale irrigation works, authorised that future financial votes were to be used for the purposes specified and that new schemes were to be remunerative. The Perak Resident, realising that a tightening of funds would be disastrous to his irrigation plans, made a spirited reply to the criticisms. Regarding the Krian scheme, he forwarded a

44 There were two types of expenditure in the FMS - annually recurrent expenditure which consisted of personal emoluments, and special services expenditure which consisted of funds allocated for the construction of facilities. The former gives an indication of the size of the department and the latter an indication of the works embarked upon.

The figures below compare both types of expenditure in Perak and Selangor over a seven-year period.

	<u>Expenditure on Irrigation</u>		<u>Expenditure on Drainage</u>	
	<u>In Perak</u>		<u>In Selangor</u>	
	IAR	ISS	DAR	DSS
1906	\$41,116	65,541	2,498	40,609
1907	21,073	40,550	10,202	58,904
1908	52,107	111,186	8,230	27,176
1909	44,229	30,411	9,628	1,036
1910	54,037	33,720	10,800	11,867
1911	63,722	49,557	8,928	31,687
1912	72,661	68,612	11,245	8,730

Source: FMS Estimates of Expenditure 1907-13.

45 Secretary to HC to Federal Secretary, 7 March 1910, HCOF 317/10.

46 Some part of the amount was paid by plantations within the irrigation area. It is not possible to find out exactly how much this was but the High Commissioner had especially singled out the rates charged on plantations as being too low. Ibid.



report by the District Officer which estimated that the capital expenditure would be recovered within 27 years by the water rates alone,<sup>47</sup> notwithstanding the revenue from land rents and indirect taxation. He also supported the view that there should be an extension not only of the Krian Irrigation Scheme but also of other works. However, in an attempt to mollify the High Commissioner, Birch issued a circular forbidding works of an eleemosynary nature and instructing that new works be financed from maintenance votes.

Despite the concession by the Perak authorities the High Commissioner refused to consider the situation as satisfactory. In 1911, however, he was compelled to reconsider his unsympathetic attitude. In that year a disastrous drought hit the Federated Malay States, sharply reducing the cultivable padi area, particularly in Negri Sembilan.<sup>48</sup> The only area which escaped unscathed was Krian where a normal acreage was planted. As a result, the Chief Secretary wrote to the High Commissioner suggesting that more emphasis be placed on irrigation and recommending that an Irrigation Branch be established.<sup>49</sup> He pointed out that the country required many irrigation schemes and that the Public Works Department alone could not execute them.<sup>50</sup> This suggestion was approved, but pending the

47 Copy of Hale's minute, 28 April 1910, enclosure in BR Perak to RG, 3 July 1910, *ibid*.

48 Many peasants petitioned the administration for rent remission but it was decided that assistance would only be given if a similar drought affected the next season's crop. See correspondence in NSSF 334/12; 335/12.

The figures below of padi production in Kuala Pilah illustrate the ruinous effects of the drought.

	<u>Acreage</u>	<u>Crop Obtained</u> (gantangs)
1910	12,500	2,320,220
1911	2,870	574,090
1912	13,000	1,850,141

Source: (a) AR Kuala Pilah 1912 enclosure in DO Kuala Pilah to SR Negri Sembilan, 14 February 1913, NSSF 463/13.

(b) AR Kuala Pilah 1913, enclosure in DO Kuala Pilah to SR Negri Sembilan, 16 February 1914, NSSF 564/14.

49 CS to HC, 17 September 1912, HCOF 1344/12.

50 Pahang was cited as having waited for several years for staff to prepare an irrigation programme.

formation of the new department, District Officers were asked to show all existing and proposed padi fields on their district plans together with information which might be useful in implementing an irrigation programme.<sup>51</sup> These measures were, however, a little late. Many peasants, including padi cultivators, were rapidly succumbing to the attractions of rubber cultivation and the administration was fighting a rearguard action to maintain even the current level of cultivation and production. Rules which hitherto had kept cultivators in line were now ignored and one officer ruefully commented that he could not prosecute when all the inhabitants of a whole mukim joined in defiance of the padi rules.<sup>52</sup> Even in Krian the administration was compelled to resort to legislation to keep rubber away from the fields.<sup>53</sup> Finally, the pronouncement of the failure of the Kuang irrigation scheme in 1910 cast doubts whether irrigation was a solution to the difficulties of padi cultivation in the Malay States,<sup>54</sup> and provided a despondent end to a period that had begun optimistically.

Coconut and padi were the main peasant crops besides rubber but a number of other crops were also grown under varying conditions. Coffee, tobacco, pepper, gambier, tapioca and other cash crops had enjoyed intermittent popularity among immigrant peasants, but they quickly lost their attractions after the

---

51 Under-Secretary, FMS (US) to BR Negri Sembilan, 2 April 1913, NSSF 890/13.

52 MR Ulu Langat, April 1911, SSF 754/11. Various proposals were made to stiffen further the padi planting rules. See correspondence in NSSF 1833/07.

53 Section 4 of the Krian Irrigation Scheme had empowered the Resident to declare state land within the irrigation area not yet alienated to be used for specified cultivation. Krian Irrigation Enactment 1905, HCOF 224/06.

54 In 1910, the Kuang Irrigation area was declared open to mining applications after many of the peasants had sold their lands to non-Malay mining speculators. DO Ulu Selangor to SR Selangor, 7 November 1910, SSF 5079/10. Some years before this, a mining conference had objected to the proposed scheme because it was located in a stanniferous area, and had predicted that the scheme would fail because of the likely conversion of the agricultural land titles to mining ones. Report and Proceedings of the Mining Conference held at Ipoh, Perak, FMS, 23 September to 6 October 1901, written and arranged by W.J.P. Hume and F.J.B. Dykes, Perak, 1902, p. 27.

introduction of rubber and were either neglected or, as was more often the case, gradually replaced by the more profitable crop. Fruit and vegetables, on the other hand, were grown by many peasants for their own consumption and typified the traditional agriculture of the indigenous peasant. There was some expansion of this during the early colonial period, especially in the mining districts where the peasant could dispose of his surplus produce to a ready market.<sup>55</sup> The administration had regarded this activity with favour - crop diversification was a desirable objective of the agricultural policy and, more important, the local produce helped to reduce the country's dependence on imported foodstuffs. In 1910 it was suggested by the Director of Agriculture that a programme aimed at increasing the local food production be undertaken and that an experienced technical officer be appointed to supervise it.<sup>56</sup> But this programme did not eventuate and it can be assumed that, like padi and coconut cultivation, this activity stood in the shadow of rubber development.

#### Some Peasant Problems

There were a number of problems which were common to all peasants, whether padi, coconut or rubber grower or subsistence or cash-oriented cultivator. One of the most pressing problems was the need for credit. In the traditional Malay economy the need for credit had seldom arisen as the economy was essentially non-monetised, few services or commodities had an exchange value and only a small number of peasants had any contact with money capital. This situation changed completely in the colonial society. Land had a price, goods and services had a monetary value and money capital became essential to many peasants. But the peasant society was a poor one; many peasants scratched a meagre living and desperately required credit assistance to help open the land, purchase implements and planting material and tide them over a bad season. The early administrators had realised this and had authorised small financial votes from time

---

55 It was, however, often at the expense of other economic activities. In Kinta, for example, the District Officer complained that there was 'not a really well cultivated 10 acres of rice in the whole district' because of the peasant concentration on bananas for sale to miners. AR Kinta 1889, PGG 1890, p. 190.

56 Memorandum by Director of Agriculture, 26 April 1910, enclosure in Acting RG to HC, 12 May 1910, HCOF 534/10.

to time.<sup>57</sup> But the tedious process of prising funds from a reluctant treasury discouraged both the officers running the system and the applicants, and the loans which were granted achieved little as they were mainly given to peasants of some standing who spent the money on items not related to the improvement of their lands.<sup>58</sup> As a result, the early credit system fell into decay except in Krian where individual officers attempted to keep it afloat. By 1906, however, even the Krian system had bogged down; the District Officer found that the cumbersome loan procedure discouraged many applicants and he recommended that the system should be abandoned.<sup>59</sup>

That there was an acute need for providing peasants with credit assistance was very clear from the scale of operations of the chettiers, otherwise known as chetties, the main money-lending group in the Federated Malay States. The chetties were professional money-lenders from Northern India who had followed the British colonial expansion into Burma, Ceylon, Hongkong and the Malay Peninsula among other places. They had practised this trade for several generations, passing its secrets from father to son, and had acquired a widespread reputation for being able to 'lay a finger on the pulse of any man's business should they care to lay it'.<sup>60</sup> They certainly had their fingers on many peasant pulses. As a result of the unreliability and inadequacy of the government's

---

57 Prior to 1907, the Residents were permitted under General Orders to make loans to Malay peasants for various purposes, though not exclusively for agricultural development. These loans were not to aggregate more than \$5,000 annually. Resident-General's Office Circular 18/02.

58 Some criticism of the early loan system can be found in a memorandum by A.T. Jones, 15 December 1905, on Federal Secretary to BR Selangor, 13 December 1905 SSF 6430/05. The writer claimed that no applications for loans to open land had been received in Selangor during the last six years, and that in Negri Sembilan, bona fide loan applications were 'few and far between'.

59 AR Krian and Larut 1905 and 1906, PGG 1906; 1907.

60 See Report and Proceedings of the Committee appointed by the Chief Secretary FMS to consider why the system of small loans to Native Agriculturalists had failed in Perak, July 1911, (Government Printing Office, Kuala Lumpur, 1912) for some discussion of the chetties. The report can be found in HCOF 612/12 and SSF 2056/12.

efforts at credit assistance, many peasants had turned to the chetties and, in 1911, in Krian alone, it was estimated that chetty loans to the peasantry amounted to \$400,000.<sup>61</sup> In 1913 in Perak, charges on agricultural land registered in the land offices totalled \$5,848,533 whilst the figure for Selangor amounted to \$1,455,185.<sup>62</sup> It is not possible to find out how much of this pertained to peasant land but it must have been a substantial amount as these figures, although relating to all registered agricultural land charges including those of non-peasant land, did not include many unregistered charges, the more usual form of transaction between the peasant debtor and his chetty creditor. The plight of many peasants was especially serious as most of their credit was obtained at onerous rates which further impoverished them.

The secret of chetty success was not only their professional expertise but also the simple arithmetic of lending. The chetties banked money on call at 10 per cent and loaned at up to 36 per cent per annum or even more, giving a large margin of profit. The prospect of breaking the chetty monopoly and sharing in the profit was therefore an attractive one. An early attempt was made by a British businessman, H.C. Clodd, who in 1905 proposed the establishment of an Agricultural Bank and asked the administration for financial backing for the scheme.<sup>63</sup> Clodd pointed out that such an institution in Egypt had been a commercially profitable venture as well as relieving the heavy indebtedness of the peasantry. The proposal was turned down by the Residents who had serious misgivings about government participation in a private enterprise and who felt that there was no analogy between conditions in Egypt and the Federated Malay States. The activities of the chetties were not confined to the peasant sector. At this time, there was only one

---

61 Ibid., p. 4. In 1910 it was estimated that the Krian Malays owed 14 chetty firms a total of \$370,000. AR Perak 1910.

62 AR Perak 1913; AR Selangor 1913. In Selangor the interest rate was estimated to average 17.22 per cent annually.

63 'Scheme for the establishment of an Agricultural Bank in the FMS', enclosure in Clodd to RG, 3 November 1905, HCOF 1518/05. See also SSF 6430/05.

64 Federal Secretary to Secretary to HC, 22 March 1906, HCOF 1518/05.

commercial bank in operation in the entire Federated Malay States and the chetties were advantageously placed whenever a credit squeeze developed in the commercial sectors of the economy. A campaign to involve government in greater credit assistance had long been waged by the press and by influential business interests and it was in response to this renewed pressure that the government in 1906 considered the establishment of a State Loan Bank.<sup>65</sup> The proposal was eventually turned down but it does not appear that plantation, urban and mining development was unduly affected as the institution of a Planters' Loan Fund, the increase in the number of banks over the following years and the influx of large amounts of credit from the London market ensured that there were adequate amounts of credit available for development. Whilst this was being discussed a move to resolve the credit problems of the peasantry was begun. In 1907 the Resident of Perak forwarded correspondence from the District Officer of Krian and Larut which gave details of the heavy indebtedness of the peasants there.<sup>66</sup> To remove this 'canker of indebtedness' the Resident proposed that the government take action on a comprehensive basis by establishing an Agricultural Loan Bank with a capital of \$100,000, by stricter control over money-lenders and by amending the Land Enactment to make unregistered charges on land invalid. The Resident-General, however, opposed these suggestions. He saw that there was no evidence to show that government intervention was required and maintained that the average rate of interest of 22.33 per cent cited in the correspondence was not particularly onerous in view of the high risk involved and the poor security offered. He was sceptical about the success of an agricultural bank and thought that it would relieve comparatively few debtors. He also warned that restrictions on money-lenders might lead the chetties to take retaliatory action against the debtors. Finally, he was opposed to tampering with the conditions

---

65 RG to HC, 23 July 1906, HCOF 91/06. The evidence put forward in support of a State Loan Bank was quite strong. From the Perak land offices books it was calculated that mortgages on town house property amounted to \$2,346,859. The Resident, however, estimated the actual urban land indebtedness at \$3.5 to \$4 million, or about half the total value of town land property in Perak.

66 BR Perak to RG, 24 October 1907, HCOF 1670/07.

of land already alienated. However, as a concession to the strong feelings held by the Perak Resident on the subject, the Resident-General suggested that a Commission of Enquiry be held to find out whether there was sufficient cause for government interference.<sup>67</sup>

It is not known whether the enquiry was held but the following year a decision was taken to establish loan funds in the four states to assist peasant agriculturalists. Each state fund was to operate with a capital of \$25,000, and taking a cue from past experience, the funds were only to be used for bona fide agricultural purposes such as irrigation, purchase of animals and implements, erection of buildings, improvement of the land or for redeeming land from mortgages incurred for any of these purposes.<sup>68</sup> Although the government appeared concerned to provide an alternative source of capital to the chetty for the peasantry, it did not permit its concern to be divorced from business, and it imposed an interest rate which, whilst more generous than the terms offered by the chetty, nevertheless gave the government a profitable return. To stress that this was no philanthropic gesture, it was stipulated that an interest rate of 4 per cent on the total sum advanced was to be paid to the government from January 1912.

Although all the four states ran identical funds, Perak alone appears to have operated its fund on a substantial scale. However, even the Perak fund failed to meet the expectations of the government; only half the financial capacity was utilised at any time and consequently the Federal government was only receiving a return of 2 per cent per annum on its capital investment instead of the anticipated 4 per cent. To investigate the underutilization of the fund, a committee consisting of two officers and a Malay chief was appointed. In 1912 the committee brought out a report which examined the reasons for the failure of the small loans system to function as the administration had expected.<sup>69</sup> The report found that the fund had been less popular because of the stringent conditions, the difficulties of administration, the insufficient

---

67 Acting RG to HC, 5 November 1907, HCOF 1670/07.

68 Amended rules for loans for Agricultural Purposes, enclosure in Acting RG to HC, 22 May 1908, HCOF 840/08.

69 Report of the Committee to Consider the System of Small Loans.

publicity and the competition from chetty money-lenders. The report also contained accounts of the proceedings held by the committee as it collected evidence from different areas. These explain the mechanisms of the loan system and also provide some insight into the peasantry's credit problems.

A total of 454 loans, the great majority of them for amounts not exceeding \$100, was made out in Perak under the Agricultural Loan Fund during a three-year period from 1909 to 1911. Of these loans 304 were made out in Krian, 95 in Kuala Kangsar and the remainder in the other districts. In the northern districts loans were made out to padi cultivators who needed seasonal credit while their fields were being prepared or after a crop failure. In the south, they were mainly for the purpose of redeeming land, building houses or for coconut development. The small number and small size of loans should not, however, be regarded as an indication of the credit needs of the peasantry. Fourteen penghulus from all the districts of Perak except Batang Padang, in their interviews with the committee, stressed the heavy indebtedness of their raiats. In Bagan Datoh, the penghulu estimated the average debt at \$300 and said that nearly all the Malay peasants owed money to chetties, Chinese shopkeepers or well-to-do Malays. In Selinsing, another penghulu estimated that only one third of the raiats were free from debt. Many peasants were chronic debtors who preferred to patronise private money-lenders although the government loan fund charged a far lower rate of interest. This was primarily because the red tape made it tedious and difficult for the peasant to borrow. As an example, whereas it took only one day for an Ijok peasant to borrow from the Malay agent of a chetty, it took him three and a half months to get a government loan, besides necessitating a trip down to the district headquarters. Despite this situation, however, the committee saw no reason why the government should withdraw completely from providing credit to the peasantry. It noted that the peasants who utilized the fund had made good use of it and had scrupulously repaid the loans. The principal recommendations of the committee aimed therefore at loosening the bureaucratic knot which it saw as strangling the system and at providing the peasant debtor with more liberal terms of credit to ensure wider use of the fund.

In 1912 and 1913, whether because of these modifications to the loan fund or for some other reason not known, the loan funds in



the four states picked up in popularity, amounts of \$115,505 and \$140,815 being lent out during the two years.<sup>70</sup> There is little information available on the loan operations themselves but it appears to have given most satisfaction in Negri Sembilan where the Resident in 1913 claimed it had led to the ousting of the money-lender.<sup>71</sup> In the other states, however, the funds appear to have had a negligible effect in reducing peasant indebtedness,<sup>72</sup> and this general failure by the administration to provide adequate credit facilities was partly responsible for the sluggish growth of the peasant economy at a time when conditions were conducive to stable and rapid development.

Another problem common to all peasants was the low level of knowledge which they applied to their main economic activity. Agriculture, even in optimum conditions, is not simple, and in the tropics it is an exacting pursuit which demands a considerable amount of technical knowledge if it is to be successful. The indigenous peasants had demonstrated some traditional skills in their agriculture, but these skills had not been improved by any new ones for a long time, and consequently, there had been a stagnation in the standard of cultivation. Many officials had been critical of this situation. Clifford, for example, described Malay padi implements as 'most primitive and inefficient'. The Malay plough, he thought, was 'a clumsy wooded implement which barely succeeds in scratching the surface of the soil', and the Malay tuei used for reaping was described as 'peculiarly tedious'.<sup>73</sup> It was realised too that the development of peasant agriculture could be facilitated by using the technology of the West. But Clifford and the other early administrators had been too busy with the business of dispensing land and with directing the process of general development to pay much attention to anything else.

---

70 AR CS 1913, supplement to FMS GG 10 September 1914.

71 AR Negri Sembilan 1913. 445 agricultural loans were given out in the state in 1912 as against 276 in Krian. Treasurer FMS to SR Negri Sembilan, 3 October 1912, NSSF 2457/12.

72 In Selangor, for example, only 669 loans totalling \$13,797 were given out from 1908 to 1919. Statement of loans by State Treasurer, SSF 2899/19.

73 AR Pahang 1891.

The application of Western agricultural technology to the Malayan fields could best be done by an agricultural department, staffed by technical officers with specialised skills. Such a department had not been regarded as a public service demanding priority during the period of Residential administration, and had not been among the departments established then. A step towards it, however, had been taken with the setting up of small experimental gardens in Selangor and Perak.<sup>74</sup> But the activities of these gardens had generally been unrelated to peasant agriculture and had proved of little assistance to peasants. Western planters, on the other hand, were able to make use of the results of these gardens as well as draw on the considerable work of the Botanic Gardens of the Straits Settlements. Such an arrangement, however, still did not satisfy the planters and they badgered for a greater government commitment to assist plantation agriculture.<sup>75</sup> In 1903, in response to plantation agitation, the government appointed a committee to report on the establishment of a Board of Agriculture. This committee strongly endorsed the demand for the establishment of a Department of Agriculture and the appointment of a Director of Agriculture to organise it.<sup>76</sup> The proposal was strongly supported by J.C. Willis, the Director of Botanical Gardens of Ceylon, who was invited in 1904 to advise the government on agriculture. Willis's report dealt with the shortcomings of the government's agricultural policy and attributed it to the fact that it had been formulated by individual officials who implemented the policy in a piecemeal fashion with

---

74 The Perak gardens were begun by the Resident Hugh Low in 1875 and most of them were abandoned after his departure in 1889. The Selangor gardens were begun in 1898 but there was little work done until 1903 when an experimental station was opened in Batu Tiga. Report on the Agricultural Department Federated Malay States, by E.J. Butler, FCP Appendix 9 of 29 April 1919, C80.

75 In 1898, for example, the United Planters Association forwarded a scheme for the establishment of experimental gardens which could furnish planters with information on the economics of crops. The Association also suggested that two government nominees and two or more planters be appointed to manage the gardens. Secretary UPA to Secretary to RG, 15 January 1898, HCOF 83/98. See also Governor to SS, Desp. 203 of 10 August 1899, CO 273/251/23656 which contains correspondence from the UPA urging the establishment of a Department of Agriculture.

76 Governor to SS, Desp. 595 of 15 October 1903, CO 273/295/40890.

little consideration for past or future policy. To correct this, he emphasised the need for the setting up of a technical Department of Agriculture which could advise the government on all matters of agricultural policy and practice, thereby ensuring continuity of policy, and expanding the work begun by the agricultural stations.<sup>77</sup> This recommendation was accepted by the government and in 1905 an Indian Service officer, J.B. Carruthers, was appointed to direct the Department of Agriculture of the Federated Malay States.

In his first report, Carruthers enumerated the functions of his department as consisting of 'the study of the physiological, pathological and botanical questions bearing on the economic plants of the Malay States; the care and the health of all cultivated plants...; the carrying out of experiments in agriculture and horticulture; the introduction and trial of new economic plants suitable for profitable cultivation and the distribution of seeds and plants...; and the giving of advice and information on agricultural, botanical and horticultural questions'.<sup>78</sup> These functions were very impressive, if stated rather over fully, and, if implemented, could have done much to improve the condition of peasant agriculture. In the same report, the Director wrote that he had divided most of his time between examining land and visiting plantations. Over the following years, as seen from the Annual Reports of the department, this schedule of activity unrelated to the improvement of peasant agriculture, was kept up.<sup>79</sup> Admittedly, there were obstacles which stood in the way of the department assisting the peasants. The small staff of European officers had virtually no knowledge of Malayan languages and, therefore, no means of communicating with the local population, and they were hard-pressed to attend to the many tasks involved in starting a new department. At the same time, the government not only gave no instructions in this direction, but by running the department as a revenue-making body discouraged operations which could not be

---

77 Willis, Agriculture in the Federated Malay States. A preliminary report is contained in HCOF 1419/04. The main report is found in HCOF 462/05.

78 AR Director of Agriculture 1905.

79 AR's Director of Agriculture 1906-1912.

financially accountable. Funds for facilities or activities which were not directly profitable were often cut, and in 1912, the department had a budget which was among the smallest of government establishments.<sup>80</sup> It was also not surprising that the department should be concerned with plantation-oriented activity. It had come into being at a time when the agricultural scene was dominated by the planters and the connection between Western planters and departmental officers was further fostered by the nature of social life in the colony. This was unfortunate for the peasants as it meant that the one department which possessed the knowledge to assist them failed to do so.

### Colonial Approach to Agricultural Development

The colonial administration's general neglect of the peasantry is easier to understand when the position of peasant agriculture is considered in relation to the context of colonial agricultural development. At the turn of the century the country had reached a crossroads in its economic development; the mining boom had receded but there was the prospect of an agricultural boom and the crucial question soon arose of what strategy of development to adopt. There were two basic types of agriculture which officials saw as possible for the Malay States. One was a peasant type with self-owning cultivators tilling their own plots of land and the other was a plantation type with capitalist owners employing large numbers of paid labourers. In the early days the administration, in its anxiety to procure population and capital, had encouraged both types of agriculture but had shown a distinct preference for the large plantation industry.

<sup>80</sup> In 1912 there were fourteen full-time European officers besides the Director. The figures below show the expenditure of the department from 1904 to 1912.

<u>Year</u>	<u>Expenditure</u>	<u>Year</u>	<u>Expenditure</u>
1904	\$15,315	1909	\$90,921
1905	32,910	1910	99,835
1906	33,350	1911	123,236
1907	53,945	1912	171,834
1908	76,181		

Source: (a) 1904-07 figures are obtained from AR Department of Agriculture 1905-07.  
 (b) 1908-12 figures are obtained from Butler, Report on the Agricultural Department, C86.

The early prescription for agricultural development - the encouragement of both peasant and plantation agriculture - remained generally unaltered during this period, but a preference for the latter industry became more marked as development proceeded. Such a policy often involved discriminating against peasants in favour of the planters, and was detrimental to the formers' interests. One important area of discrimination was the alienation of land with road frontage. In the early land rules of the states, instructions had been issued for all applications by Asians for land which had frontage on a main road to be specially referred to the Resident.<sup>81</sup> In August 1905 this discriminatory policy was carried further. A circular was sent to all District Officers in Selangor authorising them to discourage applications for land less than 25 acres where such land possessed road frontage, except in exceptional circumstances where the land was unsuitable or unlikely to be required for estate cultivation.<sup>82</sup> This circular appears to have resulted from representations made by planters. In July 1904, a group of planters during a meeting with the High Commissioner, pointed out that the alienation of land with road frontage to peasants adversely affected them and they suggested that peasants should be confined to distinct areas. The High Commissioner had assured that their wishes would be met as far as possible and he more than kept his word. The administration not only confined peasants to certain areas but also prevented them from obtaining land 'which might be usefully preserved for scientific planting' and encouraged the land officers to keep superior land for planters.<sup>83</sup>

Various reasons were offered to explain the discriminatory policy. One was that peasants, unlike planters, did not require to market their produce and, therefore, did not require accessible land. Another was that peasant holdings with road frontage blocked the access of plantations, besides harbouring contagious diseases. A third was that if such land was alienated to peasants, it would

---

81 Circular No. 13, 10 May 1906, 'Land Administration in Perak'. Perak Circulars 1885-1906, pp. 60-61.

82 BR Selangor to all DO's, 17 August 1905, SSF 4331/05.

83 Some peasants did manage to obtain land with road frontage, but only after it was confirmed that no plantations wanted it. SSF 1035/09; 4711/05; 2715/09.

invariably be sold to plantations. These justifications were quite biased. It was true that some peasants were subsistence cultivators and did not require to market their produce. But many peasants were cultivating cash crops, and accessibility was as important to them as to planters. Also, whilst there were instances of abandonment of peasant holdings and their deterioration into unkempt secondary jungle and the sale of peasant land to planters, it was unreasonable to penalise the majority of conscientious peasants for the faults of a few.

In addition to this general discriminatory policy, individual officers in the administration often gave planters preferential treatment. In 1909, for example, the District Officer of Klang submitted two applications for a piece of land, one from a Western planter and another from an Indian and stated that he preferred the planter.<sup>84</sup> The Secretary to the Resident noted that although the Western applicant was the preferable candidate the Indian was the prior one, but the Resident supported the District Officer. In another instance a District Officer submitted an application for 100 acres of land from a European, and dismissed 23 prior Javanese applicants on the grounds that they were speculators.<sup>85</sup> The same officer had also asked for sanction to alienate 300 acres to 100 Malay and Javanese applicants but the decision was made only because no European planter found the land desirable.<sup>86</sup> One can only hazard a guess at what the total impact on the peasant sector was, but it might be pointed out that between 1908 and 1912, the acreage of land alienated to plantations in Malaya almost doubled from 762,408 acres to 1,498,282 acres.

The discriminatory policy in land alienation was not isolated. Roads and drainage works are important prerequisites for agricultural development and items on which the colonial government

---

84 Acting DO Ulu Langat to SR Selangor, 14 September 1909, SSF 3573/09.

85 Minute by Acting DO Klang, 15 November 1909 on Acting DO Klang to SR Selangor 12 October 1909, SSF 3934/09.

86 Acting DO Klang to SR Selangor, 4 February 1910, SSF 663/10.

spent substantial amounts of public revenue.<sup>87</sup> An enlightened programme could have contributed much to peasant development but this failed to emerge. In 1906, the High Commissioner directed the Resident-General to consult the Resident and the Director of Public Works on a comprehensive scheme of roads in the Federated Malay States, which had as its objective 'the opening up of hitherto inaccessible parts of the states in order to put them within the reach of planters'.<sup>88</sup> When Road Boards were established some years later to advise on planned road extensions in the states, the interests of the peasant sector were again unrepresented and their needs ignored.<sup>89</sup> The communications system which had previously been geared to serve the mining industry was, therefore, expanded to serve the plantation sector as well. The government's drainage policy also pampered the plantation industry. Selangor, for example, to meet the representations of planters had, since 1891, been financing a system of drainage in the coastal districts. It was originally intended to increase the attractions of the state for pioneer planters, but the policy of improving plantation land by the expenditure of public funds on drainage works was continued long after the state had proved its agricultural potential.<sup>90</sup> In comparison, no such lavish expenditure was disbursed on peasant land, except on padi land which the administration had an interest in

---

87 In Negri Sembilan in 1910, although the main part of the road system was already laid down, the state still found itself spending 17% of its revenue on road improvement and maintenance. Perak and Selangor which had larger revenues spent 4% and 6% of their total revenues on roads, excluding the expenditure on new roads. AR Negri Sembilan 1910. See Appendix for further details on road expenditure in the four states.

88 HC to RG, 21 February 1906, HCOF 249/06.

89 See, for example, minutes of meetings of Selangor Road Board, 3 February and 29 July 1912, SSF 5410/11. There were two plantation representatives in the five-man Board. The idea of road boards was first suggested by a European member of the Federal Council who had plantation interests.

90 In 1904, for example, \$33,621 was spent in Klang, \$1,150,745 in Kuala Langat and \$9,620 in Kuala Selangor in constructing drains which benefitted plantation lands. Federal Secretary to Secretary to HC, 11 February, HCOF 200/05. In the next year, \$59,281 was spent in Klang, \$21,980 in Kuala Selangor and \$8,424 in Kuala Langat. Federal Secretary to Secretary to HC, 15 February 1907, HCOF 180/07.

seeing flourish. The effect of these policies meant that peasants were left with lands which were less valuable and less suitable for agriculture and deprived them of the broader social benefits arising from these public works. It also helps to explain why in the developed districts with road and rail access, peasants owned only a small proportion of the land alienated. It was only towards the end of this period that the administration attempted to adjudicate between the needs of peasant and planter, but by then the damage to peasant agriculture was already done.

The protection to peasant interests at this time was mainly negative. It has been said how the rapid development of the Malay States had whittled away many forests and how the government had been a willing accomplice to the denudation. By the end of the nineteenth century, however, an embryonic forest policy had begun gradually to emerge. An important part of this policy, which appears to have been implemented in earnest after the passing of the state forest enactments in 1907, was the reservation of forests. Before 1907, there were 682 square miles of forest reserve in the Federated Malay States; within three years the area of reserves had increased to 1,008 square miles or approximately 3.63 per cent of the total area.<sup>91</sup> The early reservations were mainly found in Perak and Selangor, but Negri Sembilan had made a determined effort to conserve its relatively limited forests and by 1911, had 9 per cent of the state area under reserves.<sup>92</sup> Pahang's reservation proceeded at a slower rate, partly because it was thought that the task was less urgent than in the developed west coast states. The pace of reservation throughout was interrupted by the outbreak of the war in Europe and a serious depletion in staff. But by then, it was said that reservation on both the Selangor and Negri Sembilan plains, the main areas of development, had been virtually completed.<sup>93</sup>

The raison d'etre of forest reservation was to preserve the resource until the state could decide on how best to exploit it. But one important result was the preservation of a traditional

---

91 AR Forest Administration FMS 1910, supplement to FMS GG 9 June 1911.

92 AR Forest Administration FMS 1911, supplement to FMS GG 21 June 1912.

93 AR Forest Administration FMS 1913, supplement to FMS GG 31 July 1914.



peasant resource. This was acknowledged by the administration which granted Malay peasants and aborigines the privilege of access to produce of the forest.<sup>94</sup> In reserves adjoining kampongs, peasants were able to continue using the forest as a supply source for their fuel, household, fishing and other needs.<sup>95</sup> Another important effect was to introduce a counterbalance to the hitherto largely unimpeded alienation of land to planting enterprise and to provide a brake on plantation development which was often at the expense of the peasant sector. It must not be assumed, however, that the creation of reserves severely hampered the operations of planting enterprise. In the first place, many plantations had acquired vast areas of land, far in excess of their short-term requirements, long before reservation was seriously pursued, and many of the reserves were in upland areas which were quite useless for agriculture. Secondly, the administration had also sought to ensure that plantation development would not be unduly corsetted by forest interests. An early ruling in Selangor that no reserve should be established close to any road<sup>96</sup> removed a potentially major obstacle to the free accessibility of desirable land, and reservation in many areas was impeded by district officers who objected to the control of areas of their district being taken away from them or feared that reservations would retard the district's development.<sup>97</sup>

---

94 See especially AR Forest Administration FMS 1914, supplement to FMS GG 23 July 1915, which stresses this objective of the reservation policy.

95 The early forest enactments had granted the privilege to the general landholder. In 1917, however, it was decided to confine the privilege to subjects of the Ruler, and in 1921 only Malay peasants resident in the mukim where the produce was being extracted were granted the privilege. See correspondence in HCOF 317/17; HCOF 722/21; NSSF 3195/20 and DOF Sitiawan 265/28.

96 AR Selangor 1910.

97 In NSSF 220/07 a proposal for a reserve in Tampin by the Conservator of Forests was disputed by the District Officer. The latter argued that Tampin had no mineral resources, that a large proportion of the available agricultural land had been devastated by tapioca cultivation and that the creation of a reserve would close land to agricultural development. For views along similar lines held by other District Officers see SSF 1070/17 and DOF Pekan 3064/19.

Despite these qualifications the reservation policy did prevent some land from being placed on the market and in doing so not only forestalled a newer generation of planting enterprise from buying up the land but also conserved a peasant resource.

In an introduction to his report on agriculture in the Federated Malay States Willis wrote that

it is of the very greatest importance that those who have to deal with such matters should see as clearly as may be the nature of the changes that are taking place and of the great agricultural-political problems that now confront us.<sup>98</sup>

This warning was, however, not heeded and the administration formulated an agricultural policy which was governed by the dogmatic attitudes and myths that had blinded the first administrators. One of these was that plantation agriculture could bring about agricultural development, and that this would result in a new era of peace and prosperity. But the experience of other colonies showed that there were many pitfalls inherent in the plantation system. With its dependence on the exploitation of what was virtually slave labour and cheap land, and its tendency to take the profits out of the country, plantation agriculture could create social and political problems which were not justified by the economic returns.

The alternative to plantation agricultural development was peasant agriculture and this was regarded with disfavour by the early administrators. It was thought that peasant producers were inefficient and backward, and that they should only play a subsidiary role in the development of the Malay States. Indeed, peasant agriculture, prior to 1910, had been unimpressive and its impermanency, its mobility and its lack of definite form had confirmed and hardened the unfavourable impression held by the government. But there were logical reasons why the early peasants behaved in this way, as was shown by the transformation in peasant agriculture when rubber was introduced. The peasants now took a greater interest in their lands, and large numbers of them who had previously been engaged in casual wage employment began to return to the land. But, instead of encouraging the peasant cultivation of the crop which had brought about a revival of interest in agriculture, the government,

---

98 Willis, Agriculture in the Federated Malay States, p. 3.

holding to the archaic view that peasants should be subsistence producers and that cash cropping should be largely a monopoly of the planters, tried to prevent its growth. Such a view was held particularly with regard to the Malay peasantry and had a considerable influence on subsequent peasant development.

If the colonial government could hold to the stereotypes of peasant and plantation agriculture mentioned here, it is hardly surprising that it failed to be aware of the wider implications of the peasant growth. The great majority of the peasant population during the first three decades of colonial rule had been Malays. The 1911 Census found that large numbers of Malays continued to pursue agricultural livelihoods in the rural areas and only 6.3 per cent of the Malay population lived in towns and villages. Since the last Census, however, there had been a big increase in the non-Malay rural population. This non-Malay rural population was mainly employed in plantations as a labour force, and although it was not cultivating its own lands, could be seen to be the nucleus of a peasant community.<sup>99</sup> There was also a growing tendency, particularly for the Chinese rural population, to be engaged in either peasant agriculture or in peasant stock-rearing. These developments - the non-participation of Malays in urban and commercial development and the increased participation of non-Malays in peasant activity held much significance for the future.

---

99 The table below provides further details of the FMS agricultural population in 1911.

	<u>Perak</u>	<u>Selangor</u>	<u>Negri Sembilan</u>	<u>Pahang</u>	<u>Total</u>
Malays	78,429	21,462	30,222	36,386	166,499
Chinese	31,477	21,820	16,290	2,548	72,135
Indians	<u>38,367</u>	<u>57,329</u>	<u>13,298</u>	<u>639</u>	<u>109,633</u>
Total	<u>148,273</u>	<u>100,611</u>	<u>59,810</u>	<u>39,573</u>	<u>348,267</u>

Note: The figures above include approximately 30,000 Malay plantation workers and 40,000 Chinese ones, whilst the Indian population was entirely employed in the plantations.

Source: (a) Figures of the Malay and Chinese agricultural population are obtained from A.M. Pountney, The Census of the Federated Malay States 1911 (London, 1911) Table XLIV and XLV, pp. 141 and 144.

(b) Figures of the Indian agricultural population are obtained from AR Director of Agriculture 1911, Table VI.

CHAPTER IVTHE MALAY RESERVATIONS ENACTMENT AND THE GREAT MALAYANRICE SHORTAGE, 1913-21War in Europe and the Faltering Malayan Economy

THE British colonial thrust into the Malay Peninsula was a small part of the general drive by European powers into other continents. European colonial expansion had begun in the late fifteenth century and was climaxed by a frantic scramble in the late nineteenth century. In its final stages, it was characterised by the collision and conflict which marked the hardening political situation in Europe as rival nationalisms, economic and financial interests, and strategic considerations pushed the major powers into a confrontation. By the beginning of the twentieth century, there were only a few territories which remained to be colonised, few peoples to be conquered, and European powers turned to the task of dominating each other. It required one assassination in Sarajevo in 1914 to spark off a war which was to put out the lamps over Europe. The great European war lasted for four years and three months, and is generally referred to as the First World War. Despite the participation of some non-European countries, notably the United States and Japan, only within a limited sense can it be considered a world war: it was one in which the principal actors were European nations, the main issue European hegemony and the stage Europe itself. But it indirectly affected many non-European countries. Malaya, which was fastened by a colonial umbilical cord to Britain, was one such country. Englishmen throughout the Peninsula heard the clarion call, put aside their files, enlisted and were often killed, and those who could not, fidgetted. For many years, this extraneous factor consumed much of the colonial administration's energies and resources, and was the reason for the domestic political calm of the period.

The economic situation in the Peninsula and particularly in the Federated Malay States, was much more turbulent. In 1913, the four states had clearly entered the new economic era on which threshold they had stood a few years before. The demand for tin, the traditional staple export, had continued to be strong, but of more significance was the performance of the rubber industry which had grown from strength to strength. Enormous quantities of the commodity began to enter into world markets as lands planted up

earlier began to yield, and although the product was no longer fetching the spectacular prices of earlier years, it brought in continuous and large profits to established producers. The strength of the industry was such that it was able to shrug off the dislocation of international trade brought about by the outbreak of war, and confidence in the future of rubber was reflected in a new wave of planting between 1915 and 1917.<sup>1</sup> The popularity of tin and rubber resulted in a sharp increase in the already formidable value of the country's exports. In 1913, exports stood at \$154,974,195 or more than twice the 1909 figure; in 1917 exports were valued at \$271,485,389.<sup>2</sup>

The success of tin and rubber enabled the economy to quickly attain its full profile of an export-oriented economy, based on two primary commodities and dependent on the outside world for most of its economic needs. Despite the obviously rapid progress in the states due to this particular type of economic development, there were grave dangers. The concentration on non-food export commodities left the country heavily dependent on imported foodstuffs to feed the population; and over the years, as the numbers employed in the export sector increased, so also did the reliance on imported foodstuffs increase proportionally. The main imported foodstuff was rice which was the population's staple grain crop. Since the beginning of colonial rule, however, there had been little difficulty in obtaining the country's rice needs from neighbouring rice exporting countries, and the administration had not made special arrangements to reduce the country's vulnerability. As war clouds gathered ominously over Europe, the administration began to feel less assured about the situation. The matter came to a head in 1918 when the supply of rice to Malaya was severely disrupted and its price soared. Desperate attempts were made to stimulate local food production, but the crisis deepened, and before the situation returned to normal in 1921, the country had incurred an enormous financial loss.

The other danger of specialization in a few commodities was the tendency to fluctuation in demand for the commodities and

---

1 For some discussion of this, see Jackson, Planters and Speculators, pp. 256-8; J.H. Drabble, 'The Plantation Rubber Industry in Malaya up to 1922', JMBRAS, XL i(1967).

2 See Appendix 2.2.

its impact on prices and export earnings. This had been demonstrated in the early years when tin was the major export commodity, but the fluctuations then had been neither great nor sustained and did not cause much concern. This period was to provide the country with its first taste of an economic depression. It began between January and August 1918 when rubber prices fell by half due to the introduction of a policy of import restriction in the United States, the largest customer of the product. There was a brief recovery, but the price slide continued again in late 1920. In 1921 the annual average rubber price was the lowest since the price of the commodity was first recorded in the London market in 1900.<sup>3</sup> In 1921, too, tin prices began a general decline. These setbacks to the two main export commodities immediately resulted in a drastic reduction in the value of the Federated Malay States export trade, but its adverse effects extended into all sectors of the economy. The plight of the economy was accentuated by a deterioration in the import trade as rice, the principal item of import, became expensive and increasingly difficult to procure. The end of 1921 saw the economy in serious distress; exports were valued at only \$135,485,376, or half that of the previous year's figure and lower than even the 1913 figure, and imports, despite drastic economies reached a high figure of \$103,012,606.

The severity of the country's economic crisis could have been avoided had the government carefully managed the enormous revenues collected during the halcyon years. Instead, much of it was frittered away. Between 1912 and 1919, for example, it was estimated that nearly \$100 million had been spent on capital works which were either unnecessary or on a scale too extravagant for the country.<sup>4</sup> Before indulging in the extraordinary and unwarranted

---

3 The London yearly average rubber price in 1921 was 9.56d. In comparison the annual average rubber price from 1901 to 1910 was 4s. 4.2d, and 2s. 11.9d. from 1911 to 1920. See Lim Chong Yah, Economic Development of Modern Malaya, Appendix 3.1, p. 323.

4 This included \$63 million on railways, \$4 million on the purchase of the Singapore railway, \$10.5 million on the Johore Causeway and \$20.5 million on the Prai Docks and Wharves Extension. HC to SS (Conf.) 21 April 1922, CO 717/20/2447. For further details of the exceptionally heavy railway expenditure see correspondence in CO 273/398/3721 and CO 273/409/5667.

binge with public funds, the administration had committed the Federated Malay States to a costly fiscal concession. In 1905, rubber prices had fallen from the very high levels reached earlier and plantation interests pressured the government for assistance.<sup>5</sup> The upshot of this was the Country Lands (Cultivation) Enactment which by postponing the date of rent enhancement on plantation land cost the Federated Malay States more than \$4 million in land revenue.<sup>6</sup> Most damaging of all was the contribution to the Imperial powers' fight against the force of tyranny in Europe. Between 1912 and 1917, the colonial government, in the name of the people of the country, presented the British government with a battleship, several squadrons of fighter planes and special cash gifts totalling more than \$40.25 million.<sup>7</sup> These gifts were made despite the knowledge that they would not be used in the defence of Malaya. The period, therefore, provides a good example of how the dangers inherent in a specialised export-oriented economy can be magnified by an irresponsible government.

---

5 The pressure was mainly for lower rents for plantation land. By the terms negotiated with the industry, rubber land alienated after 1906 was to be charged a rent of \$1 per acre per annum for the first five years after which a rent of \$3 to \$4 would be charged. SSF 356/12; 5252/12; 6182/12.

The threat that planters waved to bring the government to its knees was that the majority of plantations would not find it profitable to operate if the enhancement was adhered to and would cease expansion. It is surprising that the government failed to see through the rhetoric. At the current 'low' prices many plantations were still making large profits and, in any case, they had been more than amply reimbursed by the enormous dividends of the earlier years.

6 The figures below show the estimated loss of land revenue between 1914 and 1919.

1914	\$305,396	1917	\$803,911
1915	\$346,262	1918	\$948,780
1916	\$559,162	1919	\$1,080,509

Further details of the rent concession can be found in HCOF 1121/15; NSSF 937/15 and a gazette notification of the new rent scheme by which full enhancement would only operate twenty years later, can be found in SSF 3528/14. The 'debate' in the Federal Council on the enactment can be found in FCP 3 November 1914, B21-22.

7 For some details of these gifts see HC to SS (Conf.) 21 April 1922, CO 717/20/24447.

### Official Hostility to Peasant Rubber Development

The peasant sector was very much affected by the general forces which acted on the economy. It was seen how the early years of the rubber industry had been dominated by capitalist planting enterprise. But as the profitability of the cultivation became established, peasant participation increased markedly, and by 1916 it had reached a crescendo. Some excerpts from the official reports will give an indication of the extraordinary pace of peasant rubber development. In Perak in 1915, there were 9,478 applications from peasants for rubber land. In 1916 applications had almost doubled to 17,891.<sup>8</sup> In Selangor, peasant rubber holdings were changing hands at \$500 an acre and there were closures of land application books in the districts where land was still available,<sup>9</sup> as a result of the heavy backlog of unprocessed peasant applications. The same rubber boom conditions were reported in Negri Sembilan where besides many new alienations there were also conversions of old holdings to rubber cultivation.<sup>10</sup> In Kuala Pilah district it was reported that all nationalities were participating in a demand for land which exceeded the scale of the earlier years and land along the entire road and railway frontage had been snapped up.<sup>11</sup> The boom had even

8 AR Perak 1915; 1916.

9 AR Selangor 1917. Land office books were closed in Ulu Selangor in December 1916, SSF 800/17; in Ulu Langat in January 1917, SSF 2036/17; and in Kuala Langat in March 1918, SSF 848/18. In Kuala Lumpur and Klang there was little land alienation after 1910.

10 The figures below show peasant land applications in Negri Sembilan between 1914 and 1916. The great majority of these were for rubber cultivation.

	<u>Number of Applicants</u>	<u>Acreage</u>
1914	8,315	25,115 acres
1915	15,194	46,603
1916	26,823	82,091

Source: Surveyor-General to US, FMS, 12 February 1917, NSSF 788/17.

11 The application books in Kuala Pilah were closed twice in 1916. Hundreds of people were said to have crowded the land office each day, and a total of 1,559 applicants averaging 2.5 acres each was approved. AR Kuala Pilah 1916, NSSF 429/17.



spread to Pahang where the administration could not only sift through land applications, quite a change for a population-hungry state which only ten years before was offering inducements to settlers, but was also so confident of the land demand that it could increase the rent on peasant land and closed land application books in at least one district.<sup>12</sup>

The expansion in peasant rubber activity was maintained in the face of continuing government disapproval. Intending rubber cultivators, besides having to pay high prices for their land,<sup>13</sup> were also obstructed in their efforts to obtain land in some districts,<sup>14</sup> and a number of officers began campaigns to impose the 'no-rubber' cultivation condition on new peasant land titles.<sup>15</sup> These actions do not appear to have appreciably diminished the appeal that rubber held for many peasants and some of them were even willing to run the gauntlet of illegality to pursue the cultivation.<sup>16</sup> In 1917,

---

12 Accounts of the boom in this east coast state can be found in AR Pahang 1915; 1916. Land rents in Pahang were adjusted in 1920. AR Pahang 1920.

13 In 1915, for example, the District Officer of Kuala Selangor questioned the equity of charging \$2.50 per acre per annum for peasant land and calculated that, at such a rate, a peasant paid \$37.50 in rent over 15 years, while a planter, under the conditions of the Country Lands Enactment, would pay only \$21.50. He called for a reduction of the rate 'unless the object of the government is to discourage the cultivation of rubber by the small land owner.' This request was rejected; the Secretary to the Resident commented that rent was fixed according to acreage and not to nationality whilst the Resident claimed that the higher rent would prevent the peasant land from being bought up by planters. DO Kuala Selangor to SR Selangor, 14 May 1915 and subsequent correspondence in SSF 4083/15. Another officer referred to the bitterness among peasants that they had to pay twice as much for their land compared with planters. AR Kuala Pilah 1916, NSSF 429/17.

14 As early as 1912 it had been the policy in Negri Sembilan where little land was left in the neighbourhood of a kampong to insist on only kampong or padi cultivation applications and to impose a 'no rubber' condition. NSSF 2680/12.

15 See, for example, AR Negri Sembilan 1915; AR Klang 1917, SSF 833/18.

16 In 1915, for example, 1,200 acres of land in Kuala Langat were alienated for coconut and fruit cultivation. There was extensive breaching of cultivation conditions and by the next year, practically all the lands were planted with rubber.

however, partly because of the operation of a new set of forces on the economy, and partly because of the increase in official hostility, the peasant rubber boom began to fade away.

Intensified official hostility towards the peasant activity was effected in several ways. One was the closure of land office books to peasant rubber land applications. In 1915 and 1916 the heavy flood of applications had overwhelmed many land offices and compelled their closure. In some districts, however, the closure was maintained much longer than necessary so as to prevent peasants from taking advantage of a period when British capital was said to be tied down by the war.<sup>17</sup> There was also a general withdrawal of lands alienated to peasants on temporary occupation licences and found to be planted with rubber, and the introduction of a prohibition on rubber cultivation within certain areas.<sup>18</sup> Perhaps the most effective measure was the adoption of a stern policy towards peasant breaches of the cultivation conditions of their lands titles. In November 1917 a Conference of Residents decided that the 'no-rubber' condition should be enforced where possible,<sup>19</sup> and although peasants breaking the condition were generally only penalised by an enhanced rent and premium,<sup>20</sup> in some areas they were refused conversion of the conditions,<sup>21</sup> or compelled to remove the

---

17 Practically all land office books in Perak were kept closed in 1919. All books in Negri Sembilan were closed in August 1919 with the exception of Malay reservation areas and areas east of the Gemas Pahang Railway line. NSSF 1289/25. In one instance, cancellation of more than 1,000 peasant applications for 1,000 acres of land was suggested so as to ensure that the policy of keeping land for British capital was not defeated. SSF 88/18.

18 US, FMS to SR Selangor, 22 November 1917, SSF 3453/17.

19 Ibid.

20 Instances of this can be found in SSF 860/18; 605/18; 909/18; 479/20.

21 In Klang, for example, the policy was to insist upon fulfilment of the condition except where undue hardship would result. Report by DO Klang, 13 February 1919 on Ngalimanbin Kanapi to BR Selangor, 24 January 1919, SSF 516/19. In Kuala Langat, notices were issued warning that no conversions were to be allowed after a certain date where the condition comprised a no-rubber or a coconut condition. DO Kuala Langat to SR Selangor, 10 January 1920, SSF 368/20.

forbidden trees from the land.<sup>22</sup> As a result of all these factors there was a heavy fall in peasant rubber land applications over the next few years. But there was no total cessation of activity, and in the outlying areas where land was still comparatively plentiful and the officers less vigilant or more sympathetic, peasant development continued vigorously.<sup>23</sup>

The government's strong disapproval of peasant rubber cultivation was due to the increased concern for subsistence agricultural activity, especially padi cultivation. It has been shown how various attempts had been made to foster padi development, and how these had been largely negated by the attraction of other economic activities. With the introduction of rubber, the administration was soon engaged in a grim struggle in many areas to prevent padi lands from being planted with the lucrative tree. In 1915, an attempt was made by the government to seek extraordinary powers to preserve padi cultivation. This was a result of a ruling by two Legal Advisers in Perak that the word 'bendang' in the nature of cultivation column of the land register did not constitute a special condition binding on the owner. The District Officer of Larut in a letter to the State Secretariat expressed the fear that if the ruling was widely publicised, it would disrupt the communal nature of padi cultivation and would lead to the cultivation being replaced by rubber.<sup>24</sup> The issue was forwarded to the Federal Secretariat with the observation that many thousands of acres in Perak, alienated on specially low rents for padi cultivation, would be affected by the ruling. To correct this, the state asked for the enactment of legislation which would establish the condition as binding and which would compel the cultivators to plant padi only. The Chief Secretary, however, was reluctant to take this drastic step. Perak, to stress the urgent necessity of remedial legislation, then submitted returns which indicated that 70,000 acres in all its districts, except Larut where no returns had been submitted, had been alienated without a special cultivation condition. The issue

---

22 For some examples, see SSF 2679/18; 479/20.

23 See, for example, Kuala Lipis in 1919 where 452 peasant applications totalling 2,313 acres were approved. AR Pahang 1919.

24 DO Larut to SR Perak, 22 December 1914, HCOF 1142/15.

was then referred to the Legal Adviser who pointed out that where the land had changed hands since it was first alienated, unless the condition was agreed to by both the landowner and the government, the proposed legislation would be oppressive. To avert this, he suggested that a quid pro quo be offered. The Perak Resident, however, brushed these objections aside. He argued that the majority of cultivators recognised the condition as binding and asserted that 'the minority must be bent into the same path in the interests of the public good'.

Despite the legal doubts and the recognition that legislation would involve administrative reversal of a judicial decision, the Chief Secretary accepted the Perak argument, and in 1917 the Rice Lands Enactment was passed in the Federal Council.<sup>25</sup> This enactment made the description of 'bendang' in the nature of cultivation column equivalent to a special condition, enforceable by law; gave the government powers to deprive the cultivator of his cultivation; and provided penalties for breaches. Many objections could be raised against the enactment. The principal government speaker in the Council had introduced the bill as an attempt to protect the government's irrigation investment and to prevent wastage of irrigation facilities. If this was so, the enactment should not have been applied to non-irrigated padi areas. It was also suggested that the bill was to protect genuine padi cultivators whose crops would otherwise suffer from the pests from neighbouring unattended fields. Such a situation was, however, already covered by the land rules. The most serious objection was that the nature of cultivation condition had been construed by many officers as a description of cultivation and not as a binding condition,<sup>26</sup> and much of the alienated land within the scope of the enactment had

---

25 FCP 24 July 1917, B8. The draft of the enactment can be found in FMS GG 1917, pp. 97-9. The FMS enactment only applies to mukim register lands in Perak, Selangor and Pahang. In Negri Sembilan where land was held under a different system, state legislation along the lines of the FMS legislation was enacted. HCOF 2027/17.

26 This is seen in the imprecision of the terms used. They included such expressions as bendang, fruit trees and padi, padi, padi sawah, padi and kampong, sawah, sawah and kampong, padi and coconuts, padi and garden, padi and coffee, bendang and kampong, and padi and durian.

long since been converted to other cultivation. These objections were to no avail and the enactment was passed in one sitting in the Council.

Initially, there appears to have been a liberal attitude towards the implementation of this drastic legislation. In Selangor, for example, exemptions were permitted in all cases where conversion of the padi land to other cultivation had taken place before 1915 and, after that date, where special reasons such as silting of the land could be shown.<sup>27</sup> In Negri Sembilan, a general policy permitting change of the cultivation condition on the imposition of higher rental was followed.<sup>28</sup> After 1919, however, the legislation appears to have been enforced quite strictly, and despite a previous assurance that no hardship was intended, some officers did put peasants to great stress by compelling them to remove other cultivation from the land, or by flooding the fields to kill any other cultivation there.<sup>29</sup> Reports regarding the effectiveness of the legislation are conflicting. Selangor and Negri Sembilan reported that it had not resulted in any significant increase in padi cultivation, whilst Pahang and Perak saw it as a valuable weapon in the preservation of

---

27 Minute by BR Selangor, 20 October 1919 on DO Kuala Selangor to SR Selangor, 5 October 1919, SSF 4197/19.

28 Minute by BR Negri Sembilan, 6 December 1917 on DO Kuala Pilah to SR Negri Sembilan, 28 November 1917, NSSF 3500/17.

29 The assurance of a liberal attitude had been given by the Legal Adviser in a report to the Secretary of State on the enactment. See HCOF 1466/17. Compare this, however, with the unsympathetic attitude generally shown by the administration in the general discussion on peasant land settlement in NSSF 705/22. Until 1921, a total of 1,627 applications for exemption were made in the four states and 1,269 were granted. These figures are obtained from a report on the working of the enactment in HC to SS, Desp. 372 of 19 September 1921, CO 717/14/52695.

padi cultivation.<sup>30</sup> But, if the legislation did not advance padi cultivation as was expected by some officers, it did prevent rubber from making further incursions into established padi fields and in this way fulfilled one of the government's intentions.

### The Rice Crisis

The Rice Lands Enactment was the first thrust in a campaign by the administration to boost local food production. As the war in Europe dragged on, there appears to have been an increased consciousness in the administration of the dangers in the country's dependence on imported food. Such an awareness was long overdue. Between 1911 and 1916, the Federated Malay States imported an average of 190,000 tons of rice annually or approximately 82 per cent of its annual rice consumption.<sup>31</sup> This figure was of such magnitude that it was obvious there would be serious consequences should there be any breakdown in the import supplies. Concern for the situation was heightened by a despatch in May 1917 from the Secretary of State for the Colonies to the Malayan authorities which warned that there was a shortage of shipping tonnage and, therefore, a need for restricting imports and exports, and stressed the urgent desirability

---

30 Some details of the working of the enactment are available from Selangor. It appears to have been most effective in Ulu Langat where a total of 2,370 acres was affected and only five exemptions were granted. In Kuala Lumpur, 788 acres were affected of which 253 acres were already planted with rubber. 308 notices were issued but the great majority were withdrawn and there were no reports of prosecutions. In Ulu Selangor, 308 holdings totalling 916 acres were affected; of these 188 holdings were either abandoned land or rubber land. There were 120 claims for exemption and 97 were granted. In Kuala Langat, no exemptions were granted for the 130 acres affected, whilst Kuala Selangor had a general policy of exemption for lands unsuitable for padi cultivation. Reports from all the districts are contained in SSF 2239/21.

31 The figures below show rice and padi imports into the FMS between 1911 and 1916. Home production during this period was estimated at 43,000 tons annually.

1911	170,357 tons	1914	207,202 tons
1912	191,131	1915	188,571
1913	208,155	1916	181,607

Source: Memorandum from the Economic Botanist to the Director of Agriculture, FMS, 6 February 1918, enclosure in HCOF 387/18.

of increasing the foodstuffs grown locally for local consumption.<sup>32</sup> This situation spurred the administration to unusual activity and, by August 1917, it was able to list a creditable number of measures taken to increase local food production.<sup>33</sup> These measures included the passing of the Rice Lands Enactment, a Coconut Palms Protection Enactment which made the destruction of the coconut plant for the purpose of cultivating other crops a punishable offence,<sup>34</sup> and a Silt Control Enactment which was to help maintain the water supply to padi fields.<sup>35</sup> At the same time, widespread publicity had been given to the necessity of local food production.

The crisis, however, was only beginning. In 1918, the failure of the rice crop in India led to a reduction in the normal allowance of rice export from Burma, then under the Indian government, to Malaya by 12 per cent. At the same time, competition in the Siam and Saigon rice markets became more acute and Malaya found it increasingly expensive and difficult to secure its normal supplies. Finally, there was a strong possibility that with the end of the war there would be a general world food shortage.<sup>36</sup> The measures undertaken to increase local food production had also not resulted in any significant improvement in the local supply and it was now felt by the administration that stronger measures were necessary. This led to the introduction of a Food Production

---

32 SS to HC, 24 May 1917, HCOF 1283/17.

33 A full list of these measures is found in US, FMS to Secretary to HC, 27 August 1917, HCOF 1283/17.

34 The enactment was the result of attempts by plantation interests to prevent rubber from being interplanted with coconut on peasant lands. For the draft bill see SSF 1293/17.

35 This enactment required plantations to take protective measures to prevent damage to adjoining padi fields and was long overdue. Descriptions of damage to padi fields by silt from adjoining rubber estates are contained in NSSF 222/16; 3467/14; 2073/17. In introducing the bill, the Legal Adviser described sawah owners as long-suffering persons reluctant to stand up for their own rights against others who were better equipped. One unofficial who approved of the legislation noted that if the Europeans had been planting padi and the Malay rubber, and the padi was affected by rubber, the Europeans would have protested long before. FCP 14 November 1917, B63.

36 This warning had been given by the Chief Secretary in a speech to the Federal Council. FCP 3 December 1918, B88.

Enactment which reserved to the government extensive powers to increase food production should the need arise. Amongst the main features of the enactment, which was passed in December 1918 in the Federated Malay States and in early 1919 in the Straits Settlements and Johore, was the appointment of a Food Controller who was to have powers to regulate the cultivation of rice and other food crops, to compel its cultivation on any land which appeared to be suitable and to requisition labour for the purpose of cultivation.<sup>37</sup>

The enactment was to operate during an emergency but the emergency descended so quickly on the country that it had little time to achieve much. In 1919, padi exports from Burma fell by 50 per cent and the price of rice in the Siam and Saigon markets soared to high levels.<sup>38</sup> As a result the country was compelled to draw on its already depleted rice stocks. By the middle of the year, these stocks had been reduced to such a dangerously low level that the government hastily introduced a food control scheme.<sup>39</sup> By this scheme all rice stocks in the country were taken over by the government which directly assumed control of rice imports and gradually released it to wholesale dealers at fixed prices to ensure the most equitable distribution. There was to be no quick relief for the country. In 1920, a drought in Siam, which supplied two thirds of the Malayan rice imports, resulted in a prohibition of all exports from the country. In Saigon, the price of rice continued to be very high and the rate of exchange adverse.<sup>40</sup> At this unfortunate moment the Malayan authorities were held for ransom by the one rice supplier with which it was linked by a common authority. Towards the end of 1919, urgent and repeated appeals were made to the Indian government, both directly and through the representations of the Colonial Office, for definite information on the size of rice

---

37 The bill was first read in the Federal Council on 14 August 1918 and was passed in December 1918. FCP 5 December 1918, B65 and 106. The draft bill can be found in HCOF 155/18.

38 FCP 25 November 1919, B47.

39 Some details of this scheme are found in HCOF 1310/18.

40 Memorandum of information and statistics to accompany the High Commissioner's address to the Federal Council, 30 November 1920, FCP 30 November 1920, C111.



allotments from Burma to Malaya and the possibility of increasing them, and asking for the same preferential treatment that Ceylon, another British colony, was receiving. The latter suggestion was rejected, and only vague answers were given regarding the size of the Burmese rice allotment. During the next few months, several changes were made in the arrangements which badly frayed the nerves and tempers of the Malayan authorities. Partly as a result of what has been called the Indian Government's 'shameful conduct', the Malayan authorities were forced to buy 30,000 tons of rice at an exorbitant price from the Saigon market between November and April 1920.<sup>41</sup>

Rice control was to continue throughout 1920 and was finally brought to an end in February 1921 when bumper harvests in Burma and Siam assured the return to normal once again of rice exports to Malaya. It had been a costly experience for both government and country. To ensure that the masses could purchase rice the administration, throughout the period of rice control, had been compelled to sell the rice at a price lower than its cost,<sup>42</sup> and before control came to an end it was estimated that the Federated Malay States, the Straits Settlements and the Johore administrations had incurred a total loss of \$39 million of which the Federated Malay States' share was \$16,300,000.<sup>43</sup> The loss was less for charitable reasons than for the fact that the colonial administration felt sufficiently threatened by the spectre of hungry mobs looting rice stores and other violent consequences arising from the breakdown of the rice supply, to voluntarily loosen the purse-strings to assist the population. The subsidies, however, did not absorb all the increase in the rice price, and the substantial margin between the normal price and the government's selling price was borne by the masses.

---

41 Ibid., C111-12.

42 Between January and April 1920, for example, when the FMS was estimated to have consumed 54,306 tons of rice, the government had bought its rice at \$358.40 per ton and sold it at \$267.12 per ton resulting in a loss of \$91.28 per ton and a total loss of \$4,957,052. Ibid., C113.

43 This estimate was made in 1920. A later estimate put the loss at \$48 million of which the FMS's share was \$24 million.

This brief account of the great Malayan rice shortage is to provide a background to a discussion of how the peasantry was affected and to compare it with the plantation sector.

It has been said that the initial moves made to boost local food production had been directed at the peasant population. The Rice Lands Enactment and Coconut Palms Preservation Enactment, introduced during 1917, were intended to prevent padi and coconut cultivation from being replaced or damaged by rubber, and these were supplemented by a Food Production Enactment in 1918 which set aside land for the cultivation of food crops.<sup>44</sup> At the same time a variety of inducements, many of them used by the early administration but since fallen into disuse, were offered to encourage food crop cultivation.<sup>45</sup> The most important of these was the relaxation of restrictions on land alienation and cultivation and the concessions on rents on new lands taken up for the purpose of food crop cultivation.<sup>46</sup> In particular, special efforts were made to encourage padi cultivation. A scheme for the purchase and distribution of seeds was begun;<sup>47</sup> the system of money advances to peasants was simplified;<sup>48</sup> bonuses were made to penghulus and chiefs who assisted in the food production campaign,<sup>49</sup> and the Malay rulers were sent round or persuaded to issue instructions exhorting the

---

44 For a list of lands set aside in Selangor under the enactment, see SSF 789/19.

45 Most of the measures described above had been recommended by a Malayan committee established in 1917 to advise the government on how to improve local food production. This committee, which met on six occasions between August 1917 and April 1918, had directed most of its attention to peasant food production. Minutes of the meetings of the committee can be found in FCP Appendix 8 and 16 of 13 August 1918 and 3 December 1918, C49-57; C91-98.

46 US, FMS to SR Selangor, 5 September 1917, SSF 3677/17 contains particulars of the land concessions. SSF 4531/17; 4999/17 contain further correspondence on the subject.

47 CS to BR Selangor, 30 March 1917, SSF 2467/17.

48 US, FMS to SR Selangor, 4 September 1917, SSF 3654/17.

49 US, FMS to SR Negri Sembilan, 5 April 1917, NSSF 610/17.

peasantry to increase their padi production.<sup>50</sup> At the same time there was a stricter enforcement of padi planting rules.<sup>51</sup>

The government campaign was greatly facilitated by the increase in the price for local rice as a result of the growing scarcity and expense of imported rice. Between 1911 and 1914, it was estimated that a Krian padi planter received an average of 7 to 8 cents per gantang of padi, although this price often rose to as high as 13 cents late in the season when the glut from the harvest had receded. In 1918, however, because of the high price of imported rice and the break-up of padi-buying monopolies in Krian, the average price rose to 11 cents.<sup>52</sup> It was to climb higher as the rice shortage worsened; from 1 May 1919 a price of 13 cents per gantang for padi delivered at the Krian mill was guaranteed by the government for five years,<sup>53</sup> and in some outlying areas local padi was to fetch as much as 17 to 18 cents. The rice price increase was a major factor in attracting a number of new adherents to the cultivation and in persuading some others who had neglected their fields to return to it.

The efforts of the administration and the exceptional price of rice not only stopped the decline which had been taking place in padi production for some years, and which had led the Director of Agriculture in 1916 to offer the gloomiest prospects for the future of the cultivation,<sup>54</sup> but they also led to increases in production.

---

50 AR Perak 1917 has details of the Sultan of Perak's involvement. For details of the Sultan of Selangor's involvement, see minute by BR Selangor, 24 August 1917, SSF 3531/17.

51 In Seremban, 434 Malays were prosecuted and fined during the 1917 padi season for not observing cultivation dates and for planting only part of their land. NSSF 833/18. The matter of notices to landowners to plant padi is discussed in SSF 988/18.

52 'Fixing the price of padi and a maximum price for par-boiled rice', memorandum by DO Krian, 3 December 1918, HCOF 3024/18.

53 FCP 30 April 1919, B17.

54 AR Director of Agriculture 1916.

In 1920 padi production reached its peak for many years.<sup>55</sup> The increase in production was concentrated in Perak and Negri Sembilan. In Perak, administrative pressure in Lower Perak and Kuala Kangsar resulted in the opening up of many new padi fields.<sup>56</sup> In Negri Sembilan, although development was mainly confined to the traditional Malay districts of Kuala Pilah, Rembau and Tampin, it had resulted in an increase of more than 30 per cent in the state's padi production between 1913 and 1919.<sup>57</sup> In Pahang, padi development reached its peak in 1913 and the availability of rubber land here during the period of rice shortage seriously hampered further padi

55 In that year the FMS produced an estimated 18.75 million gantang of rice and imported 38.25 million gantang or about 32.89% of total consumption. The local production was an increase of more than 4 million gantang over the estimated production in 1916. The table below gives a breakdown of the 1920 situation by state. (Figures in million gantangs).

	<u>Production</u>	<u>Imports</u>
Perak	13.00	16.50
Selangor	0.75	14.00
Negri Sembilan	2.75	6.00
Pahang	2.25	1.75

Source: AR CS 1920.

56 AR Perak 1920. The pressure was mainly in the form of a campaign by the Sultan who toured the districts exhorting his people to grow padi. In that year a 100% increase in the padi yield in Kuala Kangsar was attributed to this.

57 The figures below compare the padi production in the districts of Negri Sembilan between 1913 and 1919.

	<u>Padi Production 1913</u> (gantangs)	<u>Padi Production 1919</u> (gantangs)
Kuala Pilah	2,484,197	2,638,925
Jelebu	265,725	308,197
Coast	4,945	13,860
Tampin	67,086	201,652
Rembau	651,618	1,778,274
Seremban	415,948	415,597
Total	<u>3,889,519</u>	<u>5,356,505</u>

Source: Grist, Wet Rice Planting in Negri Sembilan, FMS Agricultural Bulletin No. 33, p. 2.

development.<sup>58</sup> Selangor's padi industry continued to be in the doldrums, and in 1920 it was estimated to cover only 3,100 acres. It had been recognised by the state administration that the best prospect of padi development lay in developing the large tract of land in Kuala Bernam and Kuala Selangor.<sup>59</sup> But it was not prepared to provide the irrigation facilities which could attract peasants to take up land there and preferred a smaller programme of improving the existing small areas of cultivation.

The increase in padi production, although it fell far short of what was required to make the states self-sufficient, was wrongly regarded with satisfaction by the administration. Prior to 1917, it had been noted by various authorities that productivity in many areas was unsatisfactory. In 1915, for example, an average yield of only 105 gantangs to the acre was obtained from the Pekan padi lands and 60 gantangs to the acre from the Kuantan fields. This was far from the 250 gantangs per acre average regarded by the District Officer as a satisfactory harvest.<sup>60</sup> In 1917 the Resident of Pahang in his Annual Report noted that the padi yields of the state were too low and often could not meet the costs of production. In the same year, the Committee advising the Government on Food Production stated that 200 gantangs per acre was an uneconomic yield, barely sufficient to feed a man and his family, and less than the market value of the labour expended.<sup>61</sup>

The level of productivity failed to rise during the period of the rice shortage crisis. Many new areas were planted with dry

---

58 For example, whereas 3,500 acres of tenggala padi were cultivated in Pekan in 1915, only 2,000 acres were cultivated in 1921. Agricultural Bulletin, Vol. IX, January-December 1921.

59 Minute by BR Selangor, 20 September 1920, on memorandum by HC, 29 March 1920, SSF 4704/20.

60 AR Pahang 1915.

61 Minutes of a meeting of the Committee appointed to consider and advise the Government on the best means of increasing the production of rice and other foodstuffs in British Malaya, 24 September 1917, FCP Appendix 8 of 13 August 1918, C93.

padi and recorded very poor harvests,<sup>62</sup> and in the established wet padi areas, yields were inclined to considerable fluctuation. Kuala Pilah, one of the main areas of cultivation in Negri Sembilan, for example, had an average production of 195 gantangs to the acre in 1919. This was reduced to 118 gantangs in 1920.<sup>63</sup> The average yield throughout the state during the rice shortage period does not appear to have varied from the 175-185 gantangs per acre obtained prior to the crisis.<sup>64</sup> This stagnation in productivity was found not only in the smaller wet padi areas but also in Krian where production showed only a very slight increase during the five-year period from 1915 to 1920 as compared with the period 1910 to 1915.<sup>65</sup> It is clear, therefore, that the increase in rice production had come about as a result of the increase in the area of land cultivated and in the number of cultivators, and not from the increased productivity of the peasant. Failure to accomplish the latter meant that the increase could only be temporary so that when rice imports began flowing in again after 1922, there was a rapid shrinkage in the padi area cultivated to its pre-1918 level and a decrease in rice production.

The falling-off in cultivation appears to have been even more drastic in the case of food crops other than padi. Some attention had been given by the administration to the cultivation of sweet potatoes, ragi and other crops which could be eaten as a substitute for rice, and a large amount of land was alienated for

---

62 The table below shows the FMS dry padi area and production between 1917 and 1921.

<u>Padi season</u>	<u>Dry Padi Area</u>	<u>Gross Yield (gantangs)</u>	<u>Average Yield per acre</u>
1917-18	12,938	1,573,081	121
1918-19	23,267	3,198,460	137
1919-20	57,474	6,348,668	110
1920-21	54,875	6,511,557	119

Source: AR Director of Agriculture 1918-1921.

63 AR Kuala Pilah 1919, NSSF 677/20.

64 Grist, Wet Rice Planting in Negri Sembilan, FMS Agricultural Bulletin No. 33, p. 3.

65 Average annual production was 14,396,000 gtg. between 1910 and 1915, and 14,506,000 gtg. between 1916 and 1920.

the purpose. The results, however, were unsatisfactory. Very poor crops were obtained which were disproportionate to the labour and expense put into them,<sup>66</sup> and on the occasions when a good crop was harvested, it appears to have gone to waste because of the absence of storing, processing and marketing facilities. Of crucial importance in this situation was the fact that substitutes for rice were poorly regarded by the population and would only be eaten when rice itself was unobtainable. As soon as rice was available at a price that people could afford, even though this was higher, the substitutes were discarded. It is not surprising, therefore, that when the rice shortage came to an end, the cultivation of food crops other than padi ceased almost as abruptly as it had begun.

There was one exception to this which was to have important long-term implications. This was the market gardening activity dominated by the Chinese. Cultivation of vegetables and the rearing of pigs and poultry had been carried out by small Chinese groups for as long as there have been Chinese settlements in the Peninsula. In the Malay States, this activity had initially been located near the mining centres which were the first centres of Chinese population. Enterprising peasants, to take advantage of the demand for fresh produce, would combine working on the land with their mining duties.<sup>67</sup> With the growth of other population centres, however, the numbers of market gardeners increased. But it was not until towards the end of this period when food was very expensive and difficult to procure, and when the tin and rubber industries were in the doldrums, resulting in the dismissal of many Chinese labourers, that a significant growth took place in the activity and in the numbers of peasants involved. The foundations for development were provided by the administration which, at the beginning of the rice shortage crisis, had established market gardens close to town

---

66 SSF 1033/19 carries a report of the failure of the crop of 198 peasants in a new padi settlement in Kuala Selangor. See also AR Ulu Selangor 1919, SSF 1531/20 where the District Officer wrote on the waste of energy and expense in the cultivation attempts.

67 For some early accounts see AR Lands, Mines and Surveys FMS 1897, supplement to SGG 29 July 1898; AR Chinese Secretariat FMS 1898, SGG 1899; AR Klang 1900, supplement to SGG 14 June 1901.

and village areas, removed the restrictions on the cultivation of food crops on mining land, alienated such land rent-free for five years and permitted the cultivation of tapioca, a crop important to the market gardening activity.<sup>68</sup> A full discussion of the market gardening development will be provided later.

Of the other peasant crops, coconut deserves some mention. The cultivation was highly regarded by the government and considerable dismay had been expressed when peasant coconut development had slackened after the introduction of rubber. The dismay was understandable as not only was the coconut an important local food item but a considerable export industry had also been established by the sale of copra for the manufacture of soap and margarine.<sup>69</sup> In the few years before 1913 there had been indications of a revived peasant interest in the cultivation and extensive new planting had taken place, especially in the coastal districts of Selangor and Perak. This resulted in a steady increase in copra exports from the two states, particularly during the latter half of this period when large numbers of the plant reached maturity.<sup>70</sup> The expansion in cultivation, however, failed to be maintained after 1915. This failure was puzzling to the administration, especially as there had been a steady increase in the price for coconut products since the outbreak of war in Europe. In 1914, the annual average price for Malayan copra on the London market had been £25 and this had risen to £45. 15s. in November 1917 when control over the prices of oil seed, including copra, was introduced. No further changes in copra price occurred until March 1919 when the controls were removed and the price fell to £33. 10s. It quickly rose again, however, and soon reached a peak in February 1920 with an average of

---

68 For a list of vegetable garden reserves in Selangor see SSF 789/18. Sanction for the establishment of these reserves was provided by the Food Production Enactment of 1918. Various attempts had been made in the past to set aside similar reserves. SSF 5110/12; 5659/12. For details of rent concessions see AR Perak 1917; AR Negri Sembilan 1917; SSF 3677; 4531/17.

69 Other products obtainable from the coconut palm were shredded coconut, coconut cake, coir, toddy and shell.

70 Appendix 5.1 contains details of the FMS copra export during this period.



£69. 10s.<sup>71</sup> Although the mechanics of the price structure of copra are not clear, it appears that much of the price increase was swallowed up by the increase in freight charges during this period and peasant coconut cultivators did not obtain sufficient benefit to encourage them to expand the cultivation further.

To encourage peasant cultivation of coconuts, the government had permitted the alienation of land on low rents, often after extracting a simple verbal undertaking from the peasant to plant coconuts or on imposition of a cultivation condition on the land title.<sup>72</sup> Many peasants had consented to this arrangement; some had genuinely wanted to plant coconuts but others had agreed because of a desire not to antagonise the officer or to obtain the benefit of low rents. But, as the price of rubber continued to ride high and as coconut remained inferior in profitability, the administration discovered many breaches. These were often blatant as when the applicant made no attempt to comply with the condition and planted rubber immediately after receiving land. More frequently, rubber was gradually interplanted with coconuts. The policy towards these breaches had initially been to permit the continuation of rubber cultivation after extraction of higher rents, although in instances where there was a specific cultivation condition, attempts were made to enforce the 'coconut' cultivation. The administration was much less sympathetic when it discovered peasants cutting down coconut trees and planting rubber trees in their place.<sup>74</sup> To forestall this tendency, a Coconuts Preservation Enactment was introduced in 1917 which prohibited the replacement of the coconut palm by other forms

---

71 Report of a Committee appointed by His Excellency the Officer Administering the Government of the Straits Settlements and High Commissioner for the Malay States to Investigate and Report on the Present Economic Condition of the Coconut and Other Vegetable Oil Producing Industries in Malaya (FMS Government Press, Kuala Lumpur, 1934) p. 9.

72 There were many variations of this. In Ulu Selangor, for example, the policy in 1915 was to alienate land on a partial 'coconut' cultivation condition. SSF 4710/15.

73 See correspondence on the subject of enhanced rents in SSF 4083/15.

74 The AR Selangor 1917 attributed the reduction in the state's coconut area to this.

of cultivation.<sup>75</sup>

At the end of 1920, the administration could not have been very happy with the balance sheet on peasant food production. Despite the use of both compulsion and inducement, there had been only a marginal increase in food production. The increase had also tended to be local and, with the exception of that derived from market garden activity, had been temporary, and much of the cultivation was eventually either replaced by rubber or abandoned. Such a situation should not have been unexpected. It was suspected by the more discerning officials that many of the peasant applications for land for food cultivation were thinly disguised attempts to obtain land, which was otherwise unobtainable due to the closure of application books to rubber cultivators.<sup>76</sup> But, in the crisis situation, there was little choice except to give them the benefit of the doubt. It appears, too, that many peasants did attempt to plant the prescribed food crops on their newly acquired lands. But they had met with little success, and in the manner of other peasants before the crisis, made the switch to rubber cultivation as soon as the administration dropped its guard. In the wider sense, it would not be unduly biased to regard these evasions with some approval, especially as it provided peasants previously obstructed from obtaining rubber land with an opportunity to do so and compensated for the less remunerative padi and coconut cultivation that some of them were compelled to maintain.

The administration had itself to blame for the unsatisfactory situation in peasant food crop cultivation. It was already a truism then that the introduction of advanced agricultural and technical assistance and of a complete and efficient agricultural service was essential if any progress in agriculture was to come about. It has been seen that the Department of Agriculture, established in 1905 to carry this out, had during its first years made little attempt to reach the peasantry and had built up instead

---

75 AR CS 1917. A report on the legislation for the Secretary of State can be found in HCOF 1466/17.

76 See, for example, the views expressed by the Conservator of Forests, undated minute in SSF 3531/17. See also SSF 3855/17; 3702/17; 392/18 and 2112/19 for similar views expressed by other officers.

links mainly with the plantations. There might have been some justification for this direction of the early activity as the smallness of the department precluded attention to unorganised groups. In 1913, the department had begun a programme of expansion and within a few years had become, outside of the self-governing colonies and India, the largest agricultural department in terms of sanctioned staff of any British colony.<sup>77</sup> It had, however, continued to remain largely aloof from the peasantry. This was perhaps most noticeable in the content of its technical work which, when it was not concerned with research intended for plantation rubber use, was on academic subjects having little or no relation to the problems of peasant food crops production.<sup>78</sup> The department did conduct some investigation into padi but this was on an inadequate scale and produced few tangible benefits.<sup>79</sup> As a result, when the rice shortage crisis hit the Malay States, the department could not render any significant assistance.<sup>80</sup> In this respect the censure by Butler of the 'tendency by no means confined to non-officials to consider that when the larger or what may be called the capitalistic agricultural industries

---

77 This point was made by Butler who had been invited to Malaya in 1918 to investigate the Agricultural Department. See his Report on the Agricultural Department, C81. The appropriations to the department during this period, however, averaged less than 1% of the total annual expenditure. By comparison in 1918, public works and railways received 16.3 and 24.5% of the total expenditure.

78 This emerges clearly from a simple content analysis of the two series of publications brought out by the department during this period - a monthly Journal, the Agricultural Bulletin of the Federated Malay States, started in 1912, and occasional Bulletins published from time to time since 1909.

79 Two preliminary padi investigation programmes were conducted in Krian in 1906 and 1911 and a seed distribution campaign was begun a little later. But the padi work can be considered to have begun in earnest only in 1914. In 1919, only two subordinate officers and one botanist were engaged in padi work. AR Director of Agriculture 1919.

80 As an example, in reply to a request that it distribute seeds and planting material, the department indicated that it had no fruit trees and only a limited stock of other material. Minute by Director of Agriculture, 7 February 1918, SSF 5061/17. See also a criticism on the department's failure to make use of native agricultural knowledge by C.N. Maxwell, memorandum of 7 December 1917, SSF 4917/17.

are provided for there is little left for the Agricultural Department to do,<sup>81</sup> was really too mild.

A more specific subject, outside the sphere of the Department of Agriculture, was the need for planned irrigation schemes to increase the productivity of the padi field and to ensure relatively permanent and profitable cultivation. Here too there were many shortcomings in government policy. A branch of the Public Works Department had been established in 1913 to deal with irrigation but the small staff of engineers were incapable even of managing the irrigation schemes already completed. One scheme in Bruas was disrupted because of the difficulty of maintaining a dam; another in Kenas proved to be too expensive for the small area it served; in Krian it was found that the massive scheme was not able to provide efficient drainage or to have scope for expansion because of the presence of plantations which had complicated the design for the original system and forced the cutting of awkward boundaries.<sup>82</sup> The promise of a fresh start in the country's irrigation policy was, however, held out in 1917. On the recommendation of the Food Production Committee which had felt that the only solution to the food problem was the discovery of first-class land, instructions were issued to all states to reserve all their potential irrigated padi land.<sup>83</sup> But this was not to be the prelude to a better deal in irrigation which the padi peasant needed. Although some administrators appear to have realised the importance of the subject and to have

---

81 Butler, Report on the Agricultural Department, C78.

82 These schemes were inspected by a visiting irrigation specialist, C.E. Dupuis. The reports on them are found in FCP Appendix 10, 13 and 17 of 26 July 1921, C103; 115 and 142.

83 The Malayan Food Production Committee, for one, had stressed that a change in the government's previous attitude was necessary before any progress could be made in irrigated padi cultivation. See FCP Appendix 8 of 13 July 1918, C56.

adhered less rigidly to a revenue approach,<sup>84</sup> the rice shortage crisis was not of sufficiently long duration to convince the government of the urgent necessity for an expanded programme of irrigation work.

While it was expected that the peasantry should be the main target of the food production campaign, the administration had realised that the position of the plantation industry in the matter was crucial. This industry was the largest employer of labour and the largest land owner. In 1917, it was estimated that there were 228,850 labourers employed in plantations in the Federated Malay States and that plantations occupied 621,622 acres in the four states and approximately 1,000,000 acres in Malaya.<sup>85</sup> Practically all the labour was fed by imported rice and other imported foodstuffs and a negligible amount of the land was devoted to food crop production. For this reason and because it was acknowledged that the burden of food production should be distributed more equitably, the government in 1917 approached the plantation industry to obtain its co-operation. But this co-operation was not easily forthcoming; for a long time the plantation owners had been implacably opposed to any suggestion that they should help produce their own food and they were not going to change their minds in a hurry. Planters, often

---

84 The figures below show the total expenditure on irrigation and drainage in Selangor between 1913 and 1921. They include the cost of establishments as well as the actual construction works.

	<u>Perak</u>	<u>Selangor</u>
1913	\$229,696	\$36,616
1914	175,163	50,394
1915	120,636	14,930
1916	111,461	25,429
1917	116,972	33,726
1918	191,583	40,632
1919	253,598	90,636
1920	253,799	83,696
1921	295,690	142,419

Source: FMS Estimates of Expenditure 1914-1922

85 AR Labour Department FMS 1917.

supported by officials, therefore argued that plantation food production was not feasible.<sup>86</sup> The underlying reason was clear: as long as the plantation sector could count on cheap rice imports and on the local peasantry to undertake production, it was determined not to divert its own labour and land resource to an unprofitable activity.

During the initial stages of the campaign, the government, despite the wide powers provided by the Food Control Enactment of 1917 to compel estates to grow food crops on a certain proportion of their land, had not pressed its point and had been content to rely upon voluntary efforts and the good sense of the plantation owners. This was not enough; plantation food production in 1917 and 1918 was at a bare minimum,<sup>87</sup> but it was not until the food crisis had deteriorated perilously that the government resorted to the mailed fist which had been necessary at least two years earlier. In December 1918, a Food Production Enactment which included provisions to enforce food crop cultivation in the plantations was passed. Largely because of this compulsory legislation, plantations and mines in 1919 brought an estimated 45,000 acres of land under food crop cultivation.<sup>88</sup> A considerable part of the acreage was given to padi, but other crops were also grown, including ragi, gram, sweet potatoes and cowpeas which were regarded as higher yielding as well as being acceptable food for the Indian plantation labour force. Despite a variety of assistance from the government, including the supply of seeds and the grant of cash bonuses,<sup>89</sup> the results especially of padi cultivation were disappointing. Yields of as low as thirty gantang of padi per acre were recorded and in 1920 it was said that only twelve plantations in the Straits Settlements and the Federated Malay

---

86 See, for example, the emphatic statement put out by the Planters' Association of Malaya. Chairman, Planters' Association of Malaya to CS, 23 June 1917, enclosure in HCOF 903/17. See also the mild stand taken by the Malayan Food Production Committee on the matter. FCP Appendix 8 of 13 July 1918, C56.

87 AR Negri Sembilan 1918; AR Selangor 1918.

88 Director of Food Production to US, FMS, 22 December 1919, SSF 385/20.

89 This assistance was chiefly provided by a Food Production Department established under the Food Production Enactment.

States could be considered as having been successful in their food production efforts.<sup>90</sup> No doubt there was more than a trace of exaggeration in these woeful accounts, but generally the plantation sector appears to have had a painful experience with food production. As these results became known the clamour from the planters for the repeal of the compulsory measures won a sympathetic ear from influential quarters.<sup>91</sup> In 1921 the Food Production Enactment was repealed and the plantation industry was freed from assisting in food production.

### The Malay Reservations Enactment of 1913

It has been sought, so far, to advance the picture of a colonial administration with virtually total control over the colony, guided as much by preconceptions and images as by circumstances in attempting to construct a new economy. One of the main principles it held to in the Malay States was that of economic laissez faire. This classical liberal doctrine had laid down that the removal of restrictions on dealings in capital, land and labour would facilitate development, and it had proved successful in the Malay States where it was faithfully followed. By the 1890s, however, the doctrine in Europe itself had begun to fray. Humanitarians and radicals, outraged by injustices and inequalities at home, found the anti-imperialist cause a suitable stalking-horse, and they directed special attention to their claim that, in the colonies, the unfettered interplay of economic forces operated adversely against the indigenous population. The corollary to this claim was that the colonial administration had a duty to control the economic forces in the interests of the indigenous peoples, and this was put forward as a counter doctrine.

These ideas seeped only slowly into the consciousness of colonial administrators. Their manifestation in colonial policy was

---

90 This figure was given by the Director of Food Production. Minute of 9 May 1921 on Col. Sec., Straits Settlements to US, FMS, 16 August 1920, SSF 1576/21.

91 See correspondence in SSF 1576/21. One of the strongest supporters of the plantation case was the Director of Food Production who pointed out that the Rice Lands Enactment had already secured one of the main objects of the campaign. Minute of 9 May 1921 in SSF 1576/21.

even slower, as the doctrine of economic laissez-faire was strongly entrenched, and there was much less vocal opposition in the colonies than in Britain. But the process of change is a crucial one and needs to be examined closely. The starting point of the new consciousness was the first decade of this century. The British had been in the Peninsula for more than thirty years and, during that period had converted the states from isolated Malay negeris to developed colonies. Development had initially been located in the urban and mining enclaves, and in the plantations to a lesser extent, and had only marginally affected the indigenous Malay peasantry. The arrival of rubber changed this quite dramatically. The rubber companies which swarmed into the Peninsula bought up large areas of virgin land, but they also intruded into the traditional areas of peasant cultivation during the course of their land-buying spree. These encroachments on peasant land were not new; since the British took over the Malay States capitalist enterprise had been buying up selected peasant land, especially potential tin areas or blocks of land along lines of communication or close to population centres. The administration then, holding to the laissez-faire doctrine of economic progress, had not objected to or interfered with the displacement. But the new wave of land purchases during the first rubber boom was of such dimensions that it aroused fears among some officers that it would have a disastrous effect on the indigenous peasantry if it continued unchecked. The outcome of this situation was a piece of legislation - the Malay Reservations Enactment of 1913 - which directly contradicted the doctrine of economic liberalism in the vital matter of land.

The formulation of this legislation was a complex process and it will be useful to describe it, not only because little is known about the subject, but also because it might throw some light on its more contentious aspects. In October 1908 the Residents of the four states, for the first time, officially discussed the question of the sale of Malay land to non-Malays and considered various proposals to prevent it.<sup>92</sup> The Perak Resident, Brockman, suggested that it should be a condition of leases for rubber land that the lessee could not buy up adjacent Malay holdings. The other participants in the conference, however, considered this inadvisable.

---

92 Conference of Residents, October 1908, HCOF 1667/08.



Brockman then expressed the view that restrictions should be imposed on the powers of disposal of the Malay landholder. On this particular point the Negri Sembilan Resident, Campbell, made the suggestion that Malay reserves could be established around the kampongs to protect them, but Belfield, the Selangor Resident, and Taylor, the Resident-General, for unknown reasons rejected the suggestion as impracticable and the matter was dropped from the proceedings.

The subject was reopened in July 1910 when the Federal Secretariat wrote to the states drawing attention to the absorption of Malay holdings by rubber plantations and inquiring whether it was desirable to prevent this by a prohibition on alienation of such lands.<sup>93</sup> It seems that considerable discussion on the subject had already taken place in Perak and Selangor prior to the Federal Secretariat's initiative. In Selangor, the District Officer of Ulu Langat, R.C. Clayton, had taken a special interest in the problem and he was able to submit a memorandum which the Resident generally agreed with. Clayton began by pointing out that Malay peasants were unlike Chinese or Tamils in that they could be regarded as permanent settlers in the country. Malay peasants, he argued, owned three classes of land: isolated holdings, kebuns and the kampongs proper. The first two classes were considered by him as relatively impermanent lands and he saw no objection to their absorption by estates, but he was strongly opposed to the sale of kampong land which he regarded as being permanently settled.<sup>94</sup> Such a sale, he thought, was detrimental to the peasant, the plantation buyer and the government. By selling the land, the peasant was soon reduced to the status of a labourer or vagabond; by buying it, the plantation was making an uneconomic purchase; and by permitting the transaction, the government was defeating its objective of a permanent agricultural population. To prevent this, Clayton made a number of suggestions which included an announcement by the government of its strong

---

93 Federal Secretary to SR Selangor, 18 July 1910, SSF 3170/10.

94 Memorandum on 'The absorption by large Land Owners and Estates of native (Malay) holdings' by Acting D.O. Ulu Langat, 28 July 1910, *ibid.* Clayton defined a kebun as a piece of land planted with a cash crop and taken up with a view to sale, and a kampong as land with houses of relatively long standing, permanent cultivation and other features of permanency.

disapproval of such sales and the enforcement of special cultivation conditions to make the land less attractive to buyers. These suggestions were to meet present problems; as to the future, Clayton suggested that it could be protected by the creation of Malay reserves in which land would be alienated only to Malays.

An equally strong stand was taken by the Perak Resident, Birch.<sup>95</sup> Like Clayton, he had made a distinction between land planted for speculative reasons by the Malay peasant and land which was the peasant's traditional holding and on which stood the Malay home, padi fields and fruit trees. To protect the latter, which included both old as well as unalienated lands, Birch suggested that an enactment be passed in each state to give the Resident power to impose on Malay lands, within certain approved areas, the restrictions on transfer and mortgage which applied to customary lands in Malacca. These approved areas were to be drawn up by a state committee and subject to revisions made by the State Council. Birch especially stressed the necessity for urgent action - 'to say that it is impossible... is to forget that these are Malay States and that the people have only taken from us a document to evidence title' - and he predicted that both the Malay élite and peasants would welcome the legislation. But in expressing the assurance that the legislation 'would preserve and enrich the Malay population by freeing them from the clutches of money lenders', Birch appears to have had the chetties rather than the planters in mind as the villains of the piece, and it is probable that his initiative in the subject was directly related to his earlier campaign against peasant land indebtedness.

As part of their investigations, both Perak and Selangor appointed state committees which enquired into 'the question of the alienation of hereditary rights in land by Malays and the desirability or otherwise of preventative or remedial action being taken'.<sup>96</sup> In Selangor the committee found that during the years 1909 and 1910 1,584 holdings totalling 7,567 acres were transferred by Malays to

---

95 Minute by BR Perak to Acting RG, 7 September 1910, *ibid.*

96 Perak SCM 2 September 1910, FMS GG 1910, p. 893. Selangor SCM 14 December 1910, FMS GG 1910, p. 1599.

non-Malays.<sup>97</sup> It estimated that half these transactions were of established holdings which were regarded as desirable to preserve, and on this evidence it argued that unless remedial measures were quickly introduced there would be disastrous consequences to the permanent settlement of Malays in the state. It saw three ways to discourage this - firstly, by establishing Malay reserves where alienation would be limited to persons of the Malay race and religion only; secondly, by imposing a restrictive condition to be called an 'ancestral' condition to ensure that no transfer to a non-Malay could take place without the written consent of the Collector; and thirdly, by enabling Malays holding land outside the reserve to exchange these lands for reserve land. As an inducement to Malays to take up reserve land it suggested that the rents on such land be reduced. The committee thought that legislation was unnecessary to implement these proposals but suggested that if the objectives were not realised fresh legislation along the lines of Section 23 of the 1891 Selangor Land Code by enacted to forbid Malays to dispose of this land below the irreducible minimum of one acre for each member of the family.<sup>98</sup> These recommendations were accepted by the state in July 1911, and a start towards implementing them by imposing the 'ancestral' condition on selected Malay lands was made in the districts of Ulu Langat, Klang and Ulu Selangor.

In Perak, events had moved a little quicker; the state committee had begun its investigations and submitted its report some months before its Selangor counterpart. Unfortunately it has not been possible to locate this report, but scattered references to it indicate that its findings were not markedly different from the Selangor one. There does appear to have been a difference in approach, though, for whereas the Selangor committee saw no necessity yet for legislation and was content to rely on an umbrella of administrative restrictions, the Perak one appeared to prefer the sanction of the legislative process. The Perak attitude appears to have been due to

---

97 The terms of reference of the Selangor committee were 'to enquire into and report on the question of the alienation of hereditary rights in land by Malays and the desirability or otherwise of preventive or remedial action being taken'. The report of the committee can be found in SSF 3170/10. The committee was comprised of two District Officers, E. Burnside and Clayton, and two Malays, Abdul Razak and Haji Ibrahim, and the report appears to have been greatly influenced by Clayton.

98 See Selangor Land Code 1891, SGG 1891, p. 149.

the influence of Birch, the Resident of the state, who regarded the problem as requiring urgent action. In December 1910, Birch submitted to the State Council legislation to prevent the alienation of traditional Malay lands to non-Malays.<sup>99</sup> At this juncture, however, the proceedings met an unexpected obstacle. The Malay members of the Council whose support Birch had earlier so confidently written of, asked for the draft legislation to be translated into Malay and for the paper to be circulated more widely 'to ascertain the views of the Malays themselves on legislation that so closely affected them and was designed for their benefit'. This effectively brought developments in Perak to a halt.

The administrations of the other two states were not involved in these deliberations, though for different reasons. Negri Sembilan, since 1909, already had legislation in the form of the Customary Tenure Enactment which protected its traditional peasant lands. The initial purpose of this unique state legislation had been to legitimise and protect the indigenous land system in Kuala Pilah and Tampin, the two areas of traditional settlement. Prior to this enactment the land laws of the Federated Malay States made no reference to the local land customs which formed the basis of the Menangkabau social structure in Negri Sembilan, and the 1909 enactment had been as much to prove the good faith of the British as to supplement the federal laws. The enactment itself regulated all dealings of customary land in accordance with the adat of the tribes, and in doing so it restricted the powers of land disposal and effectively prevented the disposal of customary lands to non-Malays.<sup>100</sup>

---

99 Perak SCM 1 December 1910, FMS GG 1910, p. 1597

100 'Memorandum to accompany a draft of Customary Tenure Enactment 1909' by D.G. Campbell, 3 June 1909, HCOF 826/09. There were two pertinent provisions of the enactment. Section 4(a) prohibited the transfer or charge of land subject to the custom except with the assent of the local headman of the tribe of the transferor or charger and required certain steps to be followed before the land could be transferred or charged to a person who was not a member of one of the recognised tribes. Section 6(b) prohibited the sale of land subject to the custom in execution of a degree to anyone who was not a member of the tribe of the judgement debtor, and where application was made by a chargee for the sale of such land gave a preferential right to the tribes first before the chargee was given the right of exercising all remedies against the land.

In Pahang, the problem was not yet evident, possibly because of the slower rate of development, and the administration showed little concern or interest in the subject.

Until towards the end of 1911, the issue was one which each state dealt with individually. Some co-ordination was provided by the federal secretariat but the general attitude was that conditions varied from state to state and that it was best that action undertaken should be left to the discretion of the state. In November 1911, however, a Conference of Residents decided to meet the problem on a federal basis by asking the Federal Legal Adviser to draft legislation to prohibit the sale of ancestral Malay lands to non-Malays.<sup>101</sup> The reason for this sudden change in procedure is not clear: perhaps it was because of the opposition of the State Council in Perak to legislation; perhaps it was because of a sudden deterioration in the situation which prompted the Residents to unify. Whatever the reason, this decision of the Residents was crucial. In 1911 the subject had already been under discussion for more than three years and, despite general agreement that the problem of Malay disposal of traditional lands to non-Malays did exist, the states left to their own devices had made little progress to solve it. The move by the Residents for common action through the federal authority provided the necessary impetus to bring the matter to the decision-making table and was to result in a broad measure which exceeded the original intentions when the subject was first raised.

The first draft of the proposed legislation was circulated in April 1912. Perhaps the most interesting and important part was its preamble which described the problem quite vividly, if not lyrically. It read:

For some time past the Rulers of the Federated Malay States and their Advisers have been caused grave anxiety and apprehension by the fact that their Malay subjects deluded by visions of present but transitory wealth have been divesting themselves of their homestead and family lands to any one willing to pay in cash for them. Blinded by the radiance of the inducement offered, entranced by the visions of lethean pleasures conjured up they fail to realise that for those elusory pleasures they are surrendering and sacrificing the happiness of a life-time. Thus a race of yeoman-peasantry aforetime happy and prosperous incapable from the very nature of

---

101 Conference of Residents, November 1919, HCOF 1583/11.

their country and genus of supporting themselves in any other country find too late they have become homeless wanderers in their own land. The Rulers of the Federated Malay States and their Advisers conclusively feel that unless a better judgement is exercised on their behalf the result will be extinction of the Malay yeoman-peasantry.<sup>102</sup>

The preamble, however, also reassured that it had no intention of curbing legitimate land activity or of preventing the Malay from profiting from the sale of land. All that it wanted, it emphasised, was to protect the 'birth-right and inheritance' of the Malay peasant. Finally, it pointed out that similar provisions to protect the natives were already found in the Netherlands East Indies, the Punjab and New Zealand.

The main part of the April 1912 draft legislation provided that no Malay could dispose of his kampong land to any non-Malay except in the manner permitted by the enactment. But it was very crudely drafted and between April 1912 and July 1913 when it was submitted to the Federal Council for enactment, important changes were made which made the final draft quite unrecognisable from the first. These changes hinged upon the question of the scope of the legislation. The first draft had sought to impose limitations on the disposal of kampong lands which were defined as all country lands held by Malays and such land as the Ruler of the State declared. The final draft, however, sought only to impose limitations on land within a gazetted Malay Reservation and appears to have worked on the assumption that all Malay lands were not necessarily kampong lands; that protection would only be required within certain selected localities and that Malays should be able to take up land with a view to disposal.

The modified legislation was introduced into the Federal Council as an enactment to provide for securing to Malays their interests in land.<sup>103</sup> The chief government speaker, the Legal Adviser, opened the debate by pointing out the misfortune to the country if the bulk of Malay land passed into the possession of foreigners. He agreed that the legislation was of an extraordinary

---

102 Copies of the draft enactment can be found in SSF 3013/12 and DOF Kuantan 672/15 (misplaced file).

103 FCP 9 July 1913, B24. The draft enactment can be found in FMS GG 1913, pp. 651-4.

character but offered the justification that it was the only means to the end which it sought to attain. He then declared that the Malay Rulers had agreed in principle to the measure and supported its introduction, and concluded by drawing attention to several points of possible contention. The next government speaker, the Chief Secretary, was even less impressive. He also stressed the concern of the Rulers in the matter and attempted to give the House some indication of the extent of Malay land sales to non-Malays, but was unable to offer any figure which could provide the case with a note of extreme urgency. The most concerned Malay Ruler was the Sultan of Perak who spoke in support of the Bill on one of the rare occasions that a Ruler participated in the proceedings of the Council. The Sultan recounted that Birch, when Resident of Perak, had taken a census of Malay holdings which revealed that nine-tenths of the land originally held by Malays was sold to non-Malays. This, he continued, 'goes to show that Malays are not in the habit of making provision for their children and grandchildren and therefore it is the business of Government to see that they do so'. He went on to make various suggestions on the bill and concluded by saying that he had the welfare of the people at heart and would not support any legislation that would bear heavily upon them.

It had been feared by the government that the bill would receive some rough handling at the hands of the non-Malay unofficials in the Council who represented the commercial interests. But the emphasis by government speakers on the support of the Malay Rulers appears to have taken the wind from the sails of the opposition; and disjointed as the case presented by the government was, the principle underlying the bill was conceded to by the majority of members of the Council. The opposition, therefore, contented itself with expressions of concern at the hardships that Malay landholders would suffer. Skinner, for example, argued that it was unfair to impose new conditions of title on Malay landholders and claimed that its effect would be to discourage Malays from cultivating their land. Eu Tong Sen submitted that the legislation would be hard on the Malay landholder by denying him an important source of security. The bill then went to a committee whose energies were mainly directed towards finding a suitable definition of the term 'Malay' and towards various procedural matters.

The Malay Reservations Enactment was passed in the Federal Council on 25 November 1913.<sup>104</sup> There were five main sections of the enactment. Section 3 gave to the Resident powers to declare any land within the state to be a Malay Reservation. Section 7 ruled that land within a Malay Reservation was not to be sold, leased or otherwise disposed of to a non-Malay. Sections 8, 9 and 10 placed restrictions on the powers of disposal of Malay-owned land within a Malay Reservation and Section 13 made all dealings in Reservation land contrary to the enactment null and void. The legislation had been regarded by the British as the culmination of their search for a means 'to protect Malays against themselves' and the task of preserving to them 'land which has been handed down from generation to generation... and to which we look for the continuation of the Malay race' soon began in earnest in all states.

The progress of reservation varied considerably from state to state. In Perak much headway was made during the early years. The first notification of the constitution of Malay reservations in the Federated Malay States had originated from the state when thirteen areas in the Larut district totalling more than 140,000 acres were gazetted on 5 June 1914.<sup>105</sup> Similar notifications soon followed for the reservation of areas in Krian, Kuala Kangsar, Upper Perak, Lower Perak, and Batang Panang.<sup>106</sup> But the rapidity of the early reservation work was quite deceptive. Most of the reservations were unoccupied land in the upland regions of the state where not only were there few conflicting interests to be considered but also the absence of a Malay population to take advantage of them. Apparently, this incongruity did not cross the minds of the government. In Negri Sembilan initial progress in reservation was just as rapid, but unlike in Perak, the early reservations consisted mainly of occupied lands. These were lands in Kuala Pilah and Tampin which came under the Customary Tenure Enactment and provided a logical basis for reservation. When these reservations were completed, the administration turned its attention to unoccupied lands and, in 1918, of the more than 400,000 acres of Malay reservations created in the state, approximately two-

---

104 FCP 25 November 1913, B55.

105 FMS GG 1914, p. 841.

106 Ibid., pp. 843-6.



thirds was unalienated land.<sup>107</sup> Particularly gratifying to the state administration in the early drive was its success in establishing a number of extensive reservations in the predominantly non-Malay districts of Port Dickson and Seremban.

Compared with the rate of reservation in these states, that in Selangor and Pahang was distinctly lagging. In Selangor, the administration had been quick to submit its proposals for reservations based on land on which the 'ancestral' condition had been imposed during the last three years. The Federal Secretariat, however, had delayed approval of these proposals in 1914 and 1915 as it thought that the state was in no position to incur the heavy costs expected from the operation of the legislation.<sup>108</sup> Approval for the formal gazetting of the proposals was finally given in 1916, after \$25,000 was set aside to meet possible liabilities, and over the next few months the backlog of reservations was cleared.<sup>109</sup> In August 1917, there were 35 Malay reservations throughout the state. A notable feature of these reservations was their small area - the largest was a 3,700 acre reservation in Klang - indicating the small number of indigenous peasants and also the growing scarcity of land due to the rapid strides in plantation and mining development.<sup>110</sup> Whilst the Selangor administration was having difficulty in trying to convince the Federal Secretariat of the necessity for a faster rate of

107 AR Negri Sembilan 1918.

108 US, FMS to SR Selangor, 1 February 1915, 469/15. These costs were expected as a result of Section 11 of the enactment.

109 US, FMS to SR Selangor, 6 December 1915, SSF 6044/15. As it turned out the fears of the Federal Secretariat were quite exaggerated. Between 1916 and 1918, only \$3,450 was incurred by the state government in meeting claims.

110 Some details of Malay reservations in Selangor are given below:

<u>District</u>	<u>No. of Reservations</u>	<u>Acreage</u>
Kuala Lumpur	5	6,085
Klang	4	7,642
Ulu Langat	13	10,000
Ulu Selangor	6	4,055
Kuala Selangor	3	unknown
Kuala Langat	4	8,760

Source: List of Malay Reservations in Selangor, SSF 2876/17.

reservation, the Pahang administration did not regard the situation with as much urgency, and it was not until 1917 that reservation moves were begun in the eastern state. In that year the District Officer of Pekan proposed that the whole bank of the Pahang River, running for 270 miles, should be made a Malay reservation to a depth of three miles on either side.<sup>111</sup> This proposal to protect the Malay population living alongside the river, was modified by a succeeding District Officer so that land through which the only road in the district passed was excluded, and it was further modified by the Resident so that only a width of one mile instead of three would be affected. Approval to the modified proposal was granted in 1920 and in the next two years about 200,000 acres consisting of an almost continuous strip of land running through all districts in the state was gazetted as Malay reservations.<sup>112</sup>

Before closing this account of the origins and early results of the Malay Reservation Enactment in the four states, it might be useful to reconsider the validity of the underlying assumption of the legislation - that an extraordinary measure was required to prevent the land dispossession of the Malay peasant. The colonial administration had alleged that a critical situation existed as a result of the sale of traditional lands to non-Malays, and there is every indication from their writings on the subject that they implicitly believed this to be the case. However, the evidence produced to support this claim was less than convincing. The most detailed figures come from Selangor where it was estimated in 1909 and 1910 that 1,584 Malay holdings totalling 7,564 acres were transferred by Malays to non-Malays. No figures of land transfers by non-Malays to Malays were provided; but even if it is assumed that they were negligible, the size of trafficking in land does not appear unduly alarming, particularly when it is seen in the context of the transient and commercially-inclined nature of the state's Malay population. The evidence from Perak is even more fragile. Birch had asserted that nine-tenths of all original Malay holdings were eventually sold to non-Malays but this seems to have been an impressionistic estimate to support his stand. On the other hand,

---

111 DO Pekan to BR Pahang, 31 May 1918, DOF Pekan 269/18.

112 AR Pahang 1921; 1922.

the Chief Secretary in the Federal Council stated that there were 961 recorded sales of Malay lands to non-Malays in Perak in 1912 whilst non-Malay sales to Malays during the same period amounted to 741, resulting in an advantage to the non-Malays of 220 sales. This advantage increased in 1913 when 1,685 Malay holdings were transferred to non-Malays as against 348 non-Malay transfers to Malays. In Negri Sembilan, the few figures supplied in answer to a query regarding Malay land sold to non-Malays between 1 July 1909 and 31 December 1910, show the numbers to be very small and they did not cause alarm to the Secretariat.<sup>113</sup>

The figures cited above refer to the recorded sales of all Malay lands to non-Malays and included town, village and country holdings, cultivated and uncultivated holdings and small as well as large holdings. Unfortunately there is no detailed breakdown to show what portion of the sales were of traditional lands but the committee in Selangor had estimated that 50 per cent of the 1,584 Malay holdings sold to non-Malays in 1909 and 1910 were what it regarded as traditional holdings and in Perak in 1913, the increase in Malay land sales to non-Malays was mainly found in Batang Padang, a relatively newly-settled mining district. It would be fair to assume that a substantial proportion of the sales must have been of non-traditional Malay lands. The wider context of the sales must also be considered. In the years after 1905, the plantation land rush had assumed large proportions and the Malays, particularly the immigrant Malays, had taken advantage of the boom in the best way they could - buying virgin land, clearing, planting and selling it. Some sales were of traditional lands and it was this that the administration was justly concerned about. But a large part of the sales were of non-traditional lands which the Malays themselves had little regard for and which was sold to take advantage of an abnormal demand. Indeed, by 1913, when the legislation was passed, the volume of this trafficking in traditional lands had already fallen off.

But if the activity was not exactly the indication of economic weakness and foolishness that the administration made it out to be, if the problem which the administration applied themselves to had largely lapsed, it did not invalidate the need for some measure to

---

113 See replies by District Officer on US, FMS to BR Negri Sembilan, 24 April 1911, NSSF 977/11.

enable the peasantry to obtain land for its legitimate requirements, and to forestall any future attempts at dispossessing it. In 1913 land hunger was already present in some areas. In parts of Negri Sembilan, kampongs had realised their maximum size and peasants were migrating in search of land.<sup>114</sup> In Selangor only two districts had much land not yet alienated and peasants were hard put to obtain suitable land.<sup>115</sup> Under these circumstances, a measure which could offset the superior resources of powerful non-Malay commercial groups and provide land for peasants to settle and expand was welcome, and in this respect the Malay Reservations Enactment, despite all its defects, was justifiable.

There was, however, a heavy price which the administration attempted to extract from Malay peasants who wished to place themselves under the umbrella of reservations. This price was in the form of cultivation restrictions on the use of reservation land. This appendage to the reservation policy appears to have been derived from the practice in Selangor to impose a 'no-rubber' condition on lands brought under the 'ancestral' scheme. It had been hoped by the officials running the scheme that such a move would make the lands less attractive and discourage their sale to non-Malays. At the same time, one of the objectives behind the early moves towards a reservation policy had been the protection of the traditional padi-kampong land and from this, it must have appeared natural to insist on traditional forms of cultivation on newly alienated reservation land. In Selangor, where the policy appears to have been mainly enforced, it was decided in 1915 that Malay peasants intending to plant rubber should be alienated land elsewhere than in a reservation or proposed reservation<sup>116</sup> and a scale of rents favouring padi,

---

114 The scarcity of land in some parts of Negri Sembilan compelled the administration to restrict applicants to a maximum size of two acres. AR Negri Sembilan 1912.

115 This was Kuala Selangor where a large tract of isolated and unhealthy swampland discouraged settlement.

116 Minute by BR Selangor, 13 April 1915 on DO Kuala Langat to SR Selangor, 9 April 1915, SSF 1870/15. Many officers used this policy to impose a 'no-rubber' condition on reservation land. See examples in SSF 1415/16; 4951/16; 5882/16; 4207/17.

kampong and coconut cultivation and discouraging rubber cultivation was set out in all states.<sup>117</sup> The effect of this policy was striking. Many Malay peasants either applied for lands outside reservations or breached the cultivation conditions,<sup>118</sup> and as a result the administration was compelled to modify the policy to permit a certain proportion of reservation land to be planted with rubber.<sup>119</sup> What had begun, therefore, as an attempt to preserve Malay land by restricting disposal rights, became irrationally extended to an attempt to restrict cultivation rights, and in this way posed a threat to the viability of the initial exercise.

In conclusion, the period was one of fluctuating fortunes for the country and one in which the colonial government performed less creditably than it should have. It had begun impressively in 1913 with the passing of the Malay Reservations Enactment, an opiate for the British conscience for the fate of the traditional peasantry. This enactment was an important modification in the existing land

---

117 The three main classes of cultivation in reservations and their rents in Selangor in 1917 were:

- (a) combined kampong and rubber cultivation (with a specified amount of land to be planted with products other than rubber and to be maintained) - \$1.20 to \$2.50 per annum.
- (b) kampong land (with a 'no rubber' condition - 0.80 cents per annum.
- (c) sawah (with a 'rice-planting' condition) - 0.60 cents per annum.

Source: Minute by DO Ulu Langat, 2 January 1917, SSF 65/17.

118 See, for example, SSF 1415/16 which contains a petition from Malay peasants from two mukims in Langat, Selangor, asking to be allowed to plant half of their land with rubber. They had already planted sugarcane, bananas and pineapples but had also wanted rubber as the latter provided continuous returns. There was actually no express condition on their land titles to prohibit rubber, but this did not prevent the administration from discouraging the petitioners. The official reply sternly pointed out that there was land outside reservations 'for anyone who wishes to increase his income by planting rubber'. A further petition was also rejected. See SSF 1951/16.

119 Minute by DO Ulu Langat 2 January 1917, SSF 65/17. The same problem had been encountered by officials running the 'ancestral' scheme and a similar modification in policy had been devised. See SSF 3170/10.

system which permitted free play of economic forces to the detriment of the indigenous peasantry, but it did not interfere with the development of the colonial economy to any extent. Rubber and tin flourished and the government embarked on a flamboyant programme of expenditure which however was of little benefit to the masses. It was the European war that was the focal issue for this nostalgic colonial government which tried in every way to demonstrate its shining allegiance to the Imperial cause. The end of the war brought a sudden realisation that there were many pressing problems in the Malay States which, left on the shelf, had become intractable. In particular, local food production had been unable to keep pace with increased demand and the cultivation of food crops threatened to be superseded by rubber cultivation.

The problem of local food production became especially critical between 1918 and 1921 when rice imports into Malaya were severely curtailed. Various measures were undertaken in a food production campaign to rectify the previous neglect, but these were of limited effect. There were several aspects of the campaign which reflected poorly on the government. One was the attempt to force upon the peasant sector the task of remedying a difficult situation, created mainly by the evasion of responsibilities by other sectors of the population. Another was the government decision to use the country's public revenues to meet the burden of rice subsidies incurred during the period. This, in effect, was subsidising the employers of labour in mines, plantations and towns. It would have been impossible for the consuming masses to meet the increased price from their wages and, had the government not intervened, these increases would have had to be absorbed by the employers in the form of higher wages. A third was the tendency for the government to regard compulsion as the chief means of increasing food production. Whilst this was necessary during the critical years, there was little attempt later to replace it with a concise programme of agricultural and technical assistance so that the opportunity to bring about an important improvement in local food production was soon lost.

Most disturbing of all was the persisting attitude of the colonial government that there were and should be two distinct lines of agricultural development in the country. No less an official than Butler had sought to make a distinction between indigenous

agriculture, including that of the Indian and Chinese, and plantation agriculture.<sup>120</sup> The former was said to consist of the cultivation of food crops and was seen as necessary to make the country self-supporting, while the latter was to consist of the cultivation of cash crops. This attitude flew in the face of recent developments in the peasant economy, but it was translated into interventionist policies which attempted, in particular, to restrict participation by the indigenous peasants in the rubber industry. Generally, however, the peasants bore up remarkably well to the stresses of the situation and for the majority of them, the planting of rubber brought much economic benefit which was to stand them in good stead through the difficult years ahead.

---

120 Butler, Report on the Agricultural Department, C78.

CHAPTER VTHE RUBBER CRISIS: The Stevenson Restriction Scheme  
and its Aftermath, 1922-1930Political Controversy over 'Decentralization'

FOR a long time after Pangkor, the Federated Malay States had presented an idyllic picture of a prosperous colony, its peoples absorbed in making money and uninterested in the political issues which plagued many other colonies. Towards the end of the second decade of the twentieth century, however, the first cracks began to appear in this picture of political harmony. With the settlement of the war in Europe, attention turned to local politics within the Peninsula and a political controversy soon arose. It was drawn out over many years and centred around the problem commonly described as 'decentralization'.<sup>1</sup> There were three seemingly disparate aspects of the 'decentralization' problem. One, used as a conspicuous banner by all the contending parties, was related to the deterioration in the position of the Malay and the need to rectify this. The second concerned the constitutional structure of the Federated Malay States and the Peninsula, and a disagreement over what constituted a more suitable structure and the powers of its constituent authorities. The third was a recognition of the unstable economic and financial position of the states and the necessity of reforming it.

All these issues surfaced at about the same time, and can be attributed to a falling-out among the elite political and economic interests which had hitherto been able to agree on the division of spoils. The colonial administration itself was split into two camps and the issues were often obscured by the personality conflict between the High Commissioner and the Chief Secretary, a conflict foreshadowed

---

<sup>1</sup> R. Emerson's Malaysia (Kuala Lumpur, 1964), although it was first published more than thirty years ago, still contains the best general account of this complex political controversy. See especially pp. 153-75.



during the early years of federation.<sup>2</sup> The traditional Malay elite, so long dormant, now sensed in the changed conditions an opportune moment to reach out for some substance of power. A third concerned group was powerful non-Malay economic interests which feared that their strength would be adversely affected by any political or economic change. To reconcile the divergent views, a flurry of government commissions was appointed and although these bodies were unable to find acceptable long-term solutions, some progress was made which satisfied the contending parties.<sup>3</sup> The arrival of a new High Commissioner in 1927 further doused the flames of discontent and the end of the period saw the states in an uneasy political truce.

The tensions in the country's political life were aggravated by the continuing economic depression and, in particular, by the major reversal suffered by the rubber industry. Prior to 1920, the rubber industry in Malaya had enjoyed a successful development which was the envy of most other industries. It had, within two decades, been nurtured from a few desultory trees decorating some gardens to a countless mass, covering the length and breadth of the Peninsula and spilling into Siam and the Archipelago, and had become a vast export commodity reaping great economic returns. Much of the credit for this could be legitimately claimed by the colonial administration which, initiating bold policies, organising, bargaining and frequently even dipping into its own resources, had been the vital element in the development, particularly that of the plantation industry. There was little break in the rubber success story. In 1913, for a brief period, the price of rubber fell alarmingly. In 1914 there was a temporary dislocation of international trade including that of rubber; but when the guns in Europe fell silent and the peace and brotherhood of all nations was proclaimed once again, the Malayan

---

2 The most bitter antagonists were Lawrence Guillemard, High Commissioner of the FMS from 1922 to 1927 and William Maxwell, Chief Secretary of the FMS from 1921 to 1926. Both men had different ideas as to how decentralization should proceed and each claimed that his own scheme was the most suitable. But each was also striving to strengthen his position at the other's expense.

3 Very little progress, however, was actually accomplished in returning to the State Councils and the Malay Rulers their former powers. See Emerson, Malaysia, p. 173, for some comments.

rubber industry appeared on the threshold of a new era of prosperity. Indeed, the year 1919 had seen the industry set an all-time record production of 204,000 tons, more than half the total world production.<sup>4</sup>

#### Origins of the Stevenson Restriction Scheme

But this was the lull before the storm. In 1920 a trade depression began to spread among the industrial nations of the world, and the demand for rubber declined sharply as factories and manufacturing plants either curtailed or stopped production. This decline was reflected by a steady fall in rubber prices which threw the plantation sector into panic. Accustomed to regular profits, many plantation owners had expanded carelessly, if not recklessly, with little consideration to the possibility of over-production, and had been lulled into operating on an extravagant scale which did not make them the fittest producers in the industry. The sudden cessation of profits and the looming prospect of losses, for the first time in the history of the industry, found them generally unprepared and a strong clamour soon arose from their ranks for government intervention. It was pressed upon administrators that only the introduction of a policy compulsorily restricting rubber output could save the day, and the government which had previously guided the industry with some finesse now lost its nerve at this crucial moment.

The campaign by the British-dominated plantation rubber industry and its supporters to foist rubber restriction on the world took place on several levels in Malaya, Britain and the other rubber-producing colonies and would make an admirable case study in political economy, showing how a small group of capitalist interests could decisively influence governments into adopting a scheme which went against the grain of their past economic policy. This is, however, not the place for it, and for our purpose it is intended only to provide a brief account of the events leading to restriction and to discuss the stakes of the peasantry in restriction.

The plantation industry had mooted a policy of restriction as early as 1919 but the proposal, although arousing much interest in Malaya, was shelved when the war ended and rubber prices rose. In 1920 the cry for restriction was raised again, this time more loudly and insistently, and crumbling under the pressure of plantation

---

4 See Appendix 4.1.

interests on him, the High Commissioner in April 1921 informed the Colonial Office that there was sufficient reason for such a scheme. A few days prior to this, a delegation of the Rubber Growers' Association, a powerful and highly organized body of plantation interests with influence in Britain, Malaya and Ceylon, had met officials of the Colonial Office in London and had been informed that the British government objected to the introduction of legislation imposing compulsory restriction.<sup>5</sup> Failure to convince the metropolitan authorities did not deter these restriction zealots, and a high-powered campaign of 'advertisements, speeches, articles, memoranda and all the other avenues of propaganda' took place to convert the public and the government to their point of view.<sup>6</sup> Back in the Peninsula, a Trade Commission appointed to investigate the causes and possible remedies of the economic depression lent its support to the restriction lobby. Its report issued in October 1921 declared:

All roads lead to restriction and we are driven back upon compulsory restriction as the only certain means of bringing early relief to a sorely embarrassed industry.... The revival of demand for rubber is likely to be slow, too slow, at all events, to be of much use to a number of estates now producing at a loss.... It is our view that a wise government must take some risks when the interests of the whole community are bound up in the salvation of a staple industry.<sup>7</sup>

A few weeks after the release of the report, a Committee was appointed by the Colonial Office specifically to investigate the

---

5 A detailed account of the restriction moves in London and the changing response of the Colonial Office can be obtained from the following documents: CO 717/12/20120; 717/12/34256; 717/13/35843; 717/14/46897; 717/17/52613; 717/24/24495 and 717/24/35164.

6 Charles R. Whittlesley, Governmental Control of Crude Rubber (Princeton, 1931), p. 17.

7 Report of the Commissions appointed to enquire into and report upon (a) the present state of trade depression and (b) the extension of credit facilities (Government Printer, Singapore, 1921), p. 11.

rubber situation.<sup>8</sup> The report of the Stevenson Committee recommended that the Government should take action to reduce the amount of rubber exported from producing countries only if the Dutch government agreed on a similar policy for the Netherlands East Indies. The Dutch government was, however, unwilling to participate in any restriction scheme and five months after its first report, in a surprising volte face, the Committee issued a supplementary report in which it abandoned its original stand that Dutch co-operation was essential and recommended that Malaya and Ceylon, the two British rubber-producing colonies, should adopt restriction unilaterally.<sup>9</sup> This recommendation was accepted by the Secretary of State and by the British government,<sup>10</sup> and restriction legislation was enacted in Malaya and Ceylon.<sup>11</sup> The Stevenson rubber restriction scheme, which came into effect in November 1922, was to have a great influence on the development of the Malayan rubber industry and particularly the peasant rubber industry.

The factors which prompted the Stevenson Committee to change

- 
- 8 The committee comprised the Chairman, Sir James Stevenson, former Managing Director of John Walker and Sons Ltd., and Commercial Adviser to the Colonial Office; two members of the Colonial Office, G.E.A. Grindle and S.H. Leake; an official of the Malay States Agency, E. Brockman; and five members of the plantation industry, Sir Stanley Bois, Chairman of the RGA, E.J. Byrne of the Dunlop Rubber Co., W.M. Duncan of the Straits Rubber Co., Eric Millar of Harrison Crosfield and Sir E. Rosling of Anglo Ceylon and General Estates Co. It might be noted that Stevenson, the Chairman, had considerable investments in plantation rubber and that the findings of the Stevenson Committee closely resemble that of the RGA.
- 9 Both the reports can be found in CO 717/24/24495.
- 10 The report was presented to and approved by the Cabinet during the last fifteen minutes of a meeting. Churchill, the Secretary of State who presented the report, later remarked that 'evidently the Cabinet either felt that the scheme was so excellent that it required no discussion or that it was so complicated that discussion was impossible'. The London Economist, London, 26 September 1925, p. 487; quoted in Whittlesley, Governmental Control of Crude Rubber, p. 28.
- 11 The Export of Rubber (Restriction) Enactment 1922 was passed in the Federal Council on 24 October 1922. FCP 24 October 1922, B57.

its original view have been examined by various authorities.<sup>12</sup> It has been suggested that there was a grave threat of American interests buying up British plantations should there be no relief in sight. Another explanation was that the British government was concerned over its foreign exchange position of which rubber earnings was a main contributor. Churchill, the Secretary of State when the scheme was approved, declared in 1923 that one of the principal means of paying off Britain's war debts to the United States was its rubber earnings.<sup>13</sup> It has also been pointed out that England alone had a quarter of a million investors in the rubber industry and that the weakness of the industry was having an adverse effect on the London market. Yet another explanation was that the authorities were confident that the British-controlled interests were sufficiently large to ensure success. None of these explanations, however, explain why restriction should have been necessary in October 1922 when it was not deemed so in May 1922. Whatever the reasons for the change in opinion by the Stevenson committee, the important role of plantation interests in bringing the decision of unilateral restriction about must be acknowledged, and Swettenham's declaration that 'if it had not been for the Rubber Growers' Association there would have been no restriction' is probably justified.<sup>14</sup>

Throughout the entire proceedings, the subject ostensibly discussed was the survival of the rubber industry - plantation and smallholders. But was it really so? There was no doubt that the plantation industry had a vital interest in restriction. It has been pointed out that the plantation industry was ill-equipped to withstand the depression conditions - the structure of its capitalization, its reliance on an imported labour force, the high proportion of relatively rigid overhead costs in total production costs: all tended to make an inflexible system which was slow to adjust to the poor

---

12 Among the literature available on the Stevenson Restriction is Whittlesley, Governmental Control of Crude Rubber; K.E. Knorr, World Rubber and Its Regulation (California, 1945); and J.W.F. Rowe, Studies in the Artificial Control of Raw Material Supplies No. 2 Rubber (London and Cambridge Economic Service, March 1931).

13 Evening Standard, London, 12 March 1923, quoted in Whittlesley, Governmental Control of Crude Rubber, p. 39.

14 Whittlesley, Governmental Control of Crude Rubber, p. 18.

prices. Moreover, a 'short-sighted policy of taking dividends up to the hilt in the past',<sup>15</sup> together with an extravagant scale of operations, had aggravated the situation so that a scheme of artificially bolstering rubber prices was essential to restore the profits of the industry, if not to prevent many companies from actually going under. A statement by the Colonial Secretary in The Times of 1 August 1925 leaves no doubts at all about this primary objective of the Stevenson restriction scheme. He said:

The scheme was introduced for the purpose of saving the extremely valuable position in the plantation rubber industry built up by British enterprise in the East and no one would dispute that it is not proving effective in obtaining this object.

#### Peasants and Restriction

The peasant rubber industry at this time could not be considered so insignificant that its interests should be entirely ignored. In the Federated Malay States alone, there were 340,000 peasant agricultural holdings with mature rubber found in 140,000 of them and immature rubber on many others. A census of rubber areas in September 1921 also found 415,799 acres of smallholdings scattered throughout the four states, an area comprising 33.37 per cent of the total planted rubber area in the states.<sup>16</sup> This very large body of rubber producers were very much less inclined towards a restriction scheme, and for good reason. Unlike the planters, peasant smallholders were more flexible in their operations; they were not employers of wage labour to any great extent, their overhead costs were slight and the problem of capital investment did not loom so

---

15 There were three main categories of rubber producers in the FMS - large plantations, over 100 acres; medium plantations, under 100 acres; and smallholdings, under 25 acres. The distinction between the smallholding and the other two sectors of the industry has always been clearly understood in official circles as shown in the official statistics of the industry, although the category of smallholdings could cover a great variety of types ranging from small units of a few acres worked by the peasant and his family to large units of 20 acres or more employing outside labour. The official definition will be kept to in this study; but, where it is necessary, further distinction will be drawn between the small and large smallholdings.

16 'Census of Areas under Rubber Cultivation in the Federated Malay States as in September, 1921', enclosure in HC to SS, Desp. 602 of 30 October 1923, CO 717/29/56773.

large. Although the low rubber prices inflicted considerable hardship, particularly on peasants who were solely dependent on rubber for their livelihood, the great majority took the reversal in their stride. Those with kampong and padi fields paid more assiduous attention to these subsistence cultivations, whilst others without a subsistence agricultural base to fall back upon, turned to cash cropping of minor crops or began opening small patches of food crops. Peasants also engaged in a wide variety of occupations such as hawking, fishing and timber-cutting. At the same time, they reduced their expenditure on non-essential items, and where possible substituted their own produce for what they had previously purchased.

This peasant ability to survive the slump is not to deny that small producers would not have welcomed moves to restore stability to the rubber market or for some form of government assistance. Peasants who had borrowed money to open up land, and there were many of them, and whose trees were not mature, were especially hard-hit; but as a whole the sector was in a very much stronger position to withstand the depression, and there was considerable feeling among peasants that restriction was not in their interests and that, if it was intended to introduce a restriction scheme, it should not apply to them. A few administrators had recognised these feelings. Brockman, a former Chief Secretary managing the Malay States Agency in London at the time that the restriction campaign was being waged by the Rubber Growers' Association, had noticed that the demand for restriction was coming from the European plantations. He had warned that restriction could be a breach of faith by the government with its colonial subjects and was concerned about the possibility of differential treatment towards Europeans and Asians should such a

scheme be implemented.<sup>17</sup> But these warnings were ignored, and in the final headlong plunge towards restriction, the interests of the peasant producers were almost completely abandoned.

A large part of the responsibility for what amounted to a sell-out of peasant interests must be placed on the Malayan administration which was supposed to have been articulating the peasant case but which merely added its voice to the chorus of unsubstantiated allegations that restriction was good for the peasants and that the peasant sector urgently wanted it. It has been suggested by one observer that since the outbreak of war the rubber industry in Malaya had been moving towards control by the imperial authorities and that the restriction scheme was a culmination of this process.<sup>18</sup> One inference which might be drawn is that the local authorities would have been powerless to intervene in the events unfolding in London. Indeed, the principal bargaining parties in the final negotiations leading to restriction were the British government and representatives of the plantation rubber industry. But the Malayan authorities had not only capitulated to the demand for restriction long before Whitehall but were also putting forward exaggerated stories about smallholdings being abandoned and harbouring diseases should restriction not be imposed, besides allowing other parties to usurp their responsibility towards peasants. Swettenham, a retired Malayan hand, with influence in the Colonial Office, was therefore able to misrepresent the peasant position and claim that

---

17 These warnings were given in his letter containing his observations on restriction. In this letter Brockman quoted from a letter from a smallholder to the Malay Mail, 5 January 1921, in which the writer pointed out that it was unfair to restrict the output of smallholders simply because estates could not produce at their price and Brockman maintained that this was the attitude of many 'if not most of the Asiatic cultivators'. Sir E. Brockman to Under Secretary, Colonial Office, 8 March 1921, CO 717/18/11486. An early indication that peasant rubber interests would be disregarded in any restriction scheme had been provided by the Report of the Rubber Industry Protection Commission in 1918. The Resident of Pahang and the Chief Secretary then had felt compelled to speak out against the Commission's unsympathetic attitude towards the peasant smallholder and its bias towards the plantation industry. See Expression of views in FMS on report of Rubber Commission, enclosures in CS to HC, 17 October 1918, HCOF 1808/18.

18 J.H. Drabble, 'The Plantation Rubber Industry in Malaya Up to 1922', JMBRAS XL, i (1967), pp. 73-4.



the Rubber Growers' Association was the only body which could influence the smallholders who belonged to no organization. 'They are natives', he explained, 'and do not understand the situation', and he warned that if restriction was not imposed and the depression continued 'only the strongest European companies will survive'.<sup>19</sup> In the Federal Council when the restriction bill was introduced, the High Commissioner, replying to a question whether the government had obtained the consent of the smallholders, assured that 'the Residents were already giving it the most careful attention'.<sup>20</sup> This was not true.

But, if in the final negotiations the Malayan authorities were not given the chance to obtain the best deal for Malayan interests, they had an opportunity to redeem themselves in the implementation of restriction. The crux of the Stevenson scheme was the enforced limitation of rubber production and its adjustment to price movements. The limitation of production was accomplished in this manner. The output of each rubber holding during a selected year was regarded as its 'standard production'; and all producers were compelled to restrict their export of rubber to a certain percentage of the standard production. Some difficulty was encountered in trying to decide on a year which could be regarded as a typical year of production for all producers. The two years preceding restriction had been gauged to be abnormal on account of the slump conditions and voluntary restriction practised by some producers, and so it was decided to adopt the year ending 31 October 1920 as the base year. Holdings which had kept records, and this included all the plantations, were allotted a standard production equal to their output during the base year. For holdings which possessed no record of their output during the base year, the Stevenson committee arbitrarily selected what was commonly referred

---

19 F. Swettenham to G. Grindle, Colonial Office, 4 April 1921, enclosure in Foreign Office to Under-Secretary, Colonial Office, 31 March 1921, CO 717/16/15606.

20 FCP 24 October 1922, B 60.

to as the 'Duncan Scale'.<sup>21</sup> Under this scale, the average maximum production per mature acre was fixed at 320 pounds per annum. The great majority of smallholders had no record of their output and they automatically fell under the Duncan Scale.

Within a few days of the introduction of the Stevenson scheme, reports began reaching the administration of peasant dissatisfaction as a result of the great hardships inflicted by the scheme. Peasant discontent spread rapidly throughout the country and violence broke out in various parts of Perak and Johore, as peasants unable to sell their rubber reacted desperately to the breaking of their rice bowl. To avert what could have been the first peasant rebellion in modern Malaya, the colonial government hastily appointed a committee to inquire into the equity of the standard production allowance allotted to smallholders and to recommend changes. The findings of the Committee provided abundant evidence of the extremely shoddy treatment the Malayan smallholders were given under the Stevenson scheme.<sup>22</sup> Investigations carried out by the Department of Agriculture in Perak, Selangor, Negri Sembilan, Malacca and Johore, found that the yields from smallholdings sampled varied

---

21 The table below shows the Duncan scale:

<u>Age of Trees</u>	<u>Maximum Output for Twelve Months</u>
Under five years	Nil
Between five and six years	120 pounds
Between six and seven years	180 "
Between seven and eight years	240 "
Eight years and over	320 "

Source: Whittlesley, Governmental Control of Crude Rubber, Appendix C, Rules for the Guidance of Committees, p. 213.

22 First and second Report of Committee appointed to enquire into flat rate of production for smallholders, 22 November 1922 and 10 January 1923, enclosures in HC to SS (Conf.) 25 January 1923, CO 717/27/10363.

between a low of 733 pounds to a high of 1,200 pounds per acre per annum.<sup>23</sup> An independent survey in Kuala Kangsar found that 16 smallholdings totalling 60 acres had an average yield of 599 pounds, 31 holdings totalling 73 acres averaged 987 pounds and 47 holdings totalling 117 acres averaged 774 pounds. Other evidence included the testimony of the District Officer of Upper Perak that half of the smallholdings in his district yielded 1,200 pounds whilst the other half yielded 800 pounds, and that of the Chairman of the Johore Planters' Association who found high rubber yields from comparatively poor smallholding areas. These evidences of high yields from smallholdings were confirmed by a check of the smallholders' sale books.

It should be noted that the smallholdings sampled were chosen at random but there is no reason to doubt that the figures of yields quoted were typical of smallholdings during this period. The reasons for what was then regarded as an extraordinarily high yield were not difficult to find. Smallholders had many more trees to the acre. In Johore, for example, smallholding stands averaged 200 trees per acre and the number of tappable trees averaged 150 to the acre. This was more than twice the number found in plantations. Smallholders also tapped every day because of their daily dependence on the rubber crop. In case of illness, another member of the family took over the tapping, and rain in the morning merely compelled the smallholder to tap in the afternoon or some other time when it was dry. It was true, though, that some part of the high yield was a result of the more drastic methods of extraction and could be regarded as 'abnormal'. But even after allowing for this abnormal output, the committee was unanimously of the opinion that the existing standard production allowance for smallholders was inequitable and that the yields from smallholdings in many localities were considerably higher than what was commonly supposed.

---

23 An exception was Selangor where the yield was estimated at 516 pounds. The figure was regarded by the samplers as an under-estimation, as some owners of the land holdings sampled had believed that the government intended to levy a tax on rubber and had removed part of the rubber before inspection. For the full figures, see Summary of Figures compiled by Officers of the Agricultural Departments, SS & FMS from representative smallholdings in November and December 1921, enclosure in Second Report of Smallholding Committee, 10 January 1923, CO 717/27/10363.

To allay any suspicion that smallholders had been singled out for discriminatory treatment under the Stevenson scheme, the committee recommended that the standard production of smallholdings be raised from 320 pounds to 533 pounds per acre per annum and that this allowance be made retrospective from 1 November 1922 when restriction first came into effect. Although the new allowance was considerably lower than the recorded yields, the Malayan government found it only partially acceptable. In an urgent despatch to the Colonial Office, the High Commissioner recommended that the standard production for smallholdings be assessed at 533 pounds for the first five acres and at the old rate of 320 pounds for the remaining acreage, if any, as from 1 February 1923. The imperial authorities, however, rejected the compromise proposal outright. The High Commissioner then further scaled down the committee's recommendation and suggested that a standard production of 426 pounds be accepted. This was acceptable to the imperial government and a maximum production rate of 426 pounds for smallholdings was made operative for Ceylon and Malaya from 1 February 1923.<sup>24</sup> Despite the increase in the smallholding allowance, the Malayan authorities could claim little credit in this crucial episode in the history of restriction. The case for a large increase in the allowance allotted to smallholders was unassailable but, instead of standing up for the interests of the faceless masses, the Malayan government allowed itself to become a party to the manipulation of the scheme. It might also be noted that it was not the principle of justice that finally persuaded the local and imperial governments to make the partial concession, but the threat of further violence and subsequent political repercussions.

The injustice meted out to the peasant smallholding sector was compounded by the numerous instances of discrimination against individual smallholdings during the operation of the scheme. Under the provisions of the Stevenson scheme all smallholdings were to be inspected to ascertain the allowance of exportable rubber to which they were entitled. But the sudden introduction of the scheme made it impossible to do this and for the first year the 1921 census was used as a basis for determining the acreage and date of

---

24 A convenient summary of these developments is given by G. Grindle, minute on 'Increased Assessment of Standard Production for Smallholders - a résumé of position', 21 February 1923 on HC to SS, Tel., 31 January 1923, CO 717/27/5643.

the cultivation. Many inaccuracies were subsequently discovered in the information for individual holdings and arrangements were made to inspect smallholdings and obtain more correct assessments for the second restriction year. It had been initially planned that these inspections should be entrusted to District Officers. But these men were heavily burdened with the chore of issuing certificates of standard production, quarterly licences and coupons for smallholdings. It was decided, therefore, that the assistance of members of the local planters' associations be obtained in the field inspections. But planters were perhaps the people least capable of exercising the impartial judgement required for these inspections, and the decision to use them was an open invitation to many of them to vent their ill-feelings on the peasantry. It is hardly conceivable that this point should have evaded the administration, since the Controller of Rubber Restriction, the executive head of restriction in Malaya, had written 'The planters are the people who alleged over-assessment of smallholdings and estates [medium holdings] and it is up to them to support their allegations by inspection'.<sup>25</sup>

Some idea of the handicaps which peasants faced under the European planter-inspection system are given below. In one instance, 26 smallholders in a petition to the Resident of Selangor complained that the European planters who assessed their holdings had unfairly penalised their allowance because of some fruit trees among the rubber trees and because their lands were not so well-kept as the plantations. As a result, whereas their former unrestricted output was four to five katis of rubber a day, they were now receiving only twenty to thirty katis worth of coupons for a three month period.<sup>26</sup> Another letter from 23 smallholders described a similar problem and the petitioners expressed a willingness to cut down their fruit trees if it would enable them to obtain higher allowances.<sup>27</sup> These

---

25 Minute by the Controller of Rubber Restriction, 25 July 1923, on Controller Rubber Restriction to SR Selangor, 5 July 1923, SSF 3548/23. Assessment of holdings over 200 acres was undertaken by local committees. In 1925 a Joint Assessment Committee took over assessment of all holdings over 100 acres.

26 Haji Abdullah bin Haji and others to BR Selangor, 27 February 1924, SSF 1138/24.

27 Haji Idris bin Haji Abdul Jalil and 22 others to BR Selangor, 4 March 1924, SSF 1138/24.

instances were by no means isolated, and many other petitions were sent to the Sultan complaining of the reduction in the allowances. The Resident dealing with these petitions en masse, thought that the introduction of the lower assessment scale was the cause of the complaints. But a minute from the officer of the district where the complaints originated revealed otherwise. He explained that all smallholdings in the district were assessed by European planters and many of the holdings had had their allowance reduced. The inspectors had claimed that in some holdings the growth was not up to the reported age and that in other holdings there was no bark or the trees were heavily wounded. Reductions were also made in some holdings because they were covered by lallang and blukar, or because of a lack of drainage or because the trees were interplanted with coconuts and fruit trees. The District Officer did not cast any explicit aspersions on the integrity of the inspectors, but he wrote that so many petitions had come in that he was revising the assessments.

The great majority of smallholders who were under-assessed were less fortunate, and their appeals died at the hands of the mukim Smallholder Inspection Committees. These committees had been established to investigate irregularities and anomalies in the assessment of smallholdings, but they were dominated by officials and planters so that it was extremely difficult for peasants to obtain redress, particularly as it often involved the reversal of a decision of a member of the committee. District Advisory Committees were also set up to examine the effect of restriction on the peasants. These committees were more representative of the interests of smallholders but they were purely advisory bodies and met too infrequently to be able effectively to present the peasant case.<sup>28</sup> All this is not to accuse the administration and planters of being Machiavellian in their relations with the peasants or to detract from the difficulty of running a restriction scheme which could satisfy all its participants. Smallholders, no less than any other group, were given to exaggeration about their productivity and to complaints about underassessment, and it is possible that some adjustments were

---

28 Three years after their establishment, only four of the 23 committees in the four states had met more than once, ten had met once and nine had not met at all. FCP 27 February 1928, B 4.

justifiable. It is also possible that, although there were instances of outright discrimination,<sup>29</sup> the low assessments were believed by the inspectors to be what the peasant holdings were entitled to. Many inspectors had fixed notions that smallholdings were relatively unproductive and the assessments had been made strictly according to European standards of planting, cultivation and tapping. It has been admitted by one authority that not until 1926 could smallholding assessments be regarded as correct according to these European standards,<sup>30</sup> and it is generally acknowledged now that, throughout the entire period of restriction, smallholders as a body received less than one half the average assessment of plantations, although the evidence gathered by the government at the beginning of the scheme showed that the average smallholding yield per acre was substantially higher than that on plantations.

There was another form of under-assessment of the smallholding sector. A census of rubber-growing areas in the Federated Malay States in September 1921 had found that the smallholdings in bearing in that month comprised 31.33 per cent of the total rubber

---

29 Among the more obvious instances were when smallholdings standing on exactly the same type of land as plantations received considerably smaller assessments and when European inspectors arrived at assessments without even bothering to examine the holdings. See correspondence in SSF 1735/24.

30 Rowe, Studies in the Artificial Control of Raw Material Supplies, p. 89. Rowe also suggests that smuggling and other evasions and frauds practised by smallholders together with the raising of the original assessment meant that 'the natives had no grievance in practice'. There is no evidence that these evasions of the law were widespread; but even if the argument is correct, it is a poor reflection on the government that its subjects had to resort to illegal recourses to compensate for the legalised fraud which many had to tolerate.

area in bearing.<sup>31</sup> If the conservative estimate is adopted that smallholdings were yielding the same production per unit area as other sectors of the industry, the smallholders' share of the total standard production quota should not have been less than 31.33 per cent. In the first three years of restriction, however, when detailed breakdowns of the quotas are available, the smallholders' share of standard production amounted to 27.10, 26.0 and 26.47 per cent respectively.<sup>32</sup> No similar breakdowns are available for the remaining years of restriction but other references indicate that the smallholding share of the total quota declined.<sup>33</sup> At the same

31 The figures below show the breakdown of smallholding areas in the FMS:

	<u>Total Area Alienated</u>	<u>Area of Rubber in Bearing</u>
Perak	241,654	138,650
Selangor	111,244	57,260
Negri Sembilan	66,878	33,228
Pahang	36,608*	18,514
Total	<u>456,384</u>	<u>247,652</u>

\* Exclusive of Kuantan where area alienated was probably in excess of 10,000 acres.

Source: September 1921 Census of Rubber Areas, FMS, enclosure in HC to SS, Desp. 602 of 30 October 1923, CO 717/29/56773.

32 The figures below show the difference between the standard production quota allotted to the smallholders and the actual quota had the 1921 Rubber Census been used.

Restriction Year	SP Allotted to Smallholdings	SP According to 1921 Census	Deficit
1st	44,000 tons	50,865 tons	6,864 tons
2nd	36,990	44,571	7,581
3rd	42,317	50,089	7,772

Note: No figures of smallholder rubber exports are available. Some indication is, however, provided by the rate of permitted release during these three years which were 61.25, 58.75 and 61.25% of the standard production respectively.

Source: (a) AR CS 1924-26.  
(b) September 1921 Census of Rubber Areas, FMS.

33 From 1 November 1926 the special allowance of 426 lbs. permitted to the first five acres of smallholdings was abolished, and although the maximum all round was raised from 320 to 400 lbs., smallholders were in an even more inferior position as the medium and large producers had their allowances increased by a greater quantity.



time, since the total standard production quota and the rate of permissible export was greatly increased during the remaining three restriction years, the absolute loss suffered by smallholders was correspondingly greater.<sup>34</sup> It must be stressed again that these estimates are based on the assumption of a smallholder average production per unit area equivalent to that of the other sectors. The actual figures of under-assessment must be very much higher as evidence indicates that the average smallholder production per unit area was at least 50 per cent above the rest of the industry.

The evidence which proves beyond doubt the considerable under-assessment of the peasant rubber sector was the performance of the peasant sector when restriction was lifted. In 1928, the last year of restriction, at a time when most plantations were producing at full capacity, an estimated 174,490 tons of rubber was exported from the Federated Malay States. In 1929, the first year of unrestricted production, rubber exports totalled 261,352 tons, an increase of nearly 87,000 tons.<sup>35</sup> Almost all of this increase came from the peasant sector and gave smallholdings an average output of 480 pounds per mature acres as against the average of about 200 pounds allotted to it during restriction. This performance dumb-

---

34 The average standard production quota allotted to the FMS during the first three restriction years was 154,829 tons and the average rate of permissible export 60.42%. In the remaining three restriction years the average standard production quota was 211,317 tons and the average rate of permissible export 74.58%.

The table below shows the individual figures for the six restriction years.

<u>Restriction Year</u>	<u>Standard Allowance Quota</u>	<u>Permissible Export</u>
		%
1st	162,350 tons	61.25
2nd	142,264	58.75
3rd	159,874	61.25
4th	182,208	96.25
5th	190,391	67.50
6th	261,353	60.00

Source: AR CS 1924-28

35 Figures of rubber production during the period can be found in Appendix 4.2.

founded the government and it had to search for reasons to explain the discrepancy. Thus, it was contended that the peasant output was only obtained by over-tapping and that there would be a rapid fall in the next few months when the bark reserves accumulated during restriction were squandered away.<sup>36</sup> In 1930, however, peasant production continued at a high level and was maintained over the following years. One authority has estimated that the small-holding sector suffered an under-assessment of 180 pounds per mature acre during the currency of the Stevenson scheme.<sup>37</sup> Using this conservative estimate, it is possible to gauge the extent of financial loss suffered by peasant rubber producers. The average mature area of smallholdings in the Federated Malay States was approximately 350,000 acres, and if the average rubber export value is estimated at 49 cents per pound, the under-assessment cost the peasants \$173 million.

Plantations, on the other hand, were favoured in the restriction scheme. An analysis of production returns of 537 estates in the Federated Malay States in 1923 at a time when plantations were producing at full capacity found that in 426 cases the average output was 375 pounds.<sup>38</sup> Yet the original maximum standard production allowance permitted to this sector was 400 pounds. This allowance was raised to 500 pounds on 1 August 1925 and the maximum limit was removed in May 1926.<sup>39</sup> The removal of the maxima was to make it possible for a plantation to obtain an assessment of any amount which it could prove capable of producing, but few plantations could avail themselves of this as they were already producing at peak capacity. Some indication can also be given of the extent of over-assessment of the plantation sector. The September 1921 census had found that plantations over 100 acres comprised 63.57 per cent of the total rubber area in bearing. In the first three years of restriction,

---

36 AR Department of Agriculture 1929; 1930.

37 P.T. Bauer, 'Malayan Rubber Policies', Economica, Vol. XIV (May 1947, London) pp. 83-4.

38 HC to SS, Desp. 143 of 20 March 1923, CO 717/27/18721. The information was obtained following representations from plantations that their allowances were too low.

39 Report of the Rubber Restriction Department 1925; 1926, supplement to FMS GG 25 June 1926 and 19 August 1927.

plantations, although having much lower planting densities and recording much lower yields per unit area than the other sectors of the industry, were allotted 66.25, 67.38 and 66.81 per cent of the total standard quota.<sup>40</sup> There were other flaws in the operation of restriction which favoured planters. In 1921 and 1922, just before the introduction of restriction, planters in Malacca and Singapore successfully agitated for a reduction in their land rents because of the poverty of the soils which resulted in lower yields. During restriction, however, the standard production allowance of these plantations were calculated on the basis of first class lands.<sup>41</sup>

The discrimination that smallholders suffered under the restriction scheme was mitigated to some extent by the benefits which the scheme brought to all rubber producers and which smallholders were able to share in. The most important benefit was the increase in the rubber price. During the first year of the scheme's operation, the average price was almost double that during the twelve months preceding restriction. The rubber price was to climb even higher in 1925 and 1926 so that the claim of the proponents of the scheme - that restriction would restore profitability into the industry - was more than justified.<sup>42</sup> The high rubber price was

---

40 The figures below show the amount of excess allowance allotted to the plantation sector during the first three restriction years on the basis of the September 1921 census.

Restriction Year	SP Allotted to Plantations	SP According to 1921 Census	Excess Allowance
1st	107,557 tons	103,206 tons	4,351 tons
2nd	95,854	90,437	4,427
3rd	108,816	101,632	5,184

Source: (a) AR CS 1924-26.  
 (b) September 1921 Census of Rubber Areas, FMS.

41 Minute by J.L., 10 April 1930 on Secretary, Planters' Association of Malaya to US, FMS, 20 March 1930.

42 In 1925 and 1926 the London annual average rubber price was 2s. 11d. and 1s. 11.74d. respectively. This compared with the average of 9.21d. in 1922. There is, however, strong evidence that an increase in rubber price would have come about even if restriction had not been introduced. Restriction also failed to bring stability into the market and the constant price fluctuations posed a constant source of anxiety to the imperial authorities running the scheme.

mainly responsible for the return to prosperity of the Federated Malay States, a prosperity which the smallholder shared. In 1925 and 1926 when the rubber price was at its peak, the value of exports had reached new heights. Throughout the period of restriction the value of exports from the states was considerably in excess of imports.<sup>43</sup> Restriction not only brought back very large profits into the industry but also helped to improve the condition of the smallholding industry. The low price in 1920-22 had compelled many producers, including smallholders, to tap their trees excessively.<sup>44</sup> With the restriction on output this tendency disappeared; more conservative tapping systems became the rule and this resulted in preservation of the bark and the prolongation of the yielding capacity.<sup>45</sup> Prior to restriction, many smallholders had also pared the expenditure on their holdings to a minimum, and consequently there had been an increase in the incidence of disease. Restriction compelled them to restore their holdings to a better condition, especially since it was clear that unkempt holdings were discriminated against very much more than ordinarily.

These fringe benefits of restriction were given much emphasis by the Malayan authorities and enabled them to put forward the claim that restriction had, in fact, been embarked upon to save the smallholders who would otherwise have 'become utterly destitute'.<sup>46</sup> The circle of justification was now complete. They were, however, too quick to congratulate themselves as there were much deeper undercurrents in the industry which were soon to negate the benefits brought about by restriction and to place the predominant position of the Malayan industry in jeopardy. In February 1925, Edward Gent expressed his misgivings at the operation of the scheme. As

---

43 Appendix 2.2 contains further details of the FMS export and import trade.

44 Excessive tapping occurs when a tree is tapped so frequently and in a manner which lowers the vitality of the tree or prevents bark renewal from keeping pace with bark consumption.

45 For some account of this see 'A Synopsis of Impressions with reference to restriction gained by members of Assessment Committee and Officers of the Restriction Department', enclosure in HC to SS, Desp. 29 of 14 January 1925, CO 717/41/6182.

46 Ibid. AR CS 1924 contains a similar opinion.

secretary to the Stevenson Committee when it introduced its supplementary report advocating unilateral restriction, he was close enough to the centre of power to speak with authority on the past developments in the industry and to analyse it with some perception. Gent complained that restriction was not functioning for the purpose intended, that peasant rubber cultivation was growing at a much faster rate than expected and that the scheme was 'now operating not so much to restore the plantation industry in British territories to its predominant position but rather merely to restore the grower's profits'. Gent also accused the large companies of manipulating the scheme to maintain high profits and expressed regret that the integrity of the scheme was being jeopardised. His final query leaves little doubt as to what Gent saw as the original motives of the committee which proposed the scheme. He wrote:

it seems open to doubt whether in the present changed conditions, especially as to the cost of production, the present scheme is likely to be still the best for restoring the plantation rubber industry in Ceylon and Malaya to its former predominating position... and not merely of maintaining for the present the price of the commodity and the profits of large producers everywhere.<sup>47</sup>

There was another very much more important consequence of the restriction scheme which Gent had failed to discuss. This was the fact that the unilateral restriction embarked upon by Malaya and Ceylon, the two British colonies, had considerably weakened their positions and correspondingly strengthened that of the non-restricting rubber producing countries, notably the Netherlands East Indies, by encouraging producers to increase their output and, more importantly, to engage in new planting.<sup>48</sup> The 'less-informed' grassroots producers had realised for some time the danger in which the Malayan industry was placing itself. In 1924 a petition was forwarded by rubber planters and traders from Larut and Matang appealing for an end to restriction. The petition stated that the two years of restriction

---

47 Minute by Edward Gent, 25 February 1925, on HC to SS, Desp. 29 of 14 January 1925, CO 717/41/6182.

48 Between 1922 and 1928, rubber production in the Netherlands East Indies jumped from 102,000 to 229,000 tons and the rubber area almost doubled from 1,480,000 to 2,699,000 acres. Further details of the world rubber production and acreage can be found in Whittlesey, Governmental Control of Crude Rubber, pp. 102 and 109 and Figart, The Plantation Rubber Industry in the Middle East, pp. 281 and 291.

had been a fiasco and pointed out that smallholders, traders and labourers had all suffered because of the unilateral nature of the scheme. It asked that if no co-operation was forthcoming from other rubber producing countries, the scheme be scrapped.<sup>49</sup> Another petition from 250 smallholders in Kuala Langat, Kuala Selangor and Klang argued that the benefits of restriction had disappeared because of increased production from the Netherlands East Indies. It advocated a return to free competition and expressed confidence in the local ability to overcome the overseas challenge.<sup>50</sup> Both these petitions reached the highest authorities but the contents were disregarded, both imperial and local governments preferring to cling to the myth of the unmitigated benefits of the restriction scheme. Restriction was finally brought to an end on 31 October 1928. Despite the prosperity it brought to Malaya it may be considered to have been the most important setback to the local rubber industry since its inception for it had immensely accelerated the growth of the Netherlands East Indies rubber industry which in 1928 was only a few thousand acres from displacing Malaya as the largest rubber growing country in the world.<sup>51</sup>

Not only were the local authorities unaware of the growing threat but they were also actively undermining the position of the Malayan rubber industry by a short-sighted rubber land policy. It was seen earlier how many land office books had been closed to rubber land applications for a lengthy period between 1917 and 1921. Between 1922 and 1928, the duration of the Stevenson scheme, many land offices continued to be kept closed. In offices where books were opened, a very large number of peasant rubber land applications were rejected and in the five-year period between 1926 and 1930, only 30.45 per cent

---

49 HC to SS, Desp. 534 of 22 September 1924, CO 717/34/49354.

50 HC to SS, Desp. 733 of 30 December 1924, CO 717/34/3813.

51 Figures comparing the Malayan and Netherlands East Indies rubber area and production can be found in Appendix 4.1.

of the 182,882 acres applied for by peasant smallholders was approved.<sup>52</sup> During the same period, plantations of 100 acres and over were granted a total of 173,927 acres, and although this was a small fraction of their total registered applications of 1,188,930 acres, it was a significant indication that the government did not intend to obstruct the activities of foreign companies but, rather, intended to assist them wherever possible. The restricted land alienation policy affected peasants to a greater degree than it did plantation owners, as the latter had much more of their land in unplanted reserves.<sup>53</sup> Moreover, there was, at this time, an official prohibition in force against the planting of rubber on Malay Reservations and on lands already planted with other crops or which carried a cultivation condition other than rubber. This again only operated against peasant land as plantation lands normally did not carry such conditions of cultivation.

52 The table below shows the number and acreage of registered applications by smallholders for rubber land below 25 acres in the four states between 1926 and 1930 and the approved applications.

	<u>Registered Applications</u>		<u>Approved Applications</u>	
	<u>Number</u>	<u>Acreage</u>	<u>Number</u>	<u>Acreage</u>
Perak	22,629	90,435	4,927	16,777
Selangor	2,934	17,011	3,903	12,869
Negri Sembilan	13,052	51,751	5,219	15,292
Pahang	<u>3,824</u>	<u>23,685</u>	<u>2,234</u>	<u>10,744</u>
	<u>42,439</u>	<u>182,882</u>	<u>16,283</u>	<u>55,682</u>

Source: AR Commissioner of Lands, FMS 1930.

53 According to the 1921 Census, plantations had 248,092 acres or 30.56% not yet planted whilst smallholders had 50,590 acres or approximately 11.09% of their land not yet planted. The figures below compare the planted acreage in the states.

	<u>Plantations</u>		<u>Smallholdings</u>	
	<u>Total Area Alienated</u>	<u>Total Area Planted</u>	<u>Total Area Alienated</u>	<u>Total Area Planted</u>
Perak	343,506	231,893	241,654	215,293
Selangor	404,569	282,576	111,244	96,827
Negri Sembilan	295,418	210,743	66,878	52,986
Pahang	<u>52,833</u>	<u>36,022</u>	<u>36,608</u>	<u>40,688</u>
	<u>1,096,326</u>	<u>761,234</u>	<u>456,384</u>	<u>405,794</u>

Source: September 1921 Census of Rubber Areas, FMS.

Neither these restrictions nor the recent chastening experience with rubber dampened peasant interest in the plant and there was a continuity in peasant rubber development. This was soon discovered by the administration which, during checking procedure for the Stevenson scheme, found large numbers of breaches of the cultivation condition. As in the past, although there were instances where peasants were forcibly compelled to remove the trees or evicted from their land,<sup>54</sup> cultivation was permitted to stand in the majority of cases after the payment of higher rents and premiums. In Ulu Langat, for example, between 1924 and 1926, 3,500 peasants, under the threat of resumption of their lands, paid more than \$40,000 to be allowed to convert the land titles.<sup>55</sup> Most of these collections comprised the difference between what would have been the original rents had rubber been allowed, and the padi, kampong or other cultivation terms on which the land was actually taken up. But they were resented by the peasants who regarded the collections as 'pure exaction'. There was some cause for peasant dissatisfaction as in many instances enhanced rents were imposed on the full area although rubber was grown on only part of the land, whilst in other instances enhanced rents were insisted upon even though a legal basis for

---

54 For instances where peasants were compelled to remove offending rubber trees or evicted from land see SSF 4573/26; 2510/27. In SSF 4403/27, in reply to a petition from Chinese smallholders to the Chief Secretary asking for permission to plant rubber on their lands, the Secretary to the Resident minuted that, on general principle, the Resident discouraged alteration of the condition to permit rubber in the coast districts of the state. In Pahang, officials of two of the six districts, Temerloh and Kuala Lipis, pursued a policy which compelled rubber trees to be cut down where the cultivation condition was contravened. Summary of replies to SR Pahang to all DO's, 13 May 1925, DOF Pekan 413/25.

55 Another example was Kuala Kangsar district where the land officer, adopting an attitude that the enforcement of conditions 'should be driven through to the bitter end' forcibly collected more than \$20,000. Collector of Land Revenue Kuala Kangsar to DO Kuala Kangsar, 14 April 1924, LOF Kuala Kangsar 504/23.



collection did not exist.<sup>56</sup> Nevertheless, the wide-scale cultivation of rubber on lands originally alienated for other purposes was further proof of the remarkable appeal the activity held for many peasants. It was also an indication of peasant willingness to transgress administrative rules which were against their interests, thus discrediting the notion that peasant producers were an unknowing and servile mass.

#### Padi and Coconut Cultivation and some Peasant Problems

In 1922, when the rubber industry was going through its most difficult period, prospects for padi cultivation were more encouraging than they had been for many years and offered a unique opportunity to press home the merits of the activity. But it was a more sober government that attempted this. During the rice shortage, the government had critically analysed the problem of local padi production and had concluded that the states were not generally suited to grow padi, that no great increase in production could be expected so long as the crop could be cheaply produced in the neighbouring countries, and that padi cultivation was not a practical economic undertaking for most of the peasant population.<sup>57</sup> At the same time, there was a hope that some breakthrough in padi production could come about if the peasants were provided fair prices for the padi and were freed from the clutches of the chettie and the Chinese middleman, and if the productivity of the padi fields was increased. To accomplish this, the following facilities were deemed necessary - government rice mills, co-operative societies and provision of drainage and irrigation works.<sup>58</sup>

---

56 This was admitted to by the Federal Commissioner of Lands. See his minute 10 August 1929 on Attorney-General to SR Selangor, 30 November 1927, SSF 5850/27. Some refunds were made in Ulu Langat and Kuala Lumpur following representations by peasants. But many other peasants, who had been coerced into paying the high rates and were unaware of the illegality of the government's action, failed to obtain redress because of the view that the government would be 'disturbing a wasp's nest by starting to make refunds' and the policy that no refunds could be made unless specific applications were made for them. See the correspondence in SSF 1418/30; (G) 1558/32.

57 See especially the article by Brockman, 'Rice Growing in the FMS', Straits Times, 28 May 1923, SSF 2530/21.

58 AR Department of Agriculture 1923; AR CS 1923.

The problem of securing fair prices for padi was most urgent in Krian, the rice granary of the states. Here it had long been possible for cultivators to obtain substantial surpluses. As early as 1907, there was a suggestion that a mill be established in the district to process the surplus. The government, however, had not been willing to provide this important facility,<sup>59</sup> and as a result, private enterprise had moved in to meet the need. By 1912 Chinese entrepreneurs had set up eight large rice mills in Penang, Krian and Kedah to handle the padi production of north Malaya. Other than their milling functions, these entrepreneurs also performed retailing activities and had built up an extensive system of marketing throughout the country. It appears that most of these mills belonged to a combine which was 'a sort of family arrangement to work for mutual benefit while keeping up a semblance of competition'.<sup>60</sup> The combine was, therefore, able to attain a virtual monopolistic position in rice processing and marketing. There was another unsatisfactory aspect to the activities of these entrepreneurs. Many peasants, because of their poverty were in the habit of borrowing money from the millers and pledging their incoming crop as security. Such a practice, known locally as padi ratus, placed them at the mercy of the millers who gave them much lower prices for the padi than if it had been placed on a free market.<sup>61</sup> The government, although aware of the abuses, was unwilling to shoulder the risk of providing large sums of credit and reluctant to interfere in any way

---

59 Birch, the Resident of Perak, had wanted a rice mill to put the finishing touch to the Krian Irrigation Scheme and had suggested that the government make a loan to a prominent member of the State Council for the purpose. But the High Commissioner strongly disapproved of the proposal and stated that things should be left 'to their natural development'. Minute by HC, 21 June 1907 on BR Perak to Acting RG, 14 June 1907, HCOF 878/07.

60 Memorandum on Rice Mills by Maxwell, undated in Acting Secretary to HC to British Adviser, Kedah, 4 July 1917, HCOF 880/17.

61 In the padi ratus system it was estimated that the growers received only 60% of the market value of the padi. Summarised Report in the Findings of the Rice Cultivation Committee in relation to the Krian District in Perak, Federated Malay States: Report of the Rice Cultivation Committee, Vol. 1 (Government Press, Kuala Lumpur, 1931) p. 16.

with the system.

During the period of the rice shortage it was compelled to consider the establishment of rice mills as a means of encouraging production.<sup>62</sup> At this time Chinese milling interests were already strongly entrenched, and it was apparent that the government faced many difficulties, not least of which was the expertise and heavy capital investment required to begin mills and the possibility of conflict with established private interests. In 1918, however, it was decided that a mill be erected at Bagan Serai in the Krian district as an experiment. The early operations of the mill confirmed the initial expectation of the difficulty of establishing a parallel system in competition with the Chinese one, and it was not until 1921 that the progress of the mill was considered satisfactory.<sup>63</sup> In addition to the Bagan Serai mill, the government in 1921 requisitioned a rice mill in Kuala Kurau from its Chinese owners. This move was made after the failure of millers to meet the minimum rice price guaranteed by the government and should not in any way be construed as part of a new radical policy of nationalization.<sup>64</sup> The Kuala Kurau mill was beset with many more problems and was closed down in 1926 because of the failure to obtain sufficient rice for its economic maintenance. Although the mill was operated intermittently after this, the government had lost faith in the project and was waiting to sell it off, though no purchaser was in sight. The Krian and Bagan Serai rice mills were the sum total of the government's efforts in rice processing and marketing, and whilst the government pronounced itself satisfied that it had obtained the object of stabilising the padi price,<sup>65</sup> it was apparent that it had been only a qualified success. Undoubtedly the mills had broken the Chinese monopoly in

---

62 Considerable discussion on the relative merits of government rice mills can be found in HCOF 880/17; 3024/18.

63 *Precis of Correspondence Regarding the Histories and Development of the Government Rice Mills at Bagan Serai and Kuala Kurau, Rice Cultivation Committee Report, Vol. 1, pp. 20-1.*

64 The Chief Secretary, for example, publicly expressed serious doubts as to the wisdom of the measure. FCP 25 November 1924, B 105.

65 AR CS 1923.

Krian but they failed to improve the economic condition of many Krian peasants who had their padi supplies tied down.

There were two more prevalent forms of peasant indebtedness. One was to chetties who provided peasants with loans on the security of the land, and the other was to Chinese shopkeepers, who provided goods in exchange for produce. It had also been long recognised that these credit and marketing arrangements were exploitive and there had been considerable discussion over what alternative arrangements the government should make. In 1922 it was finally decided that co-operation was the answer and, after the passing of the Co-operative Societies Enactment and the formation of the Co-operative Department, the first rural credit society was established in Krian amidst a background of high expectation and optimism.<sup>66</sup> The society operated in the following manner. Its members paid a regular cash contribution which was put into a bank and accumulated interest. Loans were available from this capital at low rates of interest. Both the bank interest and loan interest would meet the running costs of the society and earn a profit for the members and, in this way, the peasant would see his investment grow as well as obtain the benefits of access to cheap loans. The best feature from the government's viewpoint was that its commitment would be limited to the advice tendered by the Co-operatives Department.

The formula was so simple and initial progress was so rapid that confidence was soon freely expressed that indebtedness would be quickly wiped out. Within the first few months there were six societies operating in Krian and the number increased to twenty within two years. But this growth had taken place during a period of prosperity. In 1928 the movement began to suffer the first of a series of setbacks. Peasants were stricken by a second successive poor padi harvest and by low rubber prices, and the societies experienced much difficulty as membership declined and the number of overdue loans increased.<sup>67</sup> Meanwhile, the Co-operatives Department was maintaining a brave front and claimed some success in combating the practice of padi ratus, but it was clear even in Krian, where it

---

66 AR on the Working of Co-operative Societies, FMS 1922, supplement to FMS GG 27 July 1923.

67 AR Co-operative Societies 1928, supplement to FMS GG 19 July 1929.

was most active, that the movement had neither taken root nor improved the economic position of its members to any significant extent.<sup>68</sup>

The failure of the co-operative movement to attain its first objective of organising peasants into groups capable of supplying themselves with credit was attributable to several causes. There was a commonly-held view among the Malay peasantry that the receipt of interest by a co-operative society was riba and contrary to Islamic law, and although Malay leaders, including the Sultans and some religious teachers, had expressed the opinion that the tenets of Islam were not contravened, the subject was a delicate one.<sup>69</sup> At the same time, the government was not providing the movement with adequate support. Whilst recognising the important role that co-operation could play in peasant development, it was unwilling to expand its assistance or to reconsider whether rural credit societies were the best instruments for achieving the ends. Moreover, the department entrusted with spreading the gospel of co-operation never consisted of more than a small number of officers who besides lacking 'first-hand knowledge of the highly technical subject which they were handling', were also handicapped by a dearth of organised information about the peasantry.<sup>70</sup> It could not be even remotely expected that this understaffed and uninformed department could bring about radical changes in the habits of the Malayan peasantry. Yet another reason was the inability of the societies to duplicate the services of the people they were to replace, particularly the Chinese shopkeeper, and, in fact, many peasants continued to maintain their relations with shopkeepers whilst they were members of the societies. But perhaps

---

68 In its report the Director of Co-operatives warned that 'the process of rural regeneration must necessarily follow a course of inevitability of gradualness'. The report is found as a supplement to FMS GG 1 August 1930.

69 See the Annual Reports of Co-operative Societies, 1922 and 1926 which discuss this problem. The latter report which is found as a supplement to FMS GG 22 July 1927 regarded the problem as sufficiently important to mention that one eminent Haji who opposed the principle of co-operation had since died.

70 A report on the condition of co-operation in Malaya in 1929 found this the outstanding feature of the brief history of co-operation. C.F. Strickland, Report on Co-operation in Malaya, FCP Appendix 26 of 4 and 6 November 1929, C 390.

the most important reason was the inability of the peasants themselves either to save regularly or participate in a voluntary credit scheme. For the great majority of them, the margin between production and expenditure was very small, and during crop failure or low commodity prices, this margin was non-existent.

Despite his problem with credit and marketing, the Krian peasant was in a much better position than many of his fellow cultivators who were unable even to reap a sufficient crop to feed themselves during the year. Their most important need was the provision of drainage and irrigation works in fields to ensure regular crops and higher yields. In the past, there had been some recognition of the difficulty of satisfactorily maintaining what were recognised to be marginal lands, and the Perak state administration, in particular, attempted to lessen the plight of the unfortunate peasants owning such lands. The main obstacle to government assistance had been the question of costs, and it did not help that much of the cultivation was carried out on small and scattered areas, so that a large number of schemes adding up to a considerable financial outlay was required. Indication of a change of policy was given in 1923 when the Secretary of Agriculture gave an assurance in his Annual Report that the government was ready to transform padi cultivation with 'schemes of varying character and size'. The government decided to abandon the previous policy of charging water rates on lands provided with government irrigation works and to impose them only on established areas.<sup>71</sup> Over the next few years, however, the latter assurance was shown to be an empty one and government decision a meaningless gesture. Requests for the construction of works were not met,<sup>72</sup> and virtually no progress was recorded in the development of irrigated padi cultivation.

The inability of the government to provide effective assistance in the three spheres regarded as important to padi development and the healthy condition of the other agricultural

---

71 Conference of Residents 15 January 1924, SSF 5128/23.

72 In 1927, for example, a submission that the cultivators along the Pahang River were in need of irrigation facilities was brusquely rejected by the Secretary of Agriculture who then went on to criticise the peasants as lazy. DOF Pekan 288/27.

activities, notably rubber and coconut, were reasons contributing to the declining interest in padi cultivation after 1922.<sup>73</sup> In 1927 cultivation reached its lowest ebb for many years. In November and December 1926 widespread floods hit the country when, after several days of incessant rain, the major rivers of the country burst their banks and poured a torrent of water into the adjoining countryside. At the height of the floods the Pahang and Perak Rivers rose 70 to 100 feet above their normal levels and the surrounding country resembled a vast inland sea.<sup>74</sup> This was the most disastrous flood in the memory of the country, and accounts of unmitigated tragedy came in from all over, especially from the Perak and Pahang river valley areas.<sup>75</sup> The immediate effect of the flood, other than its toll in human suffering and property, was the destruction of large areas of kampong and padi cultivation and the disruption of traditional settlements. In Kuala Kangsar alone, for example, 10,000 acres of padi land were affected; in Upper Perak long-established irrigation works were devastated, and in Temerloh and Pekan, kampongs were washed away, and buffaloes used to work the paya lands were drowned.<sup>76</sup>

A relief campaign to feed, clothe and house the victims was mounted by the government and, in addition, a programme of long-term rehabilitation was begun in which land, padi and food crop seeds were given out to enable peasants to continue cultivation. While this assistance was gratefully accepted, many peasants had learnt a lesson and, although some attempt was made to grow food crops, there was a general loss of confidence and reluctance to resume the activity. Rubber cultivation, on the other hand, had been able to withstand the deluge and many peasants turned to rubber in preference

---

73 Figures of padi areas and production during this period can be found in Appendix 6.1 and 6.2.

74 For further accounts of the effects of the flood see AR CS 1927 and the AR's of the states.

75 In the midst of a report on the floods was contained a harrowing account of suffering - 'For 9 days three European ladies and two children lived in the Railway Engineer's office without mosquito nets.' R.O. Winstedt, *The Great Flood 1926*, enclosure in HC to SS, Desp. 240 of 16 April 1927, CO 717/54/29011.

76 As a result of the floods the FMS padi acreage in 1927 was at its lowest for many years, and production was 33% down from the previous year.

to the vulnerable traditional food crops. The change in the cultivation pattern was especially noticeable in Pahang where a poor crop in the 1927-28 season made the outlook for food cropping activity even gloomier.<sup>77</sup> By 1930, the planting of rubber in place of food crops had reached sufficient proportions to alarm the administration. The District Officer of Temerloh, one of the flood-stricken areas, noticed that peasants had made no attempt to replant their damaged dusuns, but were planting rubber instead, and he warned that unless some inducement was offered and if the tendency continued unchecked, a great portion of the paya lands would go out of cultivation.<sup>78</sup>

Elsewhere in the coastal areas where soil conditions were not conducive to rubber cultivation, many peasants preferred to plant coconuts. But much of the expansion in coconut cultivation during this period was in contradiction to the government's intentions and directly at the expense of padi development. The best example of this was Sabak Bernam in Kuala Selangor and involved about 2,000 peasants holding approximately 10,000 acres. The land had been alienated in 1920 in connection with the government's food production campaign in five-acre lots, carrying padi cultivation conditions. Peasants had initially complied with the condition but had also planted coconut on much of the land. When this illegal cultivation was discovered in 1926 the coconuts were already thriving, and the peasants expressed their intention to give up padi cultivation as soon as possible.<sup>79</sup> Two similar instances of mass breaches, concerning the cultivation of coconut instead of padi, were uncovered in the same district in 1928 and 1929.<sup>80</sup> In all these cases, the government's reaction was one of indignation. Instructions were issued calling on the peasants either to cut down the trees and comply with the padi condition or face eviction. However, peasants stood fast and the government, confronted by a fait accompli and, recognising that much of the land had since

---

77 Some assessment of the long-term significance of the 1926 floods in Pahang is provided by R.C. Cant, 'An Historical Geography of Pahang 1888-1939', Ph.D. dissertation (University of Malaya, Kuala Lumpur, 1965) pp. 140-2.

78 Minute by DO Temerloh, 29 May 1930, DOF Pekan 867/30.

79 Pooley and Co. to SR Selangor, 4 January 1926, SSF 61/26.

80 See correspondence in SSF 2469/28; 86/29.



become unsuitable for padi and that the land would revert to useless lallang and jungle if the eviction threat was carried out, grudgingly gave in, but only after extracting high penalty land rates.<sup>81</sup>

An important incentive to increased peasant output during this period was the remarkably stable price held by copra in the market.<sup>82</sup> The maturation of these 'illegal' coconut areas and areas earlier alienated resulted in an increased quantity of copra being exported from Selangor and Perak.<sup>83</sup> Despite the expansion in area and increase in production, the economic position of peasant coconut cultivators was unsatisfactory. The most pressing problem facing them was their indebtedness to chetties who provided finance for the opening up of lands and to Chinese middlemen who gave cash loans and were responsible for marketing the coconut crop. Among its other debilitating consequences, indebtedness meant that there was never sufficient money for peasants to improve their lands. But it was a problem which the government ignored. In Kuala Selangor, one of the main areas of peasant cultivation, the District Officer, emphasising the high degree of peasant indebtedness, made the telling point that if plantation rubber owners could obtain \$150,000 from the government to straighten the Selangor river and improve 1,000 acres of plantation

81 It, however, extracted a heavy price. Land previously had been alienated rent free; the new land rates were as high as \$50 premium and \$2 rent per acre annually.

82 The table below gives the average market quotations of copra prices in Singapore between 1923 and 1930. The quotations are for the two main copra types.

<u>Year</u>	<u>Dry Sundried</u> (dollars per picul)	<u>Dry Mixed</u> (dollars per picul)
1923	\$11.26	\$10.86
1924	12.20	11.75
1925	12.19	11.82
1926	11.54	11.19
1927	11.15	10.65
1928	10.92	10.63
1929	9.45	9.05

Source: Report on the Economic Position of the Coconut and Other Vegetable Oil Producing Industries in Malaya, Table XV, p. 91.

83 See Appendix 5.1. The fall in exports in 1927 was attributed to adverse weather conditions.

land, then peasants should have the right to similar expenditure of public money.<sup>84</sup> The same situation of severe peasant indebtedness was found in Sitiawan by a Co-operative Department officer in an economic survey of the district in 1925,<sup>85</sup> and the same concern was shown by the government.

The problem of indebtedness which reared its head at this time, although most severe among padi and coconut cultivators, afflicted all peasants without exception. Its origins lay in the period between 1913 and 1917 when large-scale peasant agricultural development took place. At this time there were only two government loan funds to which peasants could turn for assistance in financing development. One, the Agricultural Loan Fund, had been established in the early days of British rule but had fallen into a comatose condition. In Selangor, for example, between 1908 and 1919 only 669 loans totalling \$13,797 were given out.<sup>86</sup> Another fund had been established in 1917 to assist the development of reservation land.<sup>87</sup> Peasants owning encumbered land found it generally more difficult to raise credit and the fund was to compensate for this handicap. It had been intended originally that it would operate with a capital of \$50,000 in the three west coast states and \$25,000 in Pahang. However, in Negri Sembilan and Pahang the fund was inoperative and in Selangor only \$1,800 had been spent up to 1921.<sup>88</sup> Part of the reason for the small scale of operations lay in the onerous loan conditions. It was specified, for example, that no loans were to be made to rubber lands where the trees were under two years old. But it was in these first years that the peasant had the greatest need of capital.

---

84 DO Kuala Selangor to SR Selangor, 20 January 1923, SSF 5799/22.

85 Malay Officer, Co-operative Societies Department to Assistant DO Sitiawan, 27 August 1925, DOF Sitiawan 456/25.

86 List of loans for agricultural purposes, US, FMS to SR Selangor, 27 June 1919, SSF 2899/19.

87 This was a result of a suggestion by the Resident of Negri Sembilan who had intended that the fund should finance Malay rubber land development. A Conference of Residents on 16 November 1917 which approved the proposal, however, was of the opinion that the fund should not restrict itself to rubber land development. See NSSF 3250/17; SSF 4504/17.

88 Minutes in SR Perak to US, FMS, 16 March 1921, SSF 1903/21.

These two loan funds met only a minute portion of the peasants' needs and the chetties were able to retain their monopoly as a source of cash credit. Although frequently using an extortionate system of capitalised and compound interest,<sup>89</sup> the chetties had long operated with impunity. In 1919 an attempt was made to control their activities. A Usurious Loans Enactment was passed which had the object of enabling relief where transactions were shown to be substantially unfair and where the interest rate charged was excessive.<sup>90</sup> In addition, an amendment was introduced to the land enactment making it compulsory for all chargees seeking recovery to go before the Collector before using the Courts.<sup>91</sup> In this way it was hoped that peasants would obtain a fairer judgement and chetties would be restrained from proceeding by civil suit and obtaining judgement against other properties of debtors. The laws, however, were only sparingly applied, and their ineffectiveness and the increasing peasant indebtedness stung an unofficial member of the Federal Council into castigating the former enactment as a 'dead letter' and a 'farce' and to ask that stronger measures be taken. This request was refused by the government.<sup>92</sup>

Peasant indebtedness took a turn for the worse in the latter half of 1920 when, because of the low rubber prices and the economic recession, many peasants found themselves with insufficient funds to repay their loans and were threatened with foreclosure of their lands by chetty creditors. In December 1920, however, chetties were generally still observing a voluntary moratorium on debts; few land purchasers could be found and it was not in the chetties' best interests to foreclose. In that month, a conference of Residents had decided that legislation to impose a moratorium on debts was inadvisable

---

89 Some account of the malpractices was provided by the DO Kinta. See enclosure in SR Perak to US, FMS, 30 September 1918.

90 The enactment was initiated by the Chief Judicial Commissioner of the FMS. See copy of memorandum by Justice Innes, 23 October 1918, 'D' in NSSF 2164/23. The draft enactment is found in FMS GG 1919, pp. 551-2.

91 US, FMS to SR Negri Sembilan, 9 May 1919, NSSF 1216/19.

92 A.N. Kenion to CS, 15 June 1923, NSSF 2164/23. The Usurious Loans Enactment was used on 77 occasions in 1920. FCP 19 June 1922, B 1.

and that steps to deal with the situation should be taken by each state as its officers saw fit.<sup>93</sup> In 1921, the rubber depression worsened and numerous petitions from peasants began reaching the government asking for assistance to save their lands by deferment of their loan repayments.<sup>94</sup> Support to the peasant case was given by unofficials in the Federal Council who were especially concerned for the Malay peasants, described by a member as 'mere children in the matter of borrowing'.<sup>95</sup> These appeals, however, were rejected by the government which expressed its determination not to interfere with what it considered to be the sanctity of private contracts.<sup>96</sup>

Within the administration itself there were actually two opinions on the issue. One contended that it was a mistake to look on the possession of land as 'so sacred as to make it necessary for us at all hazards to preserve it to a morality' and argued that since the land sold up was rubber and not traditional padi-kampong land it was not an 'irreparable disaster' for the peasant.<sup>97</sup> It was pointed out that any government interference could result in retaliation from the chetties by their refusing to do business except on more exorbitant terms. This line of thought was also inclined to the view that chetties performed a necessary economic function.<sup>98</sup>

---

93 Conference of Residents, 3 December 1920, US, FMS to SR Pahang, 17 December 1920, DOF Temerloh 1436/20.

94 In Selangor, for example, petitions were received from whole villages in Klang, Setapak, Sentul, Kuala Langat and elsewhere. Acting BR Selangor to SS, 6 May 1921, SSF 2073/21. See also Haji Idris and others to Secretary to Federal Council, undated, SSF 1693/21.

95 FCP 23 January 1923, 25.

96 This decision was reiterated at a Conference of Residents in November 1923. US, FMS to SR Selangor, 27 November 1923, SSF 3542/23.

97 SR Perak to US, FMS 26 July 1923, SSF 3542/23.

98 The Chief Secretary in the Federal Council, for one, expressed the view that the chetty performed the same function as the Planters Loan Board and thought that the great bulk of the money in the country had been made with chetty assistance. FCP 23 January 1923, B 31. He omitted to mention the difference between the interest rates charged to peasants by the chetties and that charged to planters by the government-sponsored Board.

Another opinion was less convinced that the situation was satisfactory and felt that the peasant should enjoy more protection in the possession of his land. This could be done by exercising more control over the chetties and by restricting the charging rights of peasant land.<sup>99</sup> As it turned out, the relative merits of the two positions were academic. In 1923 there was an increase in rubber prices following the introduction of restriction and this enabled peasants to pay off their back instalments and avoid foreclosure of their lands.<sup>100</sup> Although disaster had been averted, the outlook in some depressed areas was still bleak in 1924,<sup>101</sup> and generally the government was only postponing the day of reckoning.

In 1919, in his report on the Department of Agriculture, Butler had recommended that more attention should be given to the problems of native agriculture, which he equated with peasant cultivation of crops other than rubber. To ensure that the Department would devote itself to what he regarded as a neglected field, he also proposed the establishment of a Rubber Research Institute to undertake scientific and advisory work on rubber. Butler's recommendations were accepted by the government, but were not implemented during this period. The main reason for this was the long delay in setting up the Rubber Research Institute and the introduction of the restriction scheme resulting in the department being burdened with even more work in rubber. There had also been a curtailment of expenditure due to the post-war recession and this had prevented any expansion of staff. Some attempts were later made to recruit officers; but at the end of the period there were still less than 50 specialist officers for the whole of Malaya, a staff complement less than adequate.<sup>102</sup> It had been hoped, too, that the department would expand its fieldwork among

---

99 The correspondence in SSF 3542/23 contains various suggestions on how to make the peasant more secure in his land possession.

100 AR Secretary for Chinese Affairs 1925, supplement to FMS GG 14 May 1926.

101 In Sitiawan, for example, it was estimated that Chinese peasant smallholdings were passing into chetty hands at the rate of 500 to 700 acres a year. AR Sub-district of Sitiawan 1924, DOF Sitiawan 88/25.

102 See AR Department of Agriculture 1922-29.

peasants and not confine itself to assisting the large estates, and Malay assistants were recruited for this purpose. But here again, their numbers were too small to make much impression. In such a field as agricultural education progress was necessarily slow and generally the hope that non-rubber peasant activity would be stimulated through the efforts of the department remained largely unfulfilled.

At the same time, the department's record in rubber work among the peasants was not one to be proud of. It had, for many years, been a contributor to the myths of peasant rubber production. The Agricultural Instructor, in 1921, for example, wrote of the 'opinion forced on those who have been engaged in rubber work in the department that land held by natives constitutes a menace to the industry'.<sup>103</sup> In 1918 the Director of Agriculture criticised the overcrowding of rubber trees on peasant smallholdings and called on the government to insert a condition in the land title which would limit the number of trees to be planted per acre to less than 120.<sup>104</sup> The proposal was rejected; but pamphlets were distributed among peasants warning against the practice of dense planting. Earlier, the Department, acting on the advice of a District Officer who had difficulty convincing Malay peasants to thin their trees, had distributed similar pamphlets condemning the practice. It could be claimed that the department was motivated by concern to contain diseases which it believed originated from crowded holdings, but there was no scientific basis for this, or to the related contention that the land was better off with fewer trees. Such views only strengthened the hand of the pro-restriction lobby and were therefore indirectly damaging to peasant interests.

Of more importance was the failure of the department to widely publicise its organised investigations which showed peasant producers in a more favourable light. In 1923 the department had

---

103 Grist, Report on Agricultural Education in Ceylon and Together with Recommendations Regarding Agricultural Education for Malaya, FCP Appendix 9 of 26 July 1929. C 101.

104 Director of Agriculture to US FMS, 3 December 1918, SSF 4941/18. The proposal was revived by the Commissioner of Lands in 1921 and rejected again. SSF 1386/21. Most peasants were planting more than 200 trees to the acre.

experimented with 'severe' tapping systems believed to be common among peasant smallholdings and found no injury to trees or diminution in yields.<sup>105</sup> In 1925 it conducted an inspection of a large area of smallholdings growing in secondary jungle and found the trees to be of 'good appearance' and possessing 'excellent bark'.<sup>106</sup> It also found that trees which had been excessively tapped had recovered after a spell of resting and that smallholding yields were commonly high except where soil and environmental conditions were poor. These findings cast serious doubt on the popular belief among officials and planters that the crowded and untidy condition of smallholdings contributed to a lower average productivity compared with plantations and that smallholders were able to attain a high yield only at the cost of potential capacity in the long run. No attempt was made either to dispute these allegations or to follow up with more exhaustive experiments and peasants were stranded with very low allowances during restriction.

Extension of the Reservation Policy and the Pro-Malay Campaign.

Some account was given earlier of the events leading to the passing of the Malay Reservations Enactment of 1913 as well as details of the early progress of reservation. Reservation activity had slackened noticeably after 1918 because of the food shortage crisis which demanded the government's attention. In 1921, however, there was a renewed anxiety in the policy which resulted in a sharp increase in the rate of reservation. In May that year, the Chief Secretary wrote to the Resident of Selangor calling for an extension of the policy because of the 'considerable danger of expropriation which existed to Malay land owners'.<sup>107</sup> The initiative appears to have originated from the Commissioner of Lands and Mines, who, shortly after assuming his office which had been shut down during the past twelve years, drew attention to the small size of many reservations and contrasted it with the rapid growth of the Malay population. The Commissioner pointed out that some of the reservations merely covered alienated land and contained no reserves to accommodate

---

105 AR Department of Agriculture 1923.

106 AR Department of Agriculture 1925.

107 CS to BR Selangor, 31 May 1921, SSF 2541/21.

the increased growth in the Malay population, and he called for the creation of larger reservations and for a long-term view to be taken of the subject.<sup>108</sup>

The inadequacy of past reservation policy was most glaring in Selangor. In 1921 approximately one-third of the 2,008,320 acres had already been alienated, mainly to non-Malays. Another one-third comprised forest and government reserves and land above 500 feet regarded as unsuitable for Malay settlement and agriculture. This left only 669,433 acres of unalienated lowland, a large part of which consisted of swamp land in Kuala Selangor and Kuala Langat. Set against this was a rapidly expanding Malay population which had increased by more than 25 per cent in each decade since 1891. This position led the Commissioner to suggest to the Resident of Selangor that the state administration should evaluate its reservation policy and decide on a definite future one which would ensure land for future generations of Malays.<sup>109</sup> There were two ways to do this. One was by setting up large reservations and the other was to make lands which were suitable Malay reserves available only on short-term leases to non-Malays instead of on the normal grants in perpetuity.

It is not known whether other states received similar proposals but in the next two years the tempo of reservations was stepped up in all the four states. In Perak, they were mainly located in Lower Perak, where by 1923 it was estimated approximately one-third of the district's 540,000 acres area was under reservations.<sup>110</sup> In Pahang, gazetting of the stretch of Malay settlement in Temerloh district along the length of the Pahang River began, and by 1923 there was an almost continuous strip of reservation in the district fronting the river.<sup>111</sup> In Negri Sembilan considerable additions were made to the already substantial reservations and it was asserted that 'the requirements of the Malay population in this respect may now be

---

108 Commissioner of Lands to US, FMS, 28 February 1921, SSF 1370/21.

109 Commissioner of Lands to BR Selangor, 21 June 1921, SSF 2790/21.

110 AR Perak 1923.

111 AR Pahang 1921-3.



considered as adequately provided for some time to come'.<sup>112</sup> In Selangor more than 60,000 acres were carved out in Ulu Selangor, Kuala Selangor and Kuala Langat.<sup>113</sup> Reservation proceeded so rapidly at this stage that it often had the appearance of a race. Districts and states vied with each other in giving regular pronouncements of the number and size of their reservations and the additions being made.

At the end of 1923, there were approximately 2,782,994 acres of Malay Reservations in the Federated Malay States or 15.58 per cent of the total area of the states, and it was estimated that every family of five Malays in 1983 would have eight acres of land, assuming that all Malays then were living in reservations and that the Malay population increased by nine per cent every decade.<sup>114</sup> But the situation was not wholly satisfactory. Not all the land was suitable for settlement. Nearly one and a half million acres was found in Upper Perak, a sparsely populated and mountainous area, and the area regarded as suitable for agriculture was estimated at less than half the enormous area of reservations.<sup>115</sup> The 'illusory' statistical position prompted the Commissioner of Lands in 1924 to call a stop to what he considered as the past blind reservation policy. Such a policy, he thought, had been initially justifiable as the lands would have been alienated to non-Malays had they not been reserved, but it was now no longer necessary. In its place, he suggested that

112 AR Negri Sembilan 1923.

113 Figures of the reservation position in Selangor in 1921 are found in SSF 2790/21. The 1924 figures are found in SSF 1238/24.

114 This estimate was given by the Commissioner of Lands in a note accompanying the first collation of statistics on the Malay reservation position in the states. Commissioner of Lands to US, FMS, 14 March 1924, SSF 1238/24.

115 The figures below show the area of Malay reservations in three districts and the size of the 1921 Malay population.

	<u>Malay Reservation Acreage</u>	<u>Malay Population</u>
Upper Perak	1,418,000	9,004
Kuala Pilah	225,718	32,686
Pekan	156,240	23,317

Source: Return of Malay Reservation, 1 January 1923, (A) in Commissioner of Lands to US, FMS, 14 March 1924, SSF 1238/24.

a policy be drawn up which would be based on the merits of the land and would make excisions or additions to existing reservation on this basis. This future policy was to be drawn up only after a discussion of the question at both state and federal levels. This proposal was, however, not regarded with favour by the Residents. It was agreed during one of their conferences that there was no reason to believe that too much land had been acquired and that it was always preferable to have more rather than too little land under reservation. The Residents also decided to continue with the policy of considering all reservation proposals on their own merits.<sup>116</sup> But this decision did not immediately lead to a new spate of reservations and there was a distinct falling-off in reservation activity. The decline was due to the heavy administrative burden placed on District Officers during the rubber restriction scheme which left them with little time to attend to other chores. Reservation work resumed again after 1927, and between then and 1931, 73 reservations with a total area of 457,406 acres were added in the four states.<sup>117</sup> The gains were mainly confined to Pahang where the area of reservation more than doubled between 1924 and 1930. Selangor and Negri Sembilan recorded smaller increases, but in Perak there was a decline in the area of reservations largely due to the excision of considerable areas which were in excess of additions.<sup>118</sup>

The implementation of the reservation policy was not without its problems. The subject itself was of a sensitive nature, and one of the most notable achievements of the government had been its ability, during the early years of implementation of the policy, to prevent its entanglement in the country's political life. This was done by locating the first reservations in areas where there were few existing non-Malay interests and by the practice of excluding non-Malay holdings from reservation proposals. In 1919 officials in Selangor were instructed that, when selecting reservations, they need not avoid areas where there were non-Malay holdings.<sup>119</sup> But this did

---

116 Conference of Residents, 20 and 21 May 1924, SSF 1238/24.

117 FCP 13 April 1931, B 37.

118 See Appendix 8.2.

119 SR Selangor to all DOs Selangor, 4 November 1919, SSF 4338/19.

not result in any immediate controversy. This was because of the thorough investigation which the government demanded from officers submitting reservation proposals. In Selangor where the possibility of conflict was greatest owing to the large size of non-Malay interests, proposals were accompanied by such information as a description of the physical characteristics, a statement of alienated lands, a list of land titles, their lot numbers, areas and the type of cultivation, a statement on the area of remaining state land and a list of Malay holdings charged to non-Malays.<sup>120</sup> This information was scrutinised in the State Secretariat and then submitted to the State Council where representatives of vested economic interests could voice their opinions and suggest changes. All these procedures ensured that non-Malay capitalist interests were safeguarded.<sup>121</sup>

A striking feature of the early reservation policy was the conspicuous lack of participation by the Malay community, the group most affected by the policy, in the making of reservations. The main force behind a reservation proposal was the District Officer who appraised the situation, decided whether a reservation was desirable and then proceeded to process it. It is probable that most officers consulted the more prominent Malay leaders of the district before reaching a decision, but it is unlikely that they said much to influence the decision either way and, although their silence was taken to mean consent, their complete lack of interest despite the urgings of the administration in a matter which it regarded as of the utmost importance, was indicative of their lack of enthusiasm.<sup>122</sup> The people for whom the reservations were intended were much more vocal in their

---

120 Ibid.

121 A proposal for a 610 acre reservation in Kerling, for example, was turned down because of the concern that mining development would be hindered. SSF 4494/21.

122 In Perak, it was not until 1929 that it was decided that the Territorial chiefs should consult each other over the possibility of reservation proposals. Conference of District Officers and chiefs, 14 December 1929, DOF Sitiawan 501/29. One exception was Jelebu where it was said most of the original proposals for reservations had come from the lembagas and penghulus. Minute by SR Negri Sembilan, 13 March 1918 on Dato Penghulu, Jelebu to BR Negri Sembilan, 7 March 1918. NSSF 881/18.

opposition. Reservation immediately resulted in a reduction in the value of lands affected. The reduction in land values was as much as 50 per cent and landowners who stood to lose financially often petitioned the administration for their lands to be excluded from the proposal. The government, however, was not unduly troubled. The petitioners were reprimanded for not having the interests of the Malay community at heart and warned that approval of their requests would result in disruption to Malay settlement and padi cultivation.<sup>123</sup>

A different problem was posed by the Malay élite which, towards the latter half of the period, increasingly spoke out for an enlargement of the reservation policy. Perhaps the most prominent of this emerging Malay consciousness<sup>124</sup> was the Dato Penghulu of Rembau who argued in the Federal Council for a modification in the reservation policy. The Dato pointed out that present policy aimed only at the protection of the Malay peasant. He was concerned that the emerging class of Malay capitalists would not obtain sufficient land and suggested that substantial areas be set aside for their needs. In

---

123 For individual petitions see SSF 424/17; 3854/21. For group petitions see SSF 3369/17; NSSF 2396/15; 1885/16; 414/17 and 881/18. Except for the petition in NSSF 881/18 all these petitions were unsuccessful. In one case the reservation had not yet been gazetted when the sale was contracted but the petitioners were pressured by the DO who used the argument that since their land was in the middle of other padi settlement they should not sell to non-Malays. NSSF 2396/15. In another instance, the land transfer had already been contracted and the Malay vendors had spent the advance money on settlement and development elsewhere. In their petition the landholders affected argued that the prices offered by the non-Malay purchaser was far superior to that which any Malay could offer and that the Dato Muda, a tribal chief, had been permitted to sell similar lands to non-Malays the previous year. Moreover, permission had already been obtained from the lembagas for customary sanction to sell the land. Here, the government was compelled to repay the money advanced by the non-Malay purchaser, take over the lands itself and suffer a financial loss because of the difficulty of disposing the land to Malays. NSSF 1885/16.

124 For a definitive study of the people and ideology which comprised early Malay nationalism and the circumstances within which they reacted, see W.R. Roff, The Origins of Malay Nationalism (Kuala Lumpur, 1967). It was in the chambers of the Federal and State Councils where the scions of the Malay ruling class, ultimately to be the inheritors of colonial rule and of whom the Dato Penghulu was a prominent representative, in the 1920s and 30s attempted to prove their mettle.

reply the government assured that there was ample land for Malay capitalist needs and offered assistance, providing the Malays did their share.<sup>125</sup>

The aspect of the policy which caused most concern to government was the question of non-Malay interests over reservation land. The 1913 legislation had recognised that certain non-Malay interests could be held over reservation land. The intention of the enactment had been to prevent the sale of traditional Malay land to non-Malays, and it had not occurred to the legislators that there was sufficient cause to prohibit temporary non-Malay interests. Section 8(i) therefore permitted the leasing of reservation land to non-Malays for any term not exceeding three years. This provision proved to be an important source of abuse. In February 1920 a Perak Malay chief complained that owners of reservation land in Lower Perak had made 'hundreds of agreements' and farmed out their lands to Chinese for more than three years, and after squandering the money, had become labourers on their own lands.<sup>126</sup> The Resident, however, declined to intervene. He thought that the legislation, as it stood, sufficiently protected Malay interests and felt that amendments would only lead to new ways of evasion. He was also hopeful that the Chinese and Malays would eventually find that 'this sort of subterfuge' was not profitable.<sup>127</sup>

A similar discussion had taken place in Selangor a few months earlier as a result of information from the District Officer of Klang that there had been several attempts at evasion of the 'Malayan Race' condition and his concern that similar attempts could arise with regard to reservation land. The form of evasion, he revealed, was the grant of a power of attorney which enabled a non-Malay to occupy the land.<sup>128</sup> Although Section 8(ii) of the enactment prohibited the grant of irrevocable powers of attorney, this

---

125 FCP 8 August 1927, B 99-100, 107. The Dato had first raised the subject with the Resident of Negri Sembilan and received a sympathetic hearing.

126 Orang Kaya Kaya Mahakurnia India di-Raja to SR Perak, 19 February 1920, SSF 4859/19.

127 Copy of minute by BR Perak, 14 May 1920, SSF 4859/19.

128 DO Klang to SR Selangor, 20 November 1919, SSF 4859/19.

prohibition could be evaded as it was not necessary for the grant to be registered in a land office. The Legal Adviser, however, disagreed that the situation warranted looking into and thought that the existing enactment sufficiently prevented rights of permanent possession over reservation land from being obtained by non-Malays. He personally was not convinced that many non-Malays were willing to make these transactions and occupy land without security of tenure. But the District Officer stood his ground. He warned that the 'official correspondence of today is the bazaar gossip of tomorrow' and foresaw a large increase in the number of such transactions if no action was taken. The Resident was persuaded by this argument. In a letter to the Chief Secretary, the Resident suggested that an amendment be introduced which would eliminate the loophole in the legislation. He also suggested that the period of lease of reservation land be reduced from three years to one and that leases be made subject to the control of the State Council. This suggestion was not taken up. The Chief Secretary in 1921 was the former Resident of Perak who had opposed a tightening of the legislation, and his opposition continued to prevail.

The subject was to crop up on two further occasions during this period. In 1923 a report of evasions of the enactment in Kuala Langat produced replies from District Officers in the four states, describing variations in the forms of evasions.<sup>129</sup> A majority of these officers favoured government action to plug the holes in the legislation and the Commissioner of Lands, who was organising the exercise, recommended that if it was 'the Government policy to confine the beneficial as well as the nominal registered ownership of land within Malay Reservations to Malays' it was necessary to forbid the transfer, lease or charge of such lands to non-Malays as well as to provide that no power of attorney given to a non-Malay would be valid. But, before taking this drastic step, he urged that an inquiry be held to find out the extent of evasion and to obtain the views of Malays. Two years later, the Perak State Council reversed its earlier

---

129 DO Kuala Langat to SR Selangor, 18 June 1923, SSF 2748/23. Of 28 replies received from the land officers, only six thought that no action was necessary to correct this. [A] in 'Memorandum re evasion of the Malay Reservations Enactment No. 15 of 1913', by Acting Commissioner of Lands, 11 August 1924, SSF 2748/23.

opinion and declared its support for the prohibition of the leasing of reservation land to non-Malays. On both these occasions, however, the high echelons of the government were not sufficiently convinced that there was substantial ground for action. In the first place, the evidence of encroaching non-Malay interests was slender. An enquiry in Selangor in 1923 revealed only four infringements of the enactment,<sup>130</sup> and in Kuala Pilah, only three powers of attorney, 25 leases and 85 charges were found to have been executed among the 21,000 Malay land titles during the period from 1925 to 1927.<sup>131</sup> It had been argued by some officers that the evasions consisted mainly of unregistered agreements which were difficult to detect. But, until more concrete evidence was produced, the government was not prepared to modify the legislation which it saw as serving its purpose well.

Although these proposals were rejected, they were indicative of a swelling tide of pro-Malay sentiment among many administrators. In the Malay States, the Malays had become more than ever a minority<sup>132</sup> and, for a newer generation of officials unconnected with the laissez faire policies of the early period, the presence and progress of reservations was seen not only as an index of Malay well-being but also as the lynchpin of Malay defence against the economically more aggressive and astute non-Malays. This attitude did not impinge on the interests of the capitalist non-Malay elite groups who were in a position to influence policy and who had, in any case, already acquired very large areas of land. But it directly affected the growing numbers of non-Malays who were making the country their home

---

130 Minute by Commissioner of Lands, 15 October 1923 on DO Kuala Langat to SR Selangor, 18 June 1924, SSF 2748/23.

131 DO Kuala Pilah to SR Negri Sembilan, 7 January 1928, NSSF 3011/27.

132 This was despite a large influx of Javanese and Sumatran immigrants which bolstered the Malaysian growth rate between 1911 and 1921 and a smaller rate of influx of Chinese immigrants due to the stagnation in the mining industry. For further details of the changing racial composition of the population, see Appendix 1.1.

and sought land on which to settle and earn a livelihood.<sup>133</sup> In some areas, non-Malay land applicants were rejected by officers although there were no Malay applicants for the land, and reservations were wilfully created to deny them of it.<sup>134</sup> In other areas, reservations were expanded and brought close to the boundaries of towns where Chinese market gardeners were located, compelling them to lease their lands from Malays.<sup>135</sup> Such policies went beyond the original intentions of the legislation but it would not be easy to fault them if they had been part of a consistent programme which had the best interests of the Malay peoples generally and the Malay peasants particularly in mind. This was not so, and there were many incongruous aspects of government policy towards the Malay peasantry which cast serious doubts on the administration's integrity. In 1928, for example, in the midst of a lot of breast beating about the protection of Malay land interests from the onslaught of Chinese intruders, the government reserved 75,000 acres of land for the Western oil palm industry. This reservation was made in all states, despite the earlier official protestations that there was very little spare land available in the west coast states, and even though oil palm had not yet been proven a successful viable economic crop. Most telling of all, the government's concern for the Malay had not prevented it from collaborating in the systematic discrimination against the peasant rubber producers in the Stevenson scheme.

---

133 The 1921 Census enumerated more than 22,038 non-Malay market gardeners, 21,221 wood cutters and 2,668 stock rearers, in addition to the considerable numbers planting rubber and other cash crops. J.E. Nathan, The Census of British Malaya, 1921 (London, 1922) p. 115.

134 See, for example, reservation activity in Kuala Langat described in SSF 3490/25 and Sitiawan in DOF Sitiawan 318/27.

135 See correspondence in NSSF 3011/27 and especially letters of Collector of Land Revenue, Kuala Lumpur to SR Selangor, 22 July 1927, and DO Kuala Langat to SR Selangor, 27 July 1927. The District Officer of Kuala Pilah, taking issue with this policy, pointed out that the early reservations were often gazetted by whole mukims or by areas with easily definable boundaries, and thought that it was in the Malays' interests to leave sufficient room for non-Malay activities. DO Kuala Pilah to SR Negri Sembilan, 6 December 1927. NSSF 3011/27.



CHAPTER VIRICE AND RUBBER: The Horns of a Dilemma, 1931-41Political and Economic Setback

THIS period, the last decade of British rule in Malaya before the Japanese forced its temporary demise and began a more ruthless one, was marked by the colonial government's new attempt to create a super state in place of the diverse units of the Federated Malay States, the Straits Settlements and the Unfederated Malay States of Johore, Kedah, Kelantan, Perlis and Trengganu. Such a political structure had long been considered the logical climax to colonial activity in the area, but its creation had been thwarted by the long-standing rivalry between the federal administration in Kuala Lumpur and the government in Singapore; by the resistance of vested economic interests; and by the opposition of the Malay rulers of the unfederated states to their submergence in an entity in which their authority would be weakened. One of the maoeuvres in enticing the rulers of the unfederated states to a more favourable view of the enlarged federation was the dismantling of the federal apparatus. This process of administrative decentralization, besides trying to win Malay support for British plans for the political reorganization of the country was especially desirable in the eyes of the High Commissioner as the federal authorities in Kuala Lumpur had become too powerful and provided a rival focus of colonial authority.

But decentralization was riddled with problems and attempts in the past to bring it about had aroused much controversy and had been hastily abandoned with the objectives just as far off. In 1930 Malaya received a new High Commissioner, Cecil Clementi. In the next few years Clementi went about upsetting the delicate modus vivendi established by his predecessor, and issues believed dead were resurrected from their shallow graves and brandished with new life.<sup>1</sup> The decentralization debate was not, as in the past, confined to the ranks of the colonial government and small elite groups but reached a wide public and was indicative of the growing political consciousness in the country. Unfortunately, however, there was a marked tendency

---

1 For some account see Emerson, Malaysia, pp. 312-77.

for it to be discussed in terms of the racial divisions in the country, and for its participants to assume positions reflecting narrow loyalties to their individual communities. This tendency was encouraged by the colonial government which was fearful of non-Malay, particularly Chinese, ambitions and saw the best defence of its authority in a racial fragmentation of the country, but with the vital support of the Malays.

The political fires were given fuel by the economic setbacks suffered by the Peninsula. In 1930, a world-wide economic depression began in the United States, the principal capitalist industrial country, and swiftly spread to other countries belonging to the same economic system. Malaya, which was the main source of two of the important raw materials used in industrial production, was also affected and the prosperity brought by export earnings of rubber, tin and copra quickly evaporated as the prices of these products fell drastically. The fall in export earnings affected all classes and communities and compelled a sharp reduction in the consumption of imported products and foodstuffs. The depression lasted for more than four years and, during this locust period in the country's economic history, exports fetched less than one quarter the value they attained in the dizzy years of the 20s.<sup>2</sup> The fall in rubber earnings was especially disastrous. In the first quarter of 1930, the price for first grade smoked sheet rubber was 25 cents a pound. The price gradually fell during the year and in the fourth quarter averaged 13.25 cents. Even worse was to follow. In 1931 the price averaged 9.78 cents and in 1932, 7.01 cents. The low rubber prices resulted in a severe fall in rubber earnings from \$202 million in 1929 to \$37 million in 1932, and an equally severe reduction in government

2 The figures below show the decline in the value of rubber, tin and copra exports from the FMS during the depression. Figures are in \$ million.

	<u>1929</u>	<u>1930</u>	<u>1931</u>	<u>1932</u>	<u>1933</u>
Rubber	202	108	54	37	58
Tin	117	77	51	31	37
Copra	12	11	6	8	7
Other exports	18	18	14	12	10
Total exports	<u>349</u>	<u>214</u>	<u>125</u>	<u>88</u>	<u>112</u>

Source: AR CS 1929-33; AR Department of Agriculture 1929-33.

revenue from rubber exports from \$11 million in 1926 to barely half a million dollars in 1932.

### The New Padi Policy

This situation following the trauma of restriction in the early 20s still fresh in the minds of many officials, strengthened the conviction that peasant dependence on cash crops was to be discouraged and that a new government policy was needed to boost peasant food crop cultivation, especially padi cultivation. The ground work for a new policy had in fact been laid during the late 20s when there was mounting public criticism of the government's failure to reduce the country's dependence on imported foodstuffs and demands from the Malay elite for a better deal for the local padi industry where so many Malay peasants were situated.<sup>3</sup> Another factor was the personal initiative of H.A. Tempany who was appointed Director of Agriculture in 1929. Tempany, in a memorandum setting out the details of reorganization of the department, also discussed the question of the future line of agricultural development in Malaya.<sup>4</sup> There were, according to him, two schools of opinion. One advocated concentration on the production of export staples, although providing for reasonable encouragement to padi cultivation. The other held that domestic padi production should be encouraged by every possible means. His personal view was that, in the existing circumstances, 'the most immediate and direct palliative for economic difficulties lies in the extension of local production to replace imports as so far as may be practicable'.<sup>5</sup> Tempany's initiative, the growing public dissatisfaction and the deepening slump in rubber, induced the High Commissioner in 1930 to appoint a Malayan committee to consider 'the best steps to be taken in order to encourage rice cultivation in Malaya.' This committee, under the chairmanship of Tempany,<sup>6</sup> visited most of the padi

---

3 See, for example, the Undang of Rembau's speech in the Federal Council, FCP 17 November 1927, B 178-79.

4 H.A. Tempany, Memorandum on the Reorganization Proposals for the Department of Agriculture, Malaya (Kuala Lumpur 1930).

5 AR Department of Agriculture 1931.

6 The other members of the committee were A. Caldecott, the Acting BR Perak; A.S. Haynes, the Acting British Adviser Kelantan; the Undang of Rembau; Tan Cheng Lock; C.N. Maxwell and H.W. Jack, Economist Botanist as its Secretary.

cultivating areas in Malaya and interviewed a total of 145 witnesses including District, Land, Co-operative and Agricultural officers, members of the Public Works Department, Malay officers and penghulus. Reports of its investigations into each area, minutes of evidence of the witnesses together with replies to a questionnaire sent to all the states and settlements and various other related documents were brought together in a two volume report.<sup>7</sup>

The report of the Rice Cultivation committee contained the most comprehensive account of padi cultivation in Malaya during the period of colonial rule and, in terms of its immediate reference, can be considered to have been quite effective. In the first place it brought together a great deal of information hitherto scattered or inaccessible on such diverse topics as areas of cultivation, the character of padi lands, conditions of tenure, methods and costs of cultivation, the problem of water control, padi colonization schemes, the provision of agricultural services and the question of funds. It had been acknowledged by many officials in the past that the absence of data had often hampered attempts to assist the industry. By helping to secure and organise information the report provided the basis for formulating a better planned policy than would have been otherwise possible. Secondly, the report emphasised that the problem of padi cultivation was a Malayan one and asked that it should not be resolved by individual state efforts or departments but by a co-ordinated programme on a country-wide basis. This proposal struck at the often parochial administrative and departmental interests which had made policy on a piece-meal basis and paved the way for a more rational approach. Thirdly, the report contained many recommendations which were adopted by the government and therefore influenced the development of padi cultivation in Malaya.<sup>8</sup>

By far the most important part of the report was its recognition of the importance of water control in padi cultivation and its recommendation that a Department of Drainage and Irrigation

---

7 Federated Malay States: Report of the Rice Cultivation Committee, 2 vols. (Government Press, Kuala Lumpur, 1931).

8 A summary of the principal recommendations can be found in volume 1 of the report, pp. 1-6.

be set up with branches in the country to deal with the problem.<sup>9</sup> This department was established in 1932 and performed two main duties. One was in established padi areas where it provided assistance in maintaining old drainage and irrigation schemes, and restored or improved fields which had been abandoned or were threatened by silting or flooding. A related recommendation by the committee had been that the government should pursue large-scale irrigated padi schemes wherever possible because of the economies of scale in labour and capital. This recommendation was implemented by the new department. Its most visible success was the opening up of two large areas of padi cultivation, Panchang Bedina in Kuala Selangor and Sungei Manik in Lower Perak.<sup>10</sup> There were many problems involved in the colonization of these isolated and undeveloped swamplands, not the least of which was the difficulty of procuring settlers. In 1939, however, both padi schemes were reported to be flourishing. In Panchang Bedina more than 8,000 acres of the designated 15,000 acre project were under cultivation and in Sungei Manik there were 7,000 acres under cultivation with a settlement of 6,000 people.<sup>11</sup> In 1939, too, the Drainage and Irrigation department estimated that it had provided a measure of water control to 170,000 of the 250,000 acres of padi land in the Federated Malay States and the Straits Settlements.

---

9 Rice Cultivation Committee Report, vol. 1, pp. 24-29. The government in approving the recommendation regarded the department as a 'wholesome antidote for the laissez-faire which has given rise to the expensive problems emerging from unconserved rivers and to a stagnancy in the development of new rice growing areas.' Memorandum by the Acting Chief Secretary to Government on the advisability of constituting early a department of drainage and irrigation. FCP Appendix 38 D of 16 and 18 November 1931, C 518-19.

10 These areas together with the Sitiawan area had been suggested by the committee as suitable for large-scale padi colonization schemes. They had, however, been long regarded as potential areas of development. The Sitiawan area, for example, was first designated for an irrigated padi scheme in 1920. A provisional budget allocation of \$190,000 was submitted in 1930 but was deleted from the final estimates because of the heavy commitment to such works as the Kinta Water Works, the Enggor Bridge and the Istana. Acting DO Lower Perak to SR Perak, 28 February 1930, DOF Sitiawan 136/29. The Kuala Selangor scheme had a longer history going back to 1911. See Correspondence in SSF 2438/20; General 2394/30.

11 Detailed accounts of the development of these projects are found in AR Drainage and Irrigation Department, 1932-39.

It was the provision of drainage and irrigation works which was primarily responsible for the stabilization of padi area and production in the Federated Malay States throughout this period, and which prevented the decline in cultivation found in the early 20s when higher prices returned to the market for export products. In the six year period from 1932 to 1938 when the new department was in operation, the average cultivated padi area in the Federated Malay States was 178,000 acres as against 161,400 acres during the preceding six years. The increase in production was even more gratifying. In the period 1932 to 1938 the average annual production was estimated at 50.1 million gantangs, an increase of 17.1 million gantangs over the preceding period and an average increase of 80 gantangs per acre per annum.<sup>12</sup> The development of the Sungei Manik and Panchang Bedina padi colonization projects meant that the focus of padi cultivation in the Federated Malay States had shifted from the traditional Malay areas in the river valleys to the newly colonised coastal plains mainly populated by foreign Malays and immigrants from the Archipelago.

While the committee could claim that it had a hand in the increase in padi cultivation in Malaya, it is doubtful if it would have viewed the result with the same satisfaction had it been aware that the premises on which its recommendations were based had serious flaws. The committee began with the assumption that countries such as Java, the Phillipines and Japan, which specialised in local food production, had not suffered so badly from the economic depression and that the supplanting of padi cultivation by production of export crops was decidedly unsafe. Undoubtedly, countries which were dependent on a few export commodities were much more vulnerable to changes in external economic conditions compared with countries which consumed what they produced. But the committee omitted to mention that it was precisely the export specialization of Malaya that was responsible for its prosperity and that the effects of the depression on the countries it had singled out for comparison, despite their emphasis on local food production, were also considerable. From an economic point of view it was clear that it was overwhelmingly advantageous for the country to concentrate on the most paying crops

---

12 Further statistical details of the FMS padi production and area are available from Appendix 6.1, 6.2 and 6.3.

and vulnerability was a price it had to pay. Malaya's position was by no means unique. Many other countries have faced a similar dilemma, though not so pronounced as that of Malaya's, and Britain herself in her march to industrialization had forsaken wheat production for other more profitable economic activities. The committee also reported that it had been clearly demonstrated to them that whenever rice equal to or in excess of the local needs of the population is being produced, the distress incident on the trade depression is minimal.<sup>13</sup> A different picture was painted by authorities who were more in touch with conditions. In Krian the foremost padi area, the economic position of the food producer, the padi peasant, was a difficult one. Padi fetched very low prices and officers of the Co-operatives Department reported that rural credit societies whose members had padi as the main crop were in considerable plight.<sup>14</sup> In 1934 it was noted that while the economic conditions of peasant rubber producers had improved, those of the padi peasant had changed very little. This difference became much more pronounced in later years with the recovery of rubber prices.

Another assumption was that rice exports would dwindle in the immediate future and that there was a danger that crop failures in the exporting countries would create a 'serious crisis among rice importing countries which has not hitherto been paralleled.'<sup>15</sup> As already mentioned, Malaya was in very close proximity to three of the major rice exporting countries in the world - Siam, Burma and Indochina. Exports from these countries had expanded especially since the mid-nineteenth century, and, although there had been a few occasions when supplies were temporarily disrupted, the trade generally was a stable one from which Malaya had greatly benefitted. In the 1920s it was estimated that these countries produced 70 per cent of the total world rice exports of 5 million tons and, despite the rapid growth in

---

13 Rice Cultivation Committee Report, vol. 1, p. 14.

14 AR Co-operative Societies 1930-34. In 1933 padi prices were so low that many members were reported to have 'virtually no surplus out of which to repay their dues'.

15 Rice Cultivation Committee Report, vol. 1, p. 20.

their population, it was not expected their exports would diminish.<sup>16</sup> The Chairman of the committee himself in his capacity as Director of Agriculture gave some indication of this when he anticipated in his Annual Report in 1930 that the price in the coming year for all supplies of local rice would be very low because of bumper harvests in the rice exporting countries. It is therefore surprising that the committee should have felt impelled to warn that the large rice exports were a transitory feature. One suspects that the committee was twisting facts to serve its case and that the serious situation existed only in its own minds. On the other hand, the objective of insulating the country against the risks of another rice shortage was a legitimate one. Although the 1919-21 rice crisis was brought about by an unusual combination of factors, there was no guarantee that it would not happen again. There were, however, other ways of safeguarding the country's food supply without resorting to the economically irrational solution proposed by the committee. One was for the country to make arrangements with the exporting countries giving Malaya priority in their export trade. Another way was for the government to build a reserve stock of rice to be used to meet the needs of the population should any emergency arise.

The committee's third premise was that the climate and land in Malaya 'were naturally as well adapted to rice cultivation as any in the world'. It estimated that in addition to the 670,000 acres of land currently under padi cultivation there was a minimum of from 600,000 to 1,000,000 acres of potential flat rice land in the country. This figure was too optimistic. With the exception of the coastal alluvial tracts found mainly in the north, and given the existing technology, the country was less suited to padi cultivation than other South East Asian countries. More damaging was the committee's argument that since these lands constituted a source of wealth and security they should not be diverted for the purpose for which they were best suited - padi cultivation. This view was in line with previous rigid opinion which had led to the passing of the Rice Lands

---

16 Exports from Siam, in fact, increased considerably during this period. From 1920-29 the average rice exports amounted to 20,535,000 pikuls. From 1930-39 it averaged 25,545,000 pikuls. See J.C. Ingram, 'Thailand's rice trade and the Allocation of Resources', Table I in The Economic Development of South-East Asia, C.D. Cowan, ed. (London 1964) p. 105.



Enactment in 1917 and had prevented peasants from converting the use of their lands to the cultivation of other crops, even where padi was less suitable. Instead of the retention of the unscientific land and cultivation policy which the committee advocated, the country was in urgent need of one which would enable peasants to diversify their crops where padi cultivation was obviously uneconomic but had been maintained at the government's insistence.

The issue was not only whether it was wise for the country to increase its food production and lessen its dependence on food imports or whether padi could be successfully grown in Malaya. Far more important in the eyes of the peasants themselves was whether padi was a crop capable of bringing in sustained and attractive returns in relation to other occupations. This crucial issue - the economic profitability of padi cultivation - was not examined by the committee, although it devoted some attention to the methods and costs of cultivation and to the economic condition of cultivators. Earlier, it was pointed out that, outside of traditional areas, many peasants had shown a disinterest in padi cultivation. In the less developed districts they were reported to prefer fishing or collecting jungle produce, and in the developed areas, planted cash crops or took to other occupations.<sup>17</sup> In some areas where peasants planted padi, it was often viewed as an alternative amongst different activities to be neglected if unprofitable. The government had tended to ascribe the peasant lack of enthusiasm to a compound of ignorance and obstinacy. But the real causes were the cheapness of imported rice, the higher returns from other activities and the relatively low yields obtained from the Malayan fields.

The smaller economic returns from padi cultivation was especially apparent after the introduction of rubber, and it was the simple factor of economic profitability which mainly accounted for the rapid expansion in peasant rubber cultivation and the stagnation in padi. An effort by the government to increase the attractions of

---

17 Accounts of this preference can be found in AR FMS Lands, Mines and Surveys 1897; AR Kuala Kangsar 1901, supplement to PGG 21 November 1902; AR Batang Padang 1906, supplement to PGG 1 November 1907. In Kuala Selangor the DO complained that peasants were 'not serious' about padi cultivation, even under the most favourable conditions. AR Kuala Selangor 1900, SGG 14 June 1901.

padi was made during the period of rice shortage when it guaranteed a high price for padi delivered at the government rice mill; but it was realised that, even with this high price, the padi cultivator was producing in cash terms much less than what he could obtain in other employment, and that unless he was a fisherman or engaged in some other employment, he spent nearly half the year idle or doing odd jobs.<sup>18</sup> The gap in cash returns was especially wide when padi was compared with rubber cultivation. This is clear from a comparison of the returns from these two crops in Krian, the most productive padi area in the states and where a high price for padi prevailed.<sup>19</sup> The margin of economic profitability in favour of rubber existed in the 20s when the peasant's rubber output was forcibly restricted; persisted through the worst years of the depression when rubber prices slumped to their lowest levels ever; and into the latter half of the 30s when peasant production was again drastically cut by a restriction scheme.

It was indicative of the mood of the times that the issues which drew most attention were not related to the problems mentioned but to racial and political considerations attached to the new padi policy. Some account will be given of them to show the polarization among the groups making and influencing policy, the failure of the government to defuse antagonisms and consequently the narrow constraints under which economic policies were made to operate. There were two main issues. The first was the question of non-Malay, especially Chinese, participation in padi cultivation. Non-Malays for many years had disdained padi cultivation because of its grossly inferior returns. In 1930, however, many Chinese were thrown out of work and with prospects of their future employment looking grim, the question of these unemployed workers being drawn into padi cultivation was posed. But the government had long been reluctant to see the Chinese cultivate padi. Economically this was unwise as it would lead to a rundown in the mines and plantations where the services of Chinese labour were most valuable. A more important reason was government fear of its political repercussions. In official eyes, padi was a Malay

---

18 Memorandum by BR Pahang, 1 June 1922, NSSF 1280/21.

19 See Appendix 7.1 which shows the cash returns from the two activities for the period 1922-39.

preserve and the intrusion of non-Malays could alienate Malay support for the British. Many officials were also opposed to building up a Chinese peasantry which would form a permanent population and compete with the Malay and, indeed, there were indications from the few Chinese padi planters in the Peninsula that they were able to make a commercial success of padi cultivation. This political consideration prevailed over the economic one when the question was discussed by the Rice Cultivation committee. Despite a denial by the Chinese member of the committee that Malay interests would be adversely affected by Chinese cultivations and his opinion that there would be a substantial increase in padi production should the Chinese be encouraged and provided assistance to cultivate padi,<sup>20</sup> the committee decided that 'in any policy for the extension of rice cultivation due and full regard should be paid to the requirements, immediate and future of the Malay inhabitants of the Malay States whose interests should be adequately safeguarded by the decisions of the State Council in each state'.<sup>21</sup> This decision effectively foreclosed the possibility of Chinese participation in the new padi colonization schemes. Pressure on the British not to alienate land to the Chinese for padi cultivation or to encourage it in any way was especially kept up by the Malay elite which regarded padi cultivation as a Malay economic monopoly. The Raja Muda of Selangor's speech in the Selangor State Council was typical of Malay elite opinion. He said that Malays could not afford to lose their padi lands to non-Malays, that padi lands were in short supply, that the Malays were a padi cultural people who could not do well in business or commerce and that the Malay people, unlike the Chinese, had nowhere to go.<sup>22</sup> The policy to preserve padi cultivation for the Malays was only breached in 1939 when the threat of war

---

20 Tan Cheng Lock to H.A. Tempany, 19 January 1931, rider to Rice Cultivation Committee Report, vol. 1, pp. 48-50.

21 Rice Cultivation Committee Report, vol. 1, p. 21.

22 Selangor SCM 9 July 1931, SSF 1260/31. A conspicuous exception in the Malay elite was the Sultan of Perak who thought that the problem of food was a crucial one which should override race considerations and was willing to allow non-Malay participation after it had met certain pre-conditions. See Proceedings of Durbar, 11 October 1930, CO 273/568/72189.

demanded that racial considerations be submerged.<sup>23</sup> An irrigated padi scheme was begun near Changkat Jong in Lower Perak and Chinese labourers were permitted to work the land.<sup>24</sup> The policy change, however, had come too late to have significant bearing on the course of development of the Chinese proletariat or to alter the tendency to separate development of the non-Malay and Malay peasantry.

The other issue was the imposition of a duty on imported rice. In October 1933, the High Commissioner announced to the Federal Council the introduction of a rice duty in the Federated Malay States. He revealed that this duty had originated from a suggestion by the Sultan of Pahang, and that the rulers of the other states had agreed to it.<sup>25</sup> The duty was to be used solely for financing padi development schemes and a memorandum giving details of how the proceeds were to be spent was prepared by the Director of Agriculture.<sup>26</sup> The proposal was not a new one. In the dark days of the rice shortage, a duty on imported rice had been considered as a means of encouraging the expansion of local padi cultivation by making local rice more competitive with imported rice. It was argued by its proponents that this was the only way of increasing the profitability of padi cultivation and of rendering practicable the schemes for irrigated padi cultivation.<sup>27</sup> The majority of officials, however, opposed the

---

23 When announcing the policy change the High Commissioner was careful to reassure that it would not be a prelude to the large scale influx of Chinese, that land was given out on a temporary basis and that it was merely an experiment. FCP 22 August 1939, B 66.

24 AR Drainage and Irrigation Department 1939.

25 FCP 31 October 1933, B 107. The idea for the duty, however, appears to have come from Clementi himself. In a Durbar in 1930, when asked by Clementi for their views of the proposed duty, the Sultan of Perak said that the Malays were not in favour and the Yang Pertuan Besar thought that the Malays would resent it. Proceedings of Durbar, 11 October 1930, CO 273/568/72189.

26 Memorandum concerning the imposition of an import duty on rice in the FMS by H.A. Tempany, FCP Appendix 23 of 30 and 31 October 1933, C 241-46.

27 The case for an import duty on rice is summed up in a memorandum by the Pahang Resident, 1 June 1922, NSSF 1280/21.

proposal on the ground that it would increase the cost of living and result in undesirable social repercussions.<sup>28</sup>

The repercussion that these officials feared stemmed from non-Malay opposition. It was clear that since the non-Malays were the main consumers of imported rice, the burden of the duty would fall on them. It was evident too that they would not accept a duty with good grace. This was exactly the response that the new duty evoked from the unofficial members of the Federal Council. It was pointed out to the government that the duty would not affect consumers of local rice and non-rice foodstuffs but only Chinese and Indian rice consumers.<sup>29</sup> What emphasized the racial overtones seen in the imposition was that the money 'levied from one section of the community' was 'to be expended in assisting another'. It was argued that the facilities planned would be of sectional utility until non-Malays were allowed to take up padi land. It was also stressed that the tax would be a hardship on the non-Malay masses whose standards of living were badly affected by the economic depression and who were already spending one-third of their income on the purchase of rice.<sup>30</sup> The concern of these unofficials was due partly to the realization that some part of the tax would eventually be passed on to the employers of Chinese and Indian labourers since wages were fixed largely in relation to the price of rice. Defence of the imposition was personally undertaken by the High Commissioner. Among other points, Clementi reiterated the importance of padi cultivation and contended that the tax would not weigh heavily. According to him, it would add only 6 cents to the price paid for rice by the labourer whose monthly wages at this time was about 48 cents. He also revealed that Chinese rice merchants had been imposing a cess on imported rice to

---

28 This was also the opinion of a committee appointed to inquire into preferential tariffs and duties in the Straits Settlements and the Federated Malay States. FCP 13 December 1931, B 68.

29 There were two main types of rice imported into the country, Siam and Rangoon rice. The latter was eaten by the poorer class and the former which was more expensive by the well-to-do.

30 The duty was particularly subject to heavy criticism by Chinese unofficials. Their views can be found in FCP 31 October 1933, B 111-14.

raise money to assist causes in China, and concluded that he held out 'no hope' that the government would vary its rice policy.<sup>31</sup>

The crisis in the states which the High Commissioner's action precipitated was minor compared with that which it touched off in the Colonial Office. The metropolitan officials had initially been in sympathy with the aim of the proposal. But they had notified Clementi that they did not agree that the proceeds should be expended only on padi irrigation projects, and qualified their approval on the condition 'the revenue and so derived and the proposed expenditure on the encouragement of rice cultivation would be included in the ordinary estimates and would be subject to normal budgetary control.'<sup>32</sup> This condition was rejected by Clementi who replied that the proposal had been put forward by the rulers on the understanding that the proceeds would be entirely devoted to padi and maintained that there would be a breach of faith if this was not done.<sup>33</sup> He rejected the suggestion that the duty enter into general taxation as this would be regarded publicly as a sign that the imperial government was not in sympathy with the policy of the Malayan government to encourage rice cultivation by all means. Clementi's reply was greeted with much dismay and some derision by officials in the Colonial Office who regarded the issue as significant because of its implications for administrative decentralization. It was disclosed that the Chief Secretary and three Residents had opposed the imposition of the duty and its earmarking for a specific purpose. The consensus was to withdraw the tax should Clementi not comply with the instruction to

---

31 FCP 31 October 1933, B 117. Lai Tet Loke, a Chinese unofficial in a belated reply said that the levy was only on Siamese and Rangoon rice of which the Chinese were the principal consumers and thought that the argument employed by the government that it was merely following the Chinese levy was a dangerous precedent. *Ibid.*, B 149.

32 SS to HC (Conf.) 12 October 1933, CO 717/95/ 13322/3.

33 HC to SS, 11 October 1933, CO 717/95/13322/3.

pay the tax into general revenue.<sup>34</sup> But Stockdale, the Agricultural Adviser to the Colonial Office, made a special plea that no action be taken to discourage justifiable expenditure on padi works and drastic action was therefore held off.

Clementi's strong stand on the issue can be considered to have been bad politics, unnecessarily endangering justifiable expenditure; but it was mainly responsible for ensuring that funds to implement the padi policy were forthcoming. In 1933 the country was in the financial doldrums, and although the Department of Drainage and Irrigation on whom the brunt of working the new policy fell, had been able to survive the recommendation of a Retrenchment Committee that it be reabsorbed into the Public Works Department, its activities would have been severely curtailed had not some abnormal means of funding been found. In the last two months of 1933 the rice import duty brought in \$93,855 and in 1934 was estimated as bringing in more than half a million dollars. As a result of these large sums the Department of Drainage and Irrigation was able to pursue an extensive programme of activities.<sup>35</sup> The duty was also used to finance a programme which has proved of considerable benefit to padi development, namely, investigations into improved seed varieties. Increases in padi yields during this period were due just as much to this programme as to the provision of water control. In 1935 the country's financial position had improved to an extent where it was no longer necessary to maintain the controversial duty and, on 1 May that year, the new High Commissioner revealed that further financial support for expenditure on padi cultivation works would be drawn from general revenue.<sup>36</sup>

---

34 The seriousness with which officials of the Colonial Office viewed the issue is indicated by these extracts from their minutes: 'I have the gravest suspicion that all these arguments which Cecil Clementi ascribes to the rulers originated in his own controversial mind and are merely indications of his hatred of being over-ruled', H. Clowell, 23 October 1933; 'There is no understanding Cecil Clementi's mentality. He seems incapable of thinking that anyone but himself can ever be right', S.H. Wilson, 25 October 1933; 'The despatch is quite frankly an attempt to comply with the letter of the Secretary of State's instructions whilst ignoring their spirit', N.E. Coster, 12 January 1934.

35 The programme of expenditure in 1934 and 1935 can be found in FCP Appendix 33 of 22 and 23 October 1934, C 334-39.

36 FCP 14 November 1935, B 42.

This decision ensured that sufficient funds were available during the rest of the period to finance padi development.

#### Peasant Rubber Cultivation in the 30s and Regulation

A corollary to the new padi policy was intensified discouragement of peasant cash cropping, especially rubber. We have seen that the government's previous exhortations to peasants to concentrate on food cultivation were generally ignored. The abolition of restriction in 1928 had seen a remarkable increase in the output of smallholdings and a flood of peasant applications for rubber land. In 1930, although the slump was already setting in, it was noticed that peasants were still opening up large areas to plant rubber.<sup>37</sup> Peasant confidence in rubber was shaken as the slump deepened and rubber prices fell. But contrary to official expectations, confidence was never completely lost. There are several interesting features of peasant rubber production during this difficult period. One feature was the maintenance of rubber holdings in the face of a barrage of government propaganda, warning of the bleak future of rubber.<sup>38</sup> There were a few instances of peasants cutting down trees and planting coconuts, fruit trees or vegetables, but these were mainly poor-yielding trees which were uneconomic to maintain and peasant replacement of their rubber trees with food crops never reached any noticeable proportion. Another feature was the continuation of normal tapping operations in many smallholdings. Despite the low rubber prices and the severe reduction in the peasants' cash incomes, severe tapping was evident only in a few localities where the owners were

---

37 See AR Agricultural Field Officers 1930, Department of Agriculture, SS and FMS, 1931 General Series No. 7 (Government Printing Press, Kuala Lumpur, 1931).

38 Much of the propaganda was channelled through District Economic Boards which were established during the slump period to explain the depression to peasants. See Memorandum on the Functions of the District Economic Boards DOF Pekan 386/32; minutes of meeting of District Economic Board 8 June 1932, SSF G 1765/32. The penghulus were constantly reminded to explain this to the peasants. See minutes of Penghulus Conference 1931, Acting DO Klang to SR Selangor, 20 July 1931, SSF G 1527/31.



very poor and had no other means of income.<sup>39</sup> This refuted the common belief that peasant production varied inversely with prices.

A third feature was the rarity of peasant abandonment of rubber land. In 1932 at the height of the slump, it was estimated that 79,000 acres or approximately 15.5 per cent of the total peasant rubber area was not being tapped.<sup>40</sup> But the great part of this consisted of chetty holdings and larger holdings employing wage labour which found it unprofitable to continue. Some peasants owning lower yielding smallholdings did stop tapping, and where they had alternative means of income, tapped on a restricted basis, but these stoppages were only temporary. 1932 can be considered to have been the crisis year for peasant rubber producers. In March that year, first grade smoked sheet was fetching only five cents per pound in Singapore, but the storm was successfully weathered. In 1933 prices began to rise and in April were almost twice that in the worst months. In June it was reported that peasants in the worst stricken areas had begun tapping again and before the year ended most districts reported normal peasant operation.<sup>41</sup> This was further indication of the exceptional flexibility of peasant rubber producers.

The peasant ability to survive in an industry which in terms of price fluctuations was acknowledged to be extremely volatile,<sup>42</sup> was

39 See AR Department of Agriculture and AR Agricultural Field Officers during this period. See also MR Agricultural Field Officer Selangor, January-December 1932, SSF G 401/32.

40 AR Department of Agriculture 1932.

41 Reports of the Field Branch for the Year 1934, Department of Agriculture, SS and FMS, 1935, General Series No. 22 (Kuala Lumpur, 1935).

42 The figures below show the variation in prices of some raw materials.

	<u>Average Annual Variation 1921-38</u>	<u>Lowest Price 1921-38 as % of Highest Price</u>
Butter	23	32
Copper	26	27
Cotton	31	17
Rubber	47	3
Tin	28	31
Wheat	30	29
Wool	24	25

Source: Bauer, 'Some Aspects of the Malayan Rubber Slump', in Readings in Malayan Economics, T.H. Silcock, ed., (Singapore, 1961) Table 1, p. 186.

not obtained at the cost of damage to his future prospects. Some account was earlier provided of the belief prevalent both in government and plantation circles that peasants were ruthlessly slaughtering their trees to squeeze as many drops of latex out in the shortest possible time, and that consequently bark consumption was in excess of bark replacement or growth.<sup>43</sup> This behaviour was seen as accounting for the heavy peasant rubber yields after restriction was removed; yields which were considerably in excess of many estates and which could not have been obtained had 'less severe' tapping systems been used. Other than providing a justification for the low allowances allotted to peasants in the Stevenson scheme, some officials were genuinely concerned that excessive bark removal lowered the resistance of rubber trees, made them more susceptible to disease and reduced the life of smallholdings. It was mentioned too that experiments conducted by agricultural officers in 1923 on what were thought to be severe tapping systems were unsubstantiated. An attempt to obtain more accurate information on this aspect of peasant rubber production was made in 1931. In November 1930, the Rubber Research Institute decided to sample 100 smallholdings in Perak, Selangor, Negri Sembilan, Pahang, Kedah, Johore, Malacca and Province Wellesley over a period of thirteen months. The results of the enquiry appear to have been available in mid-1932 but were not published until 1934.<sup>44</sup>

The major finding was that on the average smallholding there were tappable reserves of bark to last more than seven years at the peasant's rate of bark removal. This figure did not take into account the natural renewal of bark. No tree was found in the inquiry in which tapping had to be stopped because of the lack of bark, and it appeared that bark consumption was below the rate of removal. This finding flatly contradicted the allegations that smallholders had tapped their trees severely and that bark reserves had dwindled to a

---

43 Among some of the official reports in which this grim picture was painted see AR Perak 1928; AR Agricultural Field Officer Perak South 1929; AR Pahang 1930; 'A Review of FMS Rubber Statistics, 1929', Malayan Agricultural Journal, February 1930 and 'A Review of FMS Rubber Statistics 1930', Malayan Agricultural Journal, May 1931.

44 'Bark Consumption and Bark Reserves on Small Rubber Holdings', Department of Agriculture, SS and FMS, Economic Series No. 4 (Kuala Lumpur, 1934).

precarious level. It was also found that only eight out of 9,000 trees examined were dead and that root diseases which took a heavy toll on plantations were almost entirely absent. This upset the theory that smallholdings were hot-houses of disease. The third major finding was that the mean yield per acre per annum on 75 holdings was 477 pounds with a maximum of 889 pounds. This yield was higher than that commonly ascribed to peasants by 'roadside' observers. It was also found that the average age of smallholdings was sixteen years. This meant that the trees were already mature when the Stevenson scheme came into operation and provided final evidence of the heavy under-assessment of smallholdings in the scheme.<sup>45</sup> The findings were reported by the Chief Secretary in 1933 in a one-line reference which stated that preliminary data justified the opinion that the rate of bark renewal on the average smallholding in Malaya considerably exceeded the rate of excision.<sup>46</sup> The reluctance to publicise this was understandable in view of the government's own contribution to the myths held of peasant rubber production, but one might have reasonably expected that this 'new' knowledge would dispel these myths once and for all as well as the invidious comparisons made between peasant and plantation rubber production.

But this was not the case. Since 1930 negotiations had been going on for a new rubber restriction scheme to replace the

---

45 The survey was not only important for its demolition of long-standing myths, but it also contained other interesting data on the nature and condition of peasant smallholdings in Malaya. It found that the average area of Chinese smallholdings was 18.25 acres and that Indian smallholdings were slightly smaller at 16.75 acres. In contrast Malay holdings averaged 4.75 acres, Sumatran Malay holdings 4 acres and Java Javanese holdings 3.75 acres. The inquiry also found a high proportion of use of outside labour; only one third of the holdings was found to be tapped by the owner and his family, and on the remainder, tapping was done by outside labour on a profit sharing or paid on a daily basis. The considerable difference between the size of non-Malay and Malay holdings and the relatively extensive use of wage labour is explained by the fact that the survey included a number of medium-sized non-Malay holdings. A later survey found the difference to be much less - 6.3 acres for an average non-Malay holding as against 3.2 acres for an average Malay holding. See Fairfield Smith, Sampling Survey of Tapping on Smallholdings (1939-40) Rubber Research Institute, Communication 265, Vol. 12, 1948.

46 AR CS 1933.

Stevenson one. In 1933 the principal rubber producing countries of the world, at the instigation of plantation producers and the metropolitan countries, decided on an international rubber regulation scheme. The intention of the new scheme was succinctly expressed by Sir Andrew Macfadyean, a high-ranking official in the governing committee of the scheme and subsequently editor of the official 'History of Rubber Regulation, 1934-43'. He declared that

one of the primary objects of the Rubber Control Scheme was to protect European capital in plantation companies in Malaya, Borneo and the Netherlands East Indies from competition arising from the production of rubber by the natives at a fraction of the cost involved on European-owned estates.<sup>47</sup>

Once again, the interests of peasant rubber producers were placed on the sacrificial altar. But this time it was very much less justifiable as, unlike in the Stevenson scheme where it could at least be claimed there was a general ignorance of the conditions of peasant smallholdings, the International rubber regulation committee and the Malayan government had all the available information, as well as the lessons of recent history, to implement a fair scheme.

The definitive work on the second rubber regulation scheme is P.T. Bauer's, The Rubber Industry.<sup>48</sup> Besides examining the structure of the industry, the establishment of international regulation, the operation of regulation between 1934 and 1942, labour and techniques, the threat of synthetic rubber and the position and prospects of the industry, Bauer shows how the whole regulation machinery, the various additional assessments granted for rested areas, the scale of allowances given on a girth basis, the mass of bureaucratic rules and the system of inspection of smallholdings by planters ensured

---

47 Rubber News Letter, September 30, 1936, p. 2, quoted in Knorr, World Rubber and Its Regulation, p. 111.

48 In addition to this work, Bauer has written several other pioneering works on the rubber industry. See especially 'Report on a Visit to the Rubber Growing Smallholdings of Malaya, July-September, 1946' (H.M.S.O., London, 1947) and his article 'Malayan Rubber Policy', in Readings in Malayan Economics, Silcock, ed., pp. 300-16.

that the smallholdings were under-assessed.<sup>49</sup> Of some interest too is his examination of the myths prevalent about the efficiency and soundness of the cultivation methods of this class of producers who were unrepresented throughout the entire period of the scheme's operation on the bodies which fixed regulation policies and allocated quotas. This theme of his work - that 'the benefits of restriction were very unevenly divided between plantations and smallholdings, to the disadvantage of the latter' is conceded by his severest critics,<sup>50</sup> and as the material examined does not in any way dispute it, it is not intended to cover the same ground. It may be noted, however, that using Bauer's estimates, the financial loss suffered by smallholders of the Federated Malay States as a result of under-assessment was approximately \$60 million during the period 1934-41.

The financial loss was of less importance than the planting provisions of the scheme which threatened to jeopardise the whole future of the smallholding industry. It will be recalled that from 1922 to 1930, when statistics of land alienation were available, a

49 The under-assessment of smallholdings is best expressed in one of his computations which is reproduced below.

Annual Output of Rubber per Mature Acre of Malayan Estates  
and Smallholdings, 1929-40

(lb. to the nearest 5 lb.)

	<u>Estates</u>	<u>Smallholdings</u>	<u>Smallholdings % of Estate</u>
1930	380	460	118
1931	375	445	119
1932	365	385	106
1933	355	465	131
1934	Regulation Introduced During the Year		
1935	295	240	81
1936	275	230	84
1937	375	330	88
1938	290	200	69
1939	290	200	69
1940	410	370	90

Source: Bauer, The Rubber Industry, Table III, p. 97.

50 See T.H. Silcock, 'A Note on the Working of Rubber Regulation'; and F.C. Bentham, 'The Rubber Industry', in Readings in Malayan Economics, Silcock, ed., pp. 268-75 and 284-99 respectively.

much smaller amount of land was alienated to peasants compared with planters.<sup>51</sup> It was noted too that smallholders had very much less land in reserve so that the restricted land alienation policy, in practice, was more damaging to the interests of peasants than to planters who held substantial amounts of land in reserve. The restricted land alienation policy was abandoned in 1930, and from then until 1942, there was a total ban on the alienation of land for rubber planting. In addition to this ban, from 1934 to 1942 there was a prohibition of new rubber planting on land previously alienated, except for one year from 1939-40 when 5 per cent new planting was permitted. The effect of this prohibition was to prevent peasants planting on whatever reserve land they held. The scheme, on the other hand, permitted a large measure of replanting between 1934-38 and virtually unlimited replanting from 1939 onwards. Replanting was a costly operation which resulted in a loss of income for six years from the area felled, and for this reason could be contemplated only by producers with ample working capital. This, in practice, excluded smallholders. Moreover, it was virtually impossible to successfully replant part of a holding totalling two or three acres and few smallholders could understand the complicated bureaucratic procedure. All this meant that replanting was confined to estates. The outcome of the planting provisions was to destroy the long-term competitive ability and prospects of peasant producers and to correspondingly enhance that of plantation producers.<sup>52</sup>

These policies detrimental to the peasant industry were pursued despite several requests for their modification. One such call was in 1938 when the Malayan Estate Owners' Association, a body of Asian plantation and medium holding interests, proposed that smallholders who had their land titles confiscated for breach of the cultivation condition be re-alienated the land and permitted to plant

---

51 Between 1922 and 1927, planters were alienated 102,190 acres of land without any special condition as against 32,290 acres alienated to smallholders. Between 1926 and 1930 smallholders were alienated 55,682 acres and planters 173,927 acres.

52 A detailed account of how this aspect of regulation operated unfairly against the smallholder can be found in Bauer, The Rubber Industry, pp. 173-202.

rubber.<sup>53</sup> These proposals met with a cool response. The Resident of Perak, the senior Resident of the states to whom the proposals were originally submitted, objected to a change in policy and insisted that peasants had adequate land for new planting. He did not favour permitting rubber to be planted on lands which carried a rubber prohibition clause or encouraging rubber cultivation on kampong land which did not carry a prohibition clause. He also reaffirmed the principle that no land was to be alienated on which rubber had been planted subsequent to the introduction of restriction in June 1934. The Resident's assertion regarding the adequacy of peasant rubber land was not borne out by the reports of his officers. The District Officers of Kinta and Batang Padang agreed that there was little reserve land available and the majority of officers were in favour of permitting rubber to be planted on uncultivated kampong land or where kampong crops had proved to be uneconomic. The other Residents, however, agreed with the Perak Resident. The government reply told the Association that it was unwise to encourage rubber cultivation on land alienated for food cultivation and that smallholders had 'adequate land for new planting within the scope of existing policy'.<sup>54</sup>

A change in the policy of new planting was advocated by the Agricultural Adviser to the Malay States in 1940. This official felt that the subject was of such vital importance for the future of peasant agriculture that he called for its full consideration by all the Malayan governments 'who should not consider themselves bound to accept proposals made by the local or International Committees'. The present new planting policy, the Adviser claimed, favoured planters and had been rushed through in so short a time that the government had been unable to properly plan for the needs of the smallholder and for the long-term agricultural development of the country. He thought the government should decide whether future rubber development should be in the direction of plantations as opposed to smallholders,<sup>55</sup> and elaborated his views in a subsequent memorandum. In this he emphasized

---

53 SR Perak to DO Kuala Kangsar, 23 July 1938, LOF Kuala Kangsar 1015/38.

54 US, FMS to Secretary, Malayan Estate Owners' Association, 3 September 1938, LOF Kuala Kangsar 1015/38.

55 Agricultural Adviser to US, FMS 8 August 1940, LOF Pekan 1041/40.

that the policy of planting rights should be examined in the light of peasant needs rather than anyone else. This was so because even with restriction and a low rubber price, the smallholder could obtain a higher cash return than a padi planter with the same area of land and a high average yield. The cash returns of fruits, vegetables and other fruit crops were unlikely ever to match rubber's and the obvious policy in the new padi colonization scheme was to permit both padi and rubber cultivation. If such a policy was adopted the Adviser suggested that future planting rights be confined solely to peasants.<sup>56</sup>

The proposal had in fact come too late. In May 1940 the International Committee decided, with the concurrence of the Malayan representative, that no new planting was to be permitted in 1941. But it was indicative of a growing body of opinion that padi cultivation, however idyllic its traditional charms, did not appeal to many peasants and that padi development would be given a fillip if peasants were provided with land for both food and cash crops. That such an opinion should have been so long in coming was astonishing. It had been known for a long time that peasants were not content solely with planting padi, and one of the factors said to have contributed to the success of the Krian irrigation scheme was the policy which permitted peasants the use of small strips of land fronting roads for other crops.<sup>57</sup> A more prevalent view, however, was that food and cash cropping were not compatible and that if it was permitted, was detrimental to the former. As a result, tendencies to engage in mixed cropping were generally discouraged in padi areas. It was not until this period that the government relented in its rigid cultivation policy, and in some of the new padi schemes peasants, in addition to their sawahs,

---

56 He was especially emphatic on this point. 'For the country as a whole there is one food crop - rice - and one cash crop - rubber - which can be recommended with certainty and I feel that if the adolescent and future generations of Malays are to be kept on the land it is essential that they be given the opportunity of growing these two crops in association.' Agricultural Adviser to US, FMS 13 September 1940, LOF Pekan 1041/40.

57 Acting Padi Inspector Krian to DO Krian, 25 June 1917, HCOF 965/17.



were given small plots of land where they could plant coconuts and other cash crops, excepting rubber which was prohibited.<sup>58</sup>

Coconut and other peasant cash cropping during the depression.

The problems of the padi and rubber cultivating peasant paled in comparison with those of the coconut cultivator. In 1930 there was already in Perak and Selangor a large peasant coconut industry based on a single crop.<sup>59</sup> This development had initially been due to encouragement by the government and to the steady prices held by coconut products. But since 1929 coconut prices had gone into a steep decline.<sup>60</sup> The immediate cause was the economic depression which brought down prices of all primary commodities. The coconut industry was also burdened with the problem of overproduction. High prices prior to the recession had stimulated expansion of the edible oil industries, particularly whale oil and soya bean and, because of the high degree of substitution in the industry, the market for higher-priced oils including copra began to shrink. There was also at this time the phenomenon of economic nationalism and the erection of tariff barriers by the principal consuming countries. All these factors

- 58 This was reported by the Perak Resident to be the policy in padi schemes in his state. FCP 27 August 1934, B 72. See also correspondence in LOF Pekan 1041/30; SSF 200/35; 88/35; and especially memorandum by Director of Co-operative Societies, 19 April 1939, DOF Sitiawan 452/39 for expressions of official support for this policy.
- 59 A census of coconut areas in 1930 found 130,557 acres of peasant coconut smallholdings in the two states. This area consisted of 14,196 and 35,804 acres of immature coconuts and 45,604 and 36,948 acres of mature coconuts in Perak and Selangor respectively. AR Department of Agriculture 1932.
- 60 The list below of average yearly prices of sundried copra in Singapore shows the difficult situation the industry faced throughout the 30s.

<u>Year</u>	<u>Price per Pikul</u>	<u>Year</u>	<u>Price per Pikul</u>
1929	\$9.45	1935	4.54
1930	7.81	1936	5.81
1931	5.09	1937	6.45
1932	5.74	1938	3.53
1933	3.90	1939	3.60
1934	2.94		

Source: Grist, Malayan Agricultural Statistics 1939.

contributed to the calamitous situation in the early 30s when copra prices fell into a trough,<sup>61</sup> from which they were never able to recover fully.

Many peasants who had committed themselves to mono-cultivation of coconuts were badly affected. In 1933 a situation of severe poverty was reported from Lower Perak and Kuala Selangor, the main areas of peasant cultivation. Peasant families were said to be deriving a total monthly income of \$5 from their holdings - a quarter of what they were formerly obtaining - and subsisting on one meal a day, their problems being made worse by the difficulty of finding alternative incomes under the depressed conditions. In 1934 large numbers of smallholdings were listed in the government gazettes for sale due to arrears of rent. The depression also affected the plantation coconut and oil palm industries, and as a result of urgent public appeals, both on their behalf and that of the peasants, the government appointed a committee in April 1934 to review the economic position of the industries. The committee's report was especially sympathetic to the peasants' plight and warned that if some form of relief were not immediately granted, many peasants would be dispossessed of their lands. As a start, the committee recommended the remittance of the export duty on copra and a 50 per cent waiver of land rents. It also advocated a reduction in drainage rates to an amount which would represent only the expenditure on maintenance of works and not include capital charges, and sought restriction on the alienation of land for coconut cultivation. Its long-term recommendations asked the government to increase the local consumption of coconut products, to increase the quality of the local product and its competitive position and to provide greater protection to the local industry.<sup>62</sup> The financial concessions were continued until 1941 and provided a measure of relief for the industry. But the problems of peasant coconut cultivators had deeper roots than the price depression. Most smallholdings were too small to provide a reasonable standard of living and coconut areas were regularly subject

---

61 An examination of the overall economic position of the oils and fats industries is found in Report on the Economic Position of the Coconut and Other Vegetable Oil Producing Industries in Malaya, pp. 2-6.

62 See summary of recommendations in Report on the Economic Position of the Coconut and Other Vegetable Oil Producing Industries in Malaya, pp. 72-5.

to flooding which damaged the trees and resulted in low yields. There was an urgent need for drainage and irrigation works as well as for a more liberal agricultural policy which would permit the peasants to replace with other crops trees which were not growing well. Little, however, was done by the government regarding these problems.<sup>63</sup> This was mainly because it saw the crux of the peasant's problems lying in a different direction. In 1931, following a petition from peasants in Jeram for government assistance to offset the low prices they were obtaining for their produce, a team of officials was despatched to the area to conduct investigations into economic conditions.<sup>64</sup> The report produced by the team estimated that 70 per cent of the 1,367 holdings in the area were either in debt or tied down by forward contract sales to Chinese middlemen producers, and that the indebted peasants received half the income that free smallholders received from similar crops.<sup>65</sup> It also found that, in many holdings, fruits were sold to middlemen while still on the trees, and that every sizable nut including many unripe ones had been plucked. The loss incurred from this practice was quite considerable since 300 mixed nuts were required to produce one pikul of copra while 240 mature nuts could produce the same quantity. Furthermore, careless preparation of copra by middlemen had resulted in a lower price for the final produce and these losses were passed on to the peasant who received low contract rates. The solution recommended by the investigators was for smallholders to manufacture their own copra, thereby eliminating

---

63 In Lekir, for example, drainage work estimated at \$35,000 was not carried out because peasants could not afford to pay drainage rates of \$2 per acre, and government was unwilling to defray the costs on its own. AR Sitiawan 1938, DOF Sitiawan 1030/38.

64 'Copra Production of the Malay Smallholder', F.C. Cooke and H.J. Simpson, enclosure in Director of Agriculture to SR Selangor, 26 May 1932, SSF G 1281/32.

65 A more detailed survey of indebtedness among 188 holdings covering 761 acres in the same reservation found a total indebtedness of \$21,053 or approximately \$110 per holding. Memorandum by DO Kuala Selangor, 23 November 1931, SSF G 634/31.

preparation costs and the losses incurred by poor preparation.<sup>66</sup> In the next few months after release of the report the Jeram area was the scene of unusual government activity as officials from the Agricultural and Co-operative Societies departments conducted lessons showing peasants how to build their own kilns and produce their own copra. The response was good and the number of peasant kilns increased from six in August 1930 to 120 in February 1932. The Jeram experiment was repeated in other coconut areas and in 1935 peasant manufacture of copra was said to be an established industry.<sup>67</sup> There were more than 600 kilns in Kuala Selangor and Bagan Datoh and the campaign was so effective that it was reported in some kampongs that the size of a peasant's kiln determined his social position.<sup>68</sup>

Despite this impressive increase in the number of kilns, the economic benefits of the campaign to the great mass of peasant coconut cultivators were less than the government believed. The success of peasant-owned kilns was dependent, in the first place, on a large margin between the prices of higher and lower grade copra. This margin, however, was smaller than first calculated and as much of the copra produced was of a lower quality than originally hoped, this further reduced the margin of profit from kiln operations. Success was also dependent on the availability and accessibility of nuts, and there was obviously a maximum number of kilns which could function economically in a given area. For most peasants the effort, time and capital required was out of proportion to the returns and they preferred to use their spare time for more rewarding activities. The government's enthusiasm for the campaign had more than a simple economic motive. It was emphasized by officials to peasants that Chinese middlemen producers were responsible for their poverty, and

---

66 At the time of the survey, Jeram copra was fetching \$3.29 per pikul as against \$5.75 fetched by normal sundried copra. Collection, transport and other charges were estimated at \$1.10 and it was expected that careful production alone could secure the peasant an extra \$1 for each pikul of his copra.

67 See, for example, 'Report of Committee organised to investigate Conditions of Coconut Small Holdings in the District of Kuala Selangor, April 1936, enclosure in Adviser on Agriculture to SR Selangor, 31 August 1936, SSF G 1281/32.

68 MR Agricultural Field Officer, January and March 1933, SSF G 63/33.

appeals were made to peasant racial loyalties to eliminate this class of trader.<sup>69</sup> Peasants who did not possess kilns were advised to patronise those of their countrymen and to boycott Chinese kilns, even though higher prices were offered by the latter; and the replacement of Chinese middlemen by Malays was reported with much gratification. In so far as the policy merely sought the elimination of one group of middlemen for replacement by another, it was wrongly conceived. There was little guarantee that Malay middlemen would not exploit their countrymen as much as the Chinese and the fact that the great majority of peasants rejected the appeal to crude chauvinism and continued to deal with Chinese middlemen indicated the better deal offered by the latter. It was also unclear whether there was such a high degree of exploitation to warrant the campaign. No doubt the Chinese middlemen received a profit; but the existence of open copra markets in Klang, Penang and Singapore and the large number of active independent buyers counteracted monopolistic tendencies and provided peasants with a fairer price for their produce.<sup>70</sup> Finally, it should be noted that the real solution to the problem lay in the hands of the government. This was the establishment of a marketing scheme which would link smallholders with exporters and cut through all intermediaries. The government, however, was not prepared to take this step.

An account was given earlier of government credit assistance to the peasantry. It was found that this assistance fell far short of requirements and that the financing of peasant land development and expenditure on a variety of other purposes, had primarily been with loans provided by money-lenders and shopkeepers. Some indication of the enormous sums used by the peasants in this process was given in 1930 by the chetty community, the main money-lending group in the Peninsula. The chetties placed the total loans they had made out to

---

69 It is interesting to compare the stand of the government with its attitude 30 years earlier. Then, the appearance of Chinese middlemen was welcomed by officers who regarded them as fulfilling an important economic function by buying coconuts and supplying peasants with many of their needs. See, for example, MR Lower Perak, September 1898, PGG 1898, p. 763. Then, also, peasant efforts to process their own copra had been frowned on because of the poor quality of the product. See AR Director of Agriculture 1908; 1911.

70 Minute by DO Klang, undated, SSF G 1281/32.

peasants in the Federated Malay States at \$100 million.<sup>71</sup> Up till then, peasants had been able to cope with the massive burden of credit repayment by balancing the good years with the bad and by drawing on the cash income obtained mainly from rubber and coconut cultivation. But the indebtedness problem was a constant cloud hanging over the peasant economy, as was shown in 1920 and 1921 when peasant inability to meet their debt repayments resulted in a flurry of foreclosures by creditors. The threat at that time for most peasants had passed when rubber prices perked up. The more intense depression at the beginning of this period and the especially serious falls in the prices of rubber, coconut and padi highlighted this problem again. In the latter half of 1930, reports began coming in from officials concerning the widespread failure of peasants to repay their loans and of chetty creditors foreclosing on peasant lands.<sup>72</sup> Although the main anxiety was for the position of the Malay peasant, it was found that all smallholders without exception had suffered, and that in fact 75 per cent of the \$125 million in loans provided by the chetties had been to Chinese and the remaining 25 per cent to Malays, Indians and Eurasians. This crisis saw the government and most of the unofficials - Malays, Chinese and Europeans - in one of their infrequent moments of unanimity. Legislation designed to restrict the sale of smallholdings at the instigation of creditors and to allow such sales only after they had been approved by state councils, was rushed through the Federal Council in January 1931.<sup>73</sup> Its object was not only 'to prevent a landslide of smallholdings into the maw of the Chetties' but also to provide the government with time to devise a 'more permanent and remedial action'. The legislation was in force for 18 months during the worst periods of the slump and there was no doubt that it was mainly instrumental in saving many peasant lands. The more permanent and remedial action that the government envisaged was, however, only confined to Malay reservation land and will be discussed in a subsequent section.

---

71 Copy of minute by Acting Chief Secretary, 2 December 1931 on Lovelace and Hastings to CS, 6 October 1931, SSF G 2441/31.

72 See the considerable correspondence in SSF G 1634/31; 2441/31 and NSSF 1441/31.

73 FCP 19 January 1931, B 16-23.

The depression in rubber and coconut, the two main cash crops, forced peasants to diversify their cultivation by planting other crops for sale to local markets. Coffee, for example, which had been discarded during the rubber boom, made an important comeback and in 1935 there were an estimated 7,629 acres under cultivation in Selangor alone. Other important crops included groundnuts, tapioca, tobacco, tea and gambier. Most of these were relatively quick in maturing, and grown to take advantage of fluctuation in prices and to provide quick returns.<sup>74</sup> As a result their extent of cultivation tended to expand and contract suddenly. Several difficulties impeded the expansion of these cultivations. The most serious was competition from cheap foreign imports which had the effect of lowering the prices of local produce. Usually too, the crops required processing before they could be placed on the market and most peasant producers were not equipped to turn out a well prepared product.<sup>75</sup> But the activity provided a useful supplement to peasant cash incomes and an outlet for peasant enterprise which hitherto had been seriously restricted by the curbs on rubber cultivation, and in 1939 they comprised a substantial area.<sup>76</sup>

74 Tobacco, for example, had a maturation period of 90-100 days, groundnuts 3-5 months and tapioca 12-14 months. Some discussion of these crops and their economic potential can be found in Third Inter-Departmental Agricultural Conference held at Kuala Lumpur, 2-6 August 1932.

75 The low standard of tobacco curing was said to have upset even the poorest class of smokers. Inter-Departmental Agricultural Conference 1932, Appendix 12 and 13.

76 The table below shows the area of some commercial crops cultivated in the states. The figures are in acres.

	Perak	Selangor	Negri Sembilan	Pahang	Total
Coffee	1,300	7,572	983	1,197	11,052
Gambier	83	-	309	878	1,270
Groundnuts	401	15	54	204	674
Sweet Potatoes	1,252	745	382	1,032	3,411
Tapioca	7,287	3,788	3,039	4,034	18,148
Tea	6	460	9	4	479
Tobacco	1,496	18	44	455	2,013

Source: Grist, Malayan Agricultural Statistics 1939, Tables 47, 48 and 51.

The outstanding form of cash cropping was Chinese vegetable gardening. It has been mentioned that there had been small groups of vegetable gardeners ever since large-scale Chinese settlement took place in the Peninsula. In the 1920s and 30s there was a great increase in their numbers. The initial impetus was the economic depression following the Great European War which led to the dismissal of workers from the mining and rubber industries. Many workers could not afford to return to China and opened up small areas of food crops to eke out a livelihood. With a return to better conditions these workers returned to their former employments, but a small number remained on the land. This group was greatly augmented by the vast numbers of workers displaced in the more acute depression of the 30s. Another factor in the growth of this peasant community was the development of a free Chinese labour force. Chinese immigrants, unlike many Malaysian immigrants, had initially come as contract labour in mines and estates, and were bound to their original source of employment for many years. The gradual removal of restrictions on labour led to a relatively unfettered class of workers who brought their families out from China.<sup>77</sup> The change from bachelor to family labour and the liberalization of labour restrictions resulted in an increase in the tendency to permanent agricultural settlement. This trend was encouraged by many estate owners who provided their Chinese labourers with small plots of land.<sup>78</sup> Although the cultivation of land in many instances began as a subsistence activity many peasants quickly made the transition to cash-oriented cultivation. This was possible because it was generally carried out near population centres where there was a constant demand for vegetables, fruit and meat. In many ways therefore this agriculture can be regarded as an outgrowth of urbanization.

Information on vegetable gardening in Malaya was for a long time very inadequate and it was not until this period that the government made some attempt to collect statistics and data on the industry. This was partly because the activity was carried out in numerous small allotments, making collection of information difficult,

---

77 The number of workers in the tin industry, for example, declined from 104,500 in 1929 to 42,800 in 1933. AR FMS Mines Department 1939, Appendix 8.

78 AR Labour Department 1938.



and partly because the government was more interested in the problems of plantation and Malay agriculture. In 1931 there were only three Chinese agricultural officers in the whole of Malaya and they were said to 'constitute the only means of reaching the very important class of Chinese agriculturalists'.<sup>79</sup> In 1936 one estimate placed the extent of market gardens in the Straits Settlements and the four States at 9,673 acres. Another estimate in 1939 placed the area in the four States at 8,529 acres. This did not include numerous scattered small areas which aggregated a considerable acreage.<sup>80</sup> There were particularly large areas around the main towns. In the Kinta region around Ipoh, for example, a large industry had been in existence for many years. In 1930 and 1931 an estimated 100,000 pikuls of vegetables were exported, and although there was a reduction in cultivation after the passing of the depression,<sup>81</sup> the industry was still a considerable and valuable one at the end of this period. Marketing of the produce was done by two agencies which collected the produce in lorries and sold the vegetables direct to stallholders in markets. The biggest problem in the industry was the competition from cheap imports. Between 1924 and 1930 Malaya annually imported an average of 47,049 tons of vegetables worth \$6,393,791. A lot of these vegetables, even after being burdened with marketing and freight charges, were often cheaper than the local ones.

Market gardens grew a wide variety of vegetables including brinjals, chillies, gourds, cucumbers, carilla, loofar, lady fingers, sweet potatoes and Chinese salad vegetables for sale to the predominantly Chinese urban consumers. Most of these vegetables were non-indigenous and were grown from seeds imported from China. The market gardener was not solely preoccupied with vegetables but also reared pigs, poultry and fish. By far the most important and certainly the most profitable of these was pig-rearing. There were two main groups of pig rearers in Malaya - the coastal and the inland group - with marked differences in their geographical locations and

---

79 AR Department of Agriculture 1931.

80 The detailed state figures are Perak - 3,681 acres, Selangor - 3,591 acres, Negri Sembilan - 715 acres and Pahang 542 acres. Grist, Malayan Agricultural Statistics 1939, Table 48.

81 In 1934 only 23,964 pikuls of vegetables were exported. AR Senior Agricultural Officer Perak 1934.

in their methods of husbandry.<sup>82</sup> The inland group consisted of market gardeners to whom, besides its commercial value, this animal husbandry formed an essential component of their vegetable ecology. Pig droppings were channelled into ponds from which gardeners drew the enriched water to fertilize the soil. It was this cheap source of fertilizer which was primarily responsible for the ability of these gardeners to produce consistently heavy crops under unfavourable conditions. The pigs were fed with a mixture of water hyacinths which grew prodigiously in the ponds, mashed with whatever other cheap food was available, including padi and coconut by-products. A less commonly known class of pig-rearer were the Chinese fishing communities, found all along the west coast. In 1920, it was estimated that three-quarters of the Chinese fishing population reared pigs,<sup>83</sup> and when it is borne in mind that there were 7,000 Chinese fishing families in the Federated Malay States in the 30s and each could own a few breeding sows and about 20 to 30 pigs, some indication of the importance of the industry may be realized. The animals in these coastal communities were housed in pile dwellings, at some distance from the shore, and were tended by the women of the village who fed them with unsaleable fish, vegetables and other food cooked in large cauldrons. The dwellings were regularly flushed with sea water and, despite being cramped in their quarters, the pigs reared by this method compared favourably with those reared by inland methods, because of the sanitizing effects of the daily douches of sea water and the fish content of their diet.

As with vegetable gardening, there are few early accounts of this industry. One, from Tampin in 1898, mentioned exports of 6,000 pigs annually to the other states despite strict quarantine laws and a large local consumption. The considerable size of the industry here was due to the cheapness and availability of tapioca waste, one of the main feeds of the animal.<sup>84</sup> Another account from

---

82 Some account of these communities can be found in AR Veterinary Department, Malaya 1937.

83 AR Fisheries Department 1920.

84 AR Negri Sembilan 1898; AR Tampin 1900, supplement to NSGG 19 July 1901.

Perak attributed the fall in meat imports by \$230,000 in 1909 to the large number of pigs reared in the state.<sup>85</sup> By the 1930s there was no doubt that pig rearing was a significant economic activity. The three western states had become net pork exporters and a livestock census in 1939 enumerated 328,827 pigs<sup>86</sup> whose total wholesale value was from \$4 to \$5 million.<sup>87</sup> The development had been accomplished with a minimum of assistance from the government. The Veterinary Department, to whom the management of the country's livestock and animals was entrusted, was established only in 1931 and operated on a shoestring budget. Its activities were mainly confined to the towns, and much of its time was devoted to administration, quarantine matters and the shooting of stray dogs. But the industry did not appear to be any the worse off for this. One example will illustrate the point. In the 30s depression, some European planters had attempted to establish pig farms with imported breeds. Their efforts were generally unsuccessful and, when the depression lifted, they closed the farms and sold the stock to Chinese breeders. This stock was used to improve local breeds, and so successful was this stock improvement programme that in 1938 it was estimated 85 per cent of the pigs which passed through Selangor abattoirs were of the superior cross-bred variety.<sup>88</sup> This was an extraordinary achievement and a testimony to the high degree of commercialization in the industry when one considers that less than ten years ago the cross-bred pig was a rarity.

#### Chinese Vegetable Gardeners and the Government

Technical officials were very impressed by these Chinese agriculturalists and their enterprise, and one went so far as to

---

85 AR Perak 1909.

86 The breakdown for the states was as follows: Perak - 114,206, Selangor - 129,968, Negri Sembilan - 57,386 and Pahang 27,312. See Grist, Malayan Agricultural Statistics 1939, Table 94. The same table also records that there were 763,745 pigs in Malaya.

87 Pigs were purchased live for \$12-\$15 per pikul although the price could go as high as \$20. Pork was sold in the markets for 50 cents a kati or about \$50 per pikul. The wide margin between the wholesale and retail price seemed to the government to indicate price manipulation by dealers but it made no attempt to look further into the question. See Inter-Departmental Agricultural Conference 1932, Appendix 41.

88 AR Veterinary Department 1937.

commend them as 'exceptional people' whose 'system of production, whether of vegetables, flowers, fish, fowl or eggs is probably more intensive than in any other country in the world'.<sup>89</sup> But administrators had a different view. It was explained earlier that these peasants generally preferred to cluster around population centres. This was partly due to the rapid rate of deterioration of vegetables in the tropics making it imperative for them to be as close to the markets as possible. This tendency brought the gardeners into conflict with urban and commercial land interests. As a rule, lands within the vicinity of towns were considered too valuable to alienate to peasants and they were only allowed to hold land on a temporary occupation licence. This form of land title was a singularly unsatisfactory one. The land was not alienated in the sense defined in the land enactments and no prescriptive rights were granted or priority recognized, even though the occupant might be cultivating the land for many years.<sup>90</sup> Peasants holding this precarious tenure, however, could regard themselves as more fortunate than their fellow peasants many of whom were unable to obtain land and were forced to illegal 'squatting'.

The land problem of this class of agriculturalists had a long history. In Selangor in 1912, on the initiative of a Chinese community leader, the government had promised to set up market garden reserves around the main towns so that market gardeners could carry on their activities without interference.<sup>91</sup> Nothing, however, seems to have been done until 1918 when, because of the need to increase local food production, the government set up market garden reserves. But the reserves were not established on a permanent basis and were soon disbanded in the face of urban development, forcing peasant cultivators to move to other areas. Between 1922 and 1925 efforts were made by Chinese community leaders to persuade government to take a more sympathetic attitude towards what was described as 'one burning

---

89 AR Labour Department 1938.

90 For some discussion of the legal position of the licence see Commissioner of Lands to SR Selangor, 25 April 1928, SSF G 1045/28, and FCP 28 September 1926, B 84.

91 It was expected that the measure would help keep Chinese capital and labour within the country as well as supplement local food production. See SSF 5110/12; 5659/12; 3564/14.

question, of interest to the Chinese... the question of the Chinese squatters'.<sup>92</sup> The government, although promising to do what it could, pointed out that in the great majority of cases the peasants had not been placed in legal possession of the land - 'he chooses his own pitch, plants his potatoes and erects his pigsty, and the government collects a small annual tax from him'. The government could not 'admit for a moment that he has any right to expect permanent occupation' and if the land was wanted for mining or a town scheme of industrial development, it reserved the right to evict the gardener.<sup>93</sup> This policy caused much distress, especially in the reserves around the main towns where land painstakingly reconditioned for agriculture by gardeners was snatched away and peasants compelled to shift.<sup>94</sup>

A change of heart in the government appeared imminent in 1930 when the Chief Secretary stated in the Federal Council that he was in favour of setting aside more reserves for vegetable cultivators.<sup>95</sup> He called on the state administrators to place the position of cultivators on a more economic and satisfactory basis, and not to treat them 'in the somewhat haphazard way that has been customary in the past' and suggested that they should be regarded as an asset, not as a nuisance. Peasants, he noted, did not want land titles so much as occupation of a more permanent nature and he thought they should be provided the opportunity to have this. Agreement with this relatively enlightened attitude was expressed by the Residents of Negri Sembilan and Pahang. In Selangor, however, the presence of vested interests and a general scarcity of land forced the administration to be on the defensive. The Resident argued that it was impracticable to gazette reservations in mining districts and saw an improvement in the situation occurring only when mining deposits were worked out and land was no longer required. He was supported by the Perak Resident who warned that vegetable gardeners 'must not and cannot expect any length

---

92 FCP 21 November 1922, B 70; FCP 22 November 1922, B 122-23; FCP 23 January 1923, B 2 and FCP 17 December 1925, B 145.

93 FCP 17 December 1925, B 152.

94 AR Kuala Lumpur 1927, SSF G 236/28; AR Kuala Lumpur 1928, SSF G 236/29; AR Selangor 1928.

95 FCP 26 June 1930, B 53.

of tenure in such places'.<sup>96</sup> Whatever misgivings these officials felt had to be put aside in the next few years. The intensification of the economic depression caused a severe rundown in the rubber and tin industries and large numbers of Chinese workers were dismissed. Some of these workers were repatriated to China but many others moved into whatever vacant land was available, put up ramshackle houses and waited for a return to better conditions. This land settlement was not interfered with by the government which saw in it one way of alleviating social unrest. In 1932, the government stated that it had issued more than 50,000 temporary occupation licences in the states in line with its 'policy of relieving the unemployment and making opportunities for men to stay in the country'.<sup>97</sup>

At this time too, there were calls from within the ranks of government itself for a replacement of the temporary occupation licence system by some other form of tenure which would give a greater measure of security to cultivators.<sup>98</sup> These calls were not heeded. As a result, the now greatly enlarged land problem worsened to such an extent that conflict between market gardeners and opposing interests occurred with increasing frequency. One such interest was mining. For many years miners had acquiesced in the system of vegetable gardeners cultivating mining land which was not immediately required for mining. The system was generally regarded as an asset to the industry as it provided cheap food, employment for the dependants of miners, and labourers with an alternative to leaving the country in the event of a depression. The government itself, although it would not give the cultivators permanent rights to the land, saw no objection as it was obviously uneconomic to leave large areas undeveloped, even though these areas had been earmarked for mining.<sup>99</sup> In the mid-30s,

---

96 The views of the Residents are found in SSF G 1663/30.

97 The figures for the states were Perak - 30,970, Selangor 15,651, Negri Sembilan 3,906 and Pahang 3,942. FCP 13 September 1932, B 80.

98 Inter-Departmental Agricultural Conference 1932, Appendix 41. See also similar views expressed by the Commissioner of Lands in SSF G 2447/32.

99 In Perak it was the policy in the mining districts not to issue permanent agricultural titles except for land in Malay reservation, whilst in Selangor no stanniferous land was alienated for agriculture until tin was extracted.

with a return to prosperity in the tin industry, many of these lands were required for mining development. But much difficulty was encountered in trying to evict the gardeners, many of whom held temporary occupation licences to the land. In 1936 loud rumbles were heard from mining interests complaining that the machinery for eviction was inefficient and that many gardeners were demanding compensation before they abandoned their crops and houses.<sup>100</sup> In Perak, where the problem of vegetable gardening communities on mining land was most acute, the District Officers, responding to pressure from mining interests, decided that cultivators who possessed land titles should be given time to harvest their crops and should be paid compensation failing this, but that no compensation was to be paid to occupants without titles.<sup>101</sup> The Residents of the states, however, decided on a stronger line. They agreed that legislation should be enacted to provide for the summary eviction of cultivators and that no mention be made of compensation which was to be left to the discretion of the land officer. This decision was made in spite of the Federal Legal Adviser's view that lessees had a legal right to compensation during the currency of the land title.<sup>102</sup> An amendment to the Mining Code implementing this severe policy was enacted in 1938 and gave mining interests what they sought.

The problems of market gardeners were most difficult in Selangor where there was a particularly unsympathetic administration which not only favoured other groups ahead of these cultivators but also attempted rigid control of their activities. The man largely responsible for this state of affairs was T.S. Adams who was Resident from 1932 to 1937. In 1932 Adams directed that land given out to cultivators on temporary occupation licences should only be planted with vegetables and that no other cultivation - whether fruit trees, coconuts, tea or coffee - was to be allowed.<sup>103</sup> He also ordered that

---

100 See, for example, Secretary, FMS Chamber of Mines to SR Perak, 31 December 1936, SSF G 17/37. See also SSF G 833/37 for complaints by the Warden of Mines that squatters were holding up mining development.

101 LOF Kuala Kangsar 836/37.

102 'Precis' regarding ejection of squatters from mining lands, LOF Kuala Kangsar 1022/38.

103 Minute by BR Selangor, undated, SSF Lands and Mines 9/32.

the land alienated to each family was not to exceed one acre and called on all land officers to carry out regular inspections to ensure that these rulings were enforced. A short while later Adams added yet another ruling which confined land to be given out to gardeners to various reserves constituted earlier and forbidding the alienation of virgin land.<sup>104</sup> In 1936 he asked the land officers in the state to reduce the number of temporary occupation licences<sup>105</sup> and in 1937, just before his departure from Selangor, he directed that squatters who occupied land without authority be summarily ejected.<sup>106</sup> The effect of these rulings was to restrict the range of cultivation available to peasants, to provide them with uneconomic areas of land, to segregate them into areas which were not wanted by other interests, and eventually to drive down their numbers.

The insistence on the rigid adherence to the conditions described here often bordered on the irrational. In 1933 a group of peasants petitioned the Resident against the decision not to renew their temporary occupation licences which they had held since 1927. The new District Officer responsible for the decision had rejected the petition on the grounds that the licencees had planted permanent crops and fruit trees, thereby breaching the conditions of title. The peasants, however, were supported by officials of the Department of Agriculture who pointed out that they had recommended to the peasants that a few fruit trees be grown, and that approval had been given by the previous Resident. But Adams refused to budge and insisted that only genuine vegetable planters would have their licences renewed.<sup>107</sup> One explanation for Adams' harsh attitude was his suspicion that Chinese planters were behind the actions of these peasants. In one instance he was incredulous that 17 families could clear 400 acres of jungle and, assuming that they were employees of business interests, ordered the destruction of their cultivation and cancellation of licences. Subsequent inquiries by the Protector of

---

104 Minute by BR Selangor, 6 June 1934, SSF G 1353/33.

105 Conference of District Officers, Selangor, 31 October 1936, SSF G 657/36.

106 SSF G 504/37.

107 See correspondence in SSF G 1560/33.



Chinese revealed that the petitioners were free peasants who had on their own initiative made swampland productive and constructed an earth road and a bridge to lead to their holdings.<sup>108</sup> To the Resident's credit, he reversed his earlier decision after this information.

Adams was the most radical of a new generation of officials who, in their concern for the protection of the Malays, saw fit to deny opportunities, particularly to the non-Malay masses.<sup>109</sup> This often led to policies which, from the point of view of non-Malay peasants, were not only discriminatory but also inconsistent. Therefore, whereas the temporary occupation licence was granted to large vested non-Malay interests to plant commercial crops over large areas of land, it was a restricted title to non-Malay peasants, providing them with inadequate land and forbidding the cultivation of all but vegetable crops. The Chinese peasant comparing his position with that of immigrant Malays also found himself less well treated. In the case of the latter, the temporary occupation licence was employed as a cheap preliminary land title to be replaced by a permanent grant when the immigrant had proved his bona fides.<sup>110</sup> The Chinese claim that they at least deserved the same treatment as immigrant Malaysians

- 
- 108 A profile of the male members of the 23 'squatter' families showed that their ages ranged from 22 to 60. The majority had been in the district for more than ten years and there were nineteen married men among them. Seventeen had been employed in rubber or coffee estates either as weeders, tappers or coffee pickers and five others had been pig rearers or vegetable gardeners. All the peasants planted coffee because of the ban on rubber cultivation and also planted vegetables and reared pigs. The wives and children played important roles in the household either by holding jobs themselves or assisting in the vegetable and animal husbandry. SSF G 343/34.
- 109 An early premonition that this might happen was contained in a letter from a Chinese community leader to the Selangor Resident appealing for better treatment. The letter expressed the fear that the new batch of administrators might not be so much in touch with the district and might not view it with the same sympathy as the old school and said that he was 'rather nervous as to what position we ill be in'. Choo Kia Peng to BR Selangor, 21 April 1925, SSF 1927/25.
- 110 This was the procedure in land alienation in the irrigated padi colonization schemes in the 30s. For some discussion, see SSF G 66/35.

received from the government's land and agricultural policies was dismissed as 'ridiculous'.<sup>111</sup>

A change in policy towards Chinese vegetable gardeners only appeared towards the end of the period. In October 1940, officers in Negri Sembilan were instructed that Chinese vegetable planting applicants were to be encouraged and that they should be given a short term lease in place of the licence.<sup>112</sup> Peasants in this state also found an unexpected ally in the State Forest Officer who in 1941 made the unprecedented recommendation that part of a forest reserve be excised and alienated to peasants who had been evicted from a Malay reservation in Chuah. The officer was generous in his praise for this class of peasant who, he asserted, cultivated the land 'indefinitely' and carefully preserved its fertility by cultural practices.<sup>113</sup> This proposal received the District Officer's support and was approved by the State Council. But looking back at the past treatment of peasants it is doubtful whether these instances amounted to an official recognition of the validity of peasant claims for more sympathetic treatment. Pressure for a change in government land policy had existed since the 20s and there had been no indication, even at the height of the agitation, that the government was inclined to yield on the issue of a more secure form of tenure for such peasants. It is difficult to escape the conclusion that the policy change was cynically based on concern for the food situation arising from the threat of war.

#### An Ultimate Reservation Policy?

The treatment meted out to Chinese market gardeners must be seen mainly in the perspective of the government's pro-Malay-oriented policy during this period, which found its clearest expression in land policy. An example of how some officials viewed the position of Malays, amidst the welter of conflicting interests found in the states, was shown in 1930 when the Commissioner of Lands requested a comprehensive review of the Malay reservation position in the

111 BR Negri Sembilan's comments on Memorandum tabled at Inter-Departmental Agricultural Conference 1932, LOF Port Dickson 306/32. The Resident emphasised that the ultimate aim was 'to build up a peasantry of Malay type and Muslim by religion'.

112 Conference of District Officers Negri Sembilan, 2 October 1940, NSSF 959/40. The policy was also to apply to reservation land which it was not intended for use in the immediate future and which could be temporarily excised.

113 State Forest Officer to SR Negri Sembilan, 29 July 1941, NSSF 429/41.

Federated Malay States. The object of this review was to define a policy which would 'aim at securing in each state an ultimate predominance of native over foreign interests in land'. The Commissioner pointed out that in the half century or so of colonial rule the states had undergone rapid development. In this process, he argued, the Malay had been unable to compete with other races either as a landholder, labourer or trader. He warned:

If he is left to the unrestricted competition of economic laws in the hard school of modern competition, his future outlook is gloomy enough. If when he comes out of his state of pupilage he is not to find his heritage in the hands of others, it is essential that a land policy be adopted which will have the effect of retarding for a while the operation of the economic laws. In other words there should be a limit to the alienation of land to foreign interests.<sup>114</sup>

Before arriving at this policy though, the Commissioner suggested the compilation of detailed statistics on the land position of Malays and non-Malays. Three of the four Residents agreed with these views. The exception, the Resident of Perak, refused to accept the Commissioner's general categorization of the Malays as an economically backward people. He pointed out that in several places Malays had been able to compete successfully with non-Malays in land matters and thought that the reservations in Perak were ample to meet the needs of another two or three generations of Malays.<sup>115</sup>

There was no disagreement, however, with the proposal to collect statistics. In February 1931 the results of the first statistical compilation of the land position of Malays and non-Malays were released. The figures showed that on 1 January 1931 there were 778,711 acres of agricultural land owned by Malays of which 516,479 acres or approximately 66 per cent was in reservations. This position proved the success of the policy which sought wherever possible to convert areas of Malay settlement and cultivation into reservations. On the other hand it was found that non-Malays owned more than two

---

114 Note by Commissioner of Lands on 'Malay Reservations', 19 May 1930, enclosure in Commissioner of Lands to US, FMS 19 May 1930, SSF G 1195/30.

115 Minute by BR Perak, 16 June 1930 on Commissioner of Lands to US, FMS 19 May 1930, SSF G 1195/30.

million acres of agricultural and mining land.<sup>116</sup> It was computed by the Commissioner of Lands that if all the unalienated state land was reserved, it would be possible to achieve a 46-54 per cent parity between Malay and non-Malay land interests in Selangor, a 60-40 per cent parity in Negri Sembilan and a 70-30 parity in Perak and Pahang.<sup>117</sup>

This computation, however, did not take into account the large areas of forest reserves which in 1931 comprised 7,000 square miles or approximately 26 per cent of the total area of the states.<sup>118</sup> It will be recalled that a federal Forest Department had not been established until 1905. Although it been late on the scene in some districts, it had been able to do a good deal of reservation work in other areas and in 1924 the department reported that all the easily accessible forest either in danger of destruction or likely to be alienated had been examined for reservation. It will also be recalled that in the early years when development was on the minds of most officials, reservation activities had been resented. In the 1920s, however, the department was able to report a change of attitude among District Officers and penghulus. With their assistance, large reservations were carved out in several areas, applying a useful brake to indiscriminate development. But it was evident now that forests, although still a natural resource for peasants, no longer played such an integral role in the peasant economy. A newer generation of peasants preferred 'half an acre of rubber and a weatherproof house' to '10,000 acres of jungle and a temporary shelter', and the collection of forest produce had declined sharply.<sup>119</sup> The new role of the forest, in these circumstances, was seen by the government as a source of land,

---

116 Figures of the land position in the states in 1931 are available from Appendix 8.1 and 8.2.

117 Memorandum on 'An Ultimate Reservation Policy' by Commissioner of Lands, 28 February 1931, SSF G 1195/30.

118 AR Forest Administration 1931.

119 AR Forest Research Officer, FMS 1926.

to be gradually released to meet the future requirements of Malay communities.<sup>120</sup>

At the same time that he was drawing up the ultimate reservation policy the Commissioner of Lands lent his voice to others who thought an examination of the reservation enactment desirable to find out whether it sufficiently protected Malay land rights and to ascertain what further degree of protection would be necessary if the constituted legislation was inadequate.<sup>121</sup> More specifically this inquiry was to be directed at the presence of non-Malay interests in reservations and their evasions of the enactment. The latter question had been raised on several occasions in the past but there had always been grave misgivings that action was warranted. In 1930 there was a sufficient consensus for the issue to be raised again, and a committee was appointed by the Chief Secretary to consider whether the registration of non-Malay interests in reservations should be prohibited. This committee, consisting of nine members including the Commissioner of Lands and three Malays, met on two occasions. In December 1931 it brought out its report.<sup>122</sup> The report rejected the concept that 'the protection of a backward peasantry' was the chief object of the reservation policy and described the ideology which shaped its conclusions in the following terms:

The policy is territorial and whatever the individual capacity of the Malay may be, he cannot as a race compete with the far more populous peoples of other races who are attracted to Malaya. It is a question of numbers. If the future of the Malay is to be assured he must have room for expansion, and that requires land to be reserved.

To this end the committee recommended that a ratio of not less than 60 per cent of the total land area of each state be set aside for

---

120 See especially AR Forest Department 1927 which contains details of revocations for Malay padi cultivation and ARs 1938 and 1939 where the department referred to the needs of the Malay population to explain its lack of sympathy to mining demands for excisions of forest reserves.

121 Note on 'Leases and Charges in Malay Reservations', enclosure in Commissioner of Lands to SR Negri Sembilan, 9 September 1930, NSSF 1731/30.

122 Report of the Malay Reservation Committee, 21 December 1931, SSF G 2164/30.

reservations. Regarding the substantive question of non-Malay interests in reservations the committee forwarded a comprehensive list of recommendations designed to limit these interests to a bare minimum.

These findings were referred to the various states to solicit the opinions of the State Councils and the administration. The views from Perak are available and are of some interest. Among the Malay members of the State Council there was almost unanimous approval of the recommendations, and the only fault cited was that the recommendations were not sufficiently severe. The Chinese and Indian members, while in agreement with the proposals to restrict non-Malay interests, objected to the establishment of a high ratio of reservation land in the state. The District Officers also agreed with most of the report, although some officers disapproved of the proposal for a high ratio of Malay land. The surprising opinion was that of the Resident who was opposed to most of the recommendations and agreed only to the invalidation of powers of attorney granted to non-Malays.<sup>123</sup> The Perak Resident's views contrasted with those of his counterpart in Selangor. Adams, who was disturbed by the large size of non-Malay land interests in the state, agreed wholeheartedly with all the recommendations and proposed that the whole of the unalienated state land be converted to reservations. He also proposed that no considerable area of forest land be excised from forest reserves for alienation to non-Malays. He defended these radical proposals by citing the Commissioner of Lands' computation that, even if all the remaining state land was reserved for Malays, it would not bring the area of reservations to a parity with that of the non-Malays.<sup>124</sup>

The Selangor Resident's views were influenced, to some extent, by the economic difficulties many Malay peasants were experiencing during this depression period. In July 1931 Adams had been on a committee which, when examining the problem of peasant

---

123 'Views of the members of the State Council and the District Officers on the Recommendations of the Committee (Malay Reservation)', SSF G 2164/31.

124 Memorandum on the Report of the Malay Reservation Committee by BR Selangor, undated in SR Selangor to US, FMS 30 July 1932, SSF G 2164/30.

indebtedness, had found evidence of widespread indebtedness in Malay reservations. This situation and the eclipsing of the Malays by other races in the economy caused much concern to the Resident and other officials. It was not only within the government that serious doubts began to appear about the achievements of colonial rule and its benefits for the Malays. This period was particularly noteworthy for the increasing stridency of the calls from the Malay elite for radical policies which would retrieve the Malay position vis-à-vis other communities. One call was by a Malay officer, Pateh Akhir, who in an unusual memorandum suggested that two-thirds of the remaining unalienated land in the Federated Malay States be reserved for Malays to ensure that their land requirements for the next 200 years would be met. Pateh also called for the tightening up of the provisions of the reservation enactment which permitted non-Malay interests, and for the liberalization of the immigration policy to enable a greater influx of Archipelago Malaysians to correct the racial imbalance.<sup>125</sup> Another prominent figure was the Raja Uda of Selangor who used the forum of the State Council to press for the reservation for Malays of all the remaining land in the state.<sup>126</sup> Malay newspapers were also prominent in keeping up the pressure on the colonial government. Maglis featured several articles in which it called for the conversion of all the remaining unalienated land in the state to Malay reservations. It also drew attention to the encroachments on present reservations and to the large amounts of reservation land held by non-Malays, darkly prophesying that if stern measures were not taken, it would lead to a flood of Chinese labour from China to work these lands.<sup>127</sup>

In October 1933, one important result emerged from the seething concern for the Malay land position. Amendments were introduced to the 1913 Malay Reservations Enactment to make it 'as unhealthy as possible' for non-Malay dealings in reservation lands. The case for the new curbs was best summarised by the Resident of

---

125 Memorandum on the Malay Reservations Enactment by Pateh Akhir, Malay Co-operative Officer Selangor, 5 May 1931, enclosure in Director of Co-operative Societies to SR Pahang, 28 May 1931, LOF Temerloh 509/31.

126 Selangor SCM 9 July 1931, SSF G 1260/31.

127 Translations of Malay Vernacular Papers, SSF G 446/37.

Selangor, Adams. He described the bill as a careful and measured outcome of many years of deliberation and of regular complaints by penghulus of evasion of the enactment. What these penghulus wanted, Adams explained, was to prevent money-lenders from holding land in reservations, to prevent the 'extravagant expenditure' which was only possible because land could easily be deposited as security for loans and to prevent young Malay peasants from squandering their inheritances.<sup>128</sup> Opposition was expressed by non-Malay unofficials against all sections of the amendments but the resistance was hopeless. The government's response to a petition which protested against the section rendering all powers of attorney made by non-Malays null and void and was retrospective to 1913, was typical of its uncompromising attitude. The petitioners had sought to have the section modified to apply only after the passing of the amendment in 1933. The government reply was that it was 'not enough to prevent the introduction of new malignant matter'. It had 'to take all steps necessary to sterilize, or at any rate to render inactive, the powers of attorney' which already existed; to bar only new powers of attorney was 'merely locking the stable door after the horse has bolted.'<sup>129</sup>

This settled the issue of non-Malay interests over reservation land. It had taken more than 15 years since the subject was first raised. Although the government explained the lapse of time in terms of the thoroughness with which it prepared its case, by allowing the evasions to go unchecked it had condoned if not encouraged them. The most controversial effect of the amendments was to make irrecoverable all money paid by non-Malays for dealings in reservations. It was estimated by government that there was almost \$5 million in debts secured on reservation land.<sup>130</sup> The major portion of the losses was

---

128 FCP 31 October 1933, B 136-37.

129 FCP 18 December 1933, B 163-34.

130 FCP 31 October 1933, B 132. This was the figure arrived at by a committee which examined the problem of peasant indebtedness generally, and Malay peasant indebtedness specifically. The breakdown for the states was as follows: Perak \$2,576,000, Selangor - \$1,227,000, Negri Sembilan - \$1,040,000 and Pahang \$77,200. See Appendix B, Indebtedness in Malay Reservations as at 31 December 1930 in 'Report of the Committee Appointed to Consider the Question of the Relief of Small-holders', 2 July 1931, NSSF 1441/31.



borne by money-lenders and small Chinese traders,<sup>131</sup> and affected parties among them who had believed the loans bona fide but who now could not recover them, deserved some sympathy. From the peasant's point of view the new prohibitions were a mixed blessing. Although some part of the loans secured on reservation land was spent on relatively frivolous objects, a large portion had been used to open up lands and for other legitimate development purposes. The long-term effect of the amendments was to completely destroy the use of reservation land as a source of security for loans. Thus, whilst reducing peasant indebtedness in reservations, it was a serious impediment to Malay economic development.

The ultimate reservation policy appears to have come to a halt with the enactment of the new prohibitions and, so far as can be ascertained, was not discussed again in high-level official records. One plausible explanation is that while the government was willing to take action against relatively small non-Malay interests<sup>132</sup> it was unwilling to proceed with measures which would adversely affect larger non-Malay interests, of which the British component was predominant. Two pieces of evidence support this hypothesis. Firstly, although the government had pitched its emphasis on the Chinese and Indian danger to the Malay position, the main beneficiaries of its land policy were Western economic interests. A breakdown by race of the land ownership statistics in 1938 revealed the extent of dominance of Western interests in land.<sup>133</sup> Europeans owned more than 43 per cent

---

131 See, for example, two petitions forwarded to the Colonial Office, one by Chinese traders in Lower Perak and another by the FMS Chettiers Chamber of Commerce, enclosures in HC to SS, Desp. 83 of 29 April 1936, CO 717/120/51738. The amounts owing to Indians and Chinese on charges of reservation lands in 1934 was \$2,054,518 and \$1,541,771 respectively. FCP 19 March 1934, B 2.

132 It might be noted that the High Commissioner's letter to the Colonial Office recommending the enactment explained how non-Malays had dispossessed Malays of their lands in some reservations, the fears of the Sultans on the subject and the dissatisfaction of the peasants at government failure to remedy matters. It had also stressed that the amendments were essential for 'the political well-being of the country'. HC to SS, Desp. 472 of 17 August 1934, CO 717/97/13332/42.

133 See Appendix 8.3 and 8.4. This, so far as is known, was the first such breakdown of land ownership in the Malay States, although figures had been available, for some years, of the racial structure of ownership in the plantation rubber industry.

of alienated land in the states. Malays owned 27 per cent and the Chinese and Indians between them only 23 per cent. In these circumstances, it was obviously not politic for the government - a Western colonial one - to tamper with arrangements which had benefited itself.

The other piece of evidence concerned the question of mining, a predominantly Western industry in the 30s, in reservations. The policy in the 20s and early 30s was clear - no excisions or revocations of reservations were permitted except under exceptional circumstances and the government, when pressed by mining interests, had stressed its trusteeship role of Malay land.<sup>134</sup> In the mid-30s when mining companies began to feel the pinch for land, a campaign calling on the government to permit mining on reservations was conducted. This campaign was supported by claims that there had been a rapid depletion of known reserves and that the country had only a few more years of mining operation.<sup>135</sup> The government gradually weakened. Whatever doubts remained about mining on reservation lands were banished by Fermor's report on the mining industry in 1940. One axiom of the report was that all land sufficiently rich in ore should be worked unless very strong reasons to the contrary existed, and Fermor advocated the excision of reservations where tin deposits were found.<sup>136</sup> This point was not disputed by the Residents or the High Commissioner.<sup>137</sup> On the other hand, the report evoked a chorus of criticism from the Sultans. Although they were assured that they

---

134 See, for example, the speech by the Chief Secretary in FCP 30 July 1928, B 100. See also SSF 3844/27; 5763/27 and 2410/28 which contain correspondence regarding attempts by mining companies to purchase land from Malays in Perak and Selangor.

135 The Senior Warden of Mines, for example, estimated that proven tin reserves in the FMS had a maximum life of 14 years. HC to SS (Conf.) 2 December 1937, CO 717/133/51912/38.

136 Sir Lewis Fermor, Report Upon the Mining Industry of Malaya (Kuala Lumpur, 1939) p. 187.

137 The Resident of Pahang, for example, found 'irresistible' the argument that tin exploitation should take precedence over other considerations if the standard of development of the states was to be maintained. Memorandum by BR Pahang, undated, enclosure in SR Pahang to SR Negri Sembilan, 18 November 1939, NSSF 1104/39. The views of the other Residents are also found in the same file.

would be consulted 'before a decision affecting the Malays' was made and were told that the report would be evaluated by experienced administrators and not by 'biased parties', the government was only attempting to soften the blow. Between 1937 and 1939, excisions of land from reservations for mining interests commenced.<sup>138</sup> In the 1941 federal estimates, a sum of \$124,000 was set aside for prospecting in reservations, presaging a large-scale breach of reservations by Western mining interests. The outbreak of war put a stop to it, but it does not alter the fact of the government's steady retreat when confronted by large economic interests on an issue which it had declared itself to be intransigent.

The Japanese invasion brought to an inglorious end this important chapter of British colonial rule in the Peninsula. The final decade had been one of missed opportunities in which the country's economic and social disparities had visibly widened. In this situation, the colonial régime had not only been incapable of offering any solution but had also exacerbated the disparities. This was especially evident in the peasant situation. In 1926 one administrator, disturbed by the impact of colonial rule on the Malays, had asked:

Is it possible that influx of capital and output of revenue admirable in themselves, have been regarded in false perspective to other less tangible and obvious aims and tended to be regarded too much as the index of successful administration? Has the country perhaps been allowed to develop too rapidly and without sufficient thought being given to the ability of the Malay to keep pace?<sup>139</sup>

The colonial government's economic programme in the 30s, far from remedying this problem, was designed to ensure that the Malays would not be able to keep pace with other races. The previous years had seen repeated failures to organise the padi industry on a commercial and progressive basis. The depression had provided conclusive evidence that padi cultivation was among the least profitable of economic activities. At the same time, Malay ability to successfully

---

138 See, for example, Perak SCM 16 June 1937, DOF Sitiawan 550/37 and minutes of Negri Sembilan Majlis Meshuarat Ke'adilan dan Undang, 15 August 1939, SSF G 359/38.

139 Confidential memorandum from the BR Negri Sembilan, 22 October 1926, Selangor Confidential 122/26 in SSF 109/39.

undertake cash cropping of rubber had been demonstrated on many occasions. Yet the government during this period promoted a padi cultivation policy aimed specifically at the Malays. Whatever its effects in relieving the food problem the policy, by entrenching more Malays in this unprofitable activity, was a major factor in impeding the process of Malay economic modernization.<sup>140</sup> The other prong of the government's Malay economic programme - the reservations policy - similarly in the 30s, became an agent of economic fossilization. No doubt peasants living behind reservation walls were protected but, in the long term, any attempt to shield them from the more dynamic sectors of the economy and to segregate them from other communities could only have the effect of preventing their fuller integration into modern Malaya. The non-Malay masses fared equally badly at the hands of the colonial government. Used for many years as a source of cheap labour, they at no time received encouragement which would dispose them favourably towards Malaya, or assistance which would provide for their economic and social stabilization. More alarmingly, by rebuffing Chinese attempts to settle on the land in the 30s, the government showed itself willing to renege on whatever responsibility it had towards these communities. Furthermore, by its cynical use of Chinese interests to divert attention from its own shortcomings and as a scapegoat to explain the economic impoverishment of the Malays, the colonial government was guilty of contributing to racial polarization and discord. Looking back, it might not be too unkind to the British to regard the Japanese invasion of the Peninsula as timely and a positive factor, notwithstanding its hardships and brutalities, in the course of Malayan history.

---

140 In the 1931 census, of an estimated 230,000 Malays and Malaysians estimated to be gainfully employed, approximately 90,000 or 40% were engaged in padi cultivation. See Vlieland, British Malaya: A Report on the 1931 Census, Tables 132 and 133, pp. 288-93. For further figures of the agricultural population of the FMS see Appendix 1.6 and 1.7

RETROSPECT

## A PRELIMINARY TYPOLOGY OF THE MALAYAN PEASANT AGRICULTURAL ECONOMY

IN the foregoing pages, an attempt was made to trace the development of peasant agriculture in the states of Perak, Selangor, Negri Sembilan and Pahang. It is a narrative set against a host of political, social and economic interactions, reflecting the rapid change from isolated and self-subsisting societies to modern colonies, drawn into the mainstream of world economic activity. The most important force was the colonial government, which used the machinery of state in open support of what has been referred to as 'economic conglomerates, solely concerned with the pursuit of profit, dependent on the presence of masses of unskilled cheap labour and land'. The result was the creation of a system of colonial capitalism, par excellence. It was within this system that the peasant agriculturalists of the Malay States operated.

During the first thirty-five years of colonial rule, peasant agriculture revolved around its traditional nucleus of subsistence padi and kampong cultivation. After an abortive attempt at cash cropping of coffee, peasants turned to rubber cultivation in the first decade of the twentieth century. This development was of the greatest significance for the peasant economy as it generated a number of beneficial spread effects. The peasant cultivation, however, was challenged by the colonial government which tried to steer peasants away from rubber and towards padi and coconut cultivation. Although the anti-rubber campaign was conducted over 30 years, it was only partially successful because rubber was much more profitable than other crops. While the government preferred peasants to grow padi and coconuts, all peasants without exception suffered from the colonial government's pursuance of policies which pandered to plantation interests. These policies particularly in land alienation, credit provision and agricultural servicing prevented many peasants from maximising the opportunities available and can be considered to have been severe impediments to peasant agricultural development. Their effects were especially noticeable in the 30s when the demand for agricultural produce slumped, and by the end of the period the problems of indebtedness, insecurity of tenure and unfavourable marketing arrangements were still unresolved.

It is now proposed to provide a preliminary typology of the colonial peasant economy in Malaya. This will be done by examining the material in relation to a number of selected economic and non-economic criteria. The economic criteria include the nature and frequency of the use of money, the degree of market relations, the manner of allocation of the factors of production and the level of technology. The non-economic criteria are more difficult to formulate with equal precision; they relate to attitudes that are likely to have influenced economic behaviour and relationships, and include perceptions of success, receptivity to change and the nature of time preference. Using these criteria, three basic types of the peasant agricultural economy have been identified - the modified traditional subsistence, the mixed subsistence-commercial and the commercial.

Earlier, it was explained that the traditional pre-contact economy was characterized by small groups of peasants clustered in isolated kampongs along the main rivers, growing and consuming what they required. Subsistence agriculture, their main activity, was supplemented by hunting, fishing, forest produce collecting and other subsistence activities. Market relations and the sale of goods were restricted and the economy as a whole was characterized by small units of production, a simple level of technology and a low degree of specialization. The establishment of colonial rule, however, resulted in the introduction of a market economy which impinged upon the lives of traditional peasants. In this new economy there was a widespread use of money, a multiplicity of market relations and a wide range of goods and services demanded and sold. The main instrument for the introduction of these new economic forces was the kedai in the kampong. The kedai was a small shop, usually owned by a non-Malay trader, stocking a wide array of products including metal articles, oil, soap, tinned foodstuffs and cigarettes. They had sprung up in all parts of the country where opportunities for selling goods and buying local produce existed and, besides being a source of market and money relations, stimulated new demands among a peasantry whose material requirements had previously been limited and had been met by self-production.<sup>1</sup> In this way, the kedai played an important role in

---

1 The kedai was by no means a uniquely Malayan phenomenon. It was found in many colonies and has been referred to as opening to indigenous people 'a shop-window on the modern world'. East African Royal Commission 1953-55 Report (London, 1955), p. 65.

breaking down the self-sufficiency of the traditional economy.

Simultaneously, the means for participating in the new monetized, commercial colonial economy appeared at hand for peasants located in the traditional economy. The rapid increase in the non-agricultural population led to a demand for food crops such as padi, fruits and vegetables so that for the first time a commercial outlet was available for the surplus produce of the traditional peasant. Similarly, the expansion of the non-agricultural sectors resulted in a commercial demand for labour which could have been supplied by the traditional peasant. But many peasants were unable to take advantage of the commercial demand for their goods and services in any significant way. In the first place, the traditional food production in the Malay States was generally on a level which could barely meet the requirements of the producing unit - the peasant family. In addition, the prospect of wage labour which tied the peasant to an alien employer did not appeal to many traditional peasants.<sup>2</sup>

The difficulties of participating in the new economy were greatly increased by the reluctance of many peasants, at least during the first four decades of colonial rule, to replace their traditional subsistence activities with other forms of economic activity.<sup>3</sup> Padi, the traditional staple food of the Malays, had been the economic basis of settled Malay communities throughout the Peninsula. It was only a slightly less important crop for the migratory Malays and aborigines, who lacked the skill to make wet padi bendangs but grew it in conjunction with the variety of root crops which characterize the ladang cultivation. Consequently, the crop acquired over the years a high socio-cultural value in addition to its economic value. This was most clearly seen in the customs of the Malays, some of which still survive, in the elaborate ceremonies which mark every stage of

---

2 It was estimated that in the mid-1930s the total number of Malays employed at any one time in the FMS estates did not exceed 4,000. AR Labour Department, 1935. This was a small fraction of the 200,000 Malays estimated to be gainfully occupied in economic activity.

3 See especially the evidence heard by the Tailings Commission of 1904. It was said, for example, that 'the people who had long settled on the land preferred to continue planting padi as long as possible. They were not anxious to obtain remunerative work; in fact, they considered it their duty to plant'. Report of Tailing Commission, 1904, p. lv.

padi cultivation, in the popular belief in the semangat or 'spirit' of the padi crop, and in the symbolic use of padi in the ceremonies of birth, life and death of the Malays.<sup>4</sup>

The durability of the traditional economy did not solely depend on padi cultivation. The cultivation of minor food crops was also an essential part of it. When clearing the land to make his sawahs, the peasant selected a higher patch of ground on which to erect his house. Around this house he would plant a variety of spices, vegetables and fruits. This kampong cultivation required relatively little attention and was usually maintained by the younger members of the family. But its produce formed an important part of the peasant's diet. Padi and kampong cultivation were complementary activities and they were also sufficiently flexible to allow the traditional peasant to hunt, fish or indulge in other diversions. This synchronization of the traditional subsistence economy was perhaps one of its most attractive characteristics.

The work aspects of the traditional economy formed part of a broader social pattern. The padi season began with feasts and ceremonies in the kampong. After the padi crop was planted, Pa' Kambing took time off to fish for the aruan which was as big as his grandson, or he would while away time carving the best top in the kampong. Occasionally there was a betrothal or a death and the leisurely pace of life quickened. Finally, the grand day of harvest-reaping arrived and the kampong bustled with activity. Then life settled down again to its casual rhythm until the next padi season or the next wedding. All these activities stimulated communal life and its participants were merged into a community with very real bonds.<sup>5</sup>

---

4 For an account of the significance of the padi plant in Malay life, see R.J. Wilkinson, 'Papers on Malay Customs and Beliefs' JMBRAS, XXX, iv (November 1957), especially the chapters on 'Beliefs Regarding Life and Living Things' and 'Infancy'.

5 A recent study asserts that the Malay village is 'primarily a co-residential unit', displaying 'little or no unity arising out of the interlocking of social relations among villagers'. (P.J. Wilson, A Malay Village and Malaysia (New Haven, 1967) p. vii). Wilson admits, however, that there are some spheres of 'aggregation' in the village administrative and religious life and finds that the most important function of the village is as a source of ethnic unity.



In such a situation, it is not difficult to understand why peasants firmly established in their traditional agricultural patterns, were reluctant to give up their padi and kampong cultivation or why they were unenthusiastic about wage employment which took them away from the kampongs.

Attachment to the traditional economic activities and distaste for unfamiliar wage employment do not entirely explain why the traditional peasant economy persisted for so long. Equally important reasons, particularly after the first decade of the twentieth century, were the government's land alienation and cultivation policies. It will be recalled how officials in the early administration encouraged new settlers to plant padi and kampong crops and how this policy had been fortified by implementing measures which enforced the traditional cultivation under threat of prosecution. Much newly-alienated land had also been directed by special conditions towards the cultivation of traditional food crops.<sup>6</sup> These attempts to maintain the traditional agricultural patterns proved most effective during the period of rice shortage and during the depression in the commercial sectors of the economy.

Although all the above factors tended to arrest the process of change in the traditional economy they could not completely isolate peasants in this economy from the new commercial forces. Throughout the country, increasing numbers were drawn into communication with the outside world and into contact with a wider range of goods and services. These developments made the traditional closed economy obsolete and created in its place a modified subsistence one which represented an accommodation of the new forces within the boundaries of the traditional economy. Peasants in the latter economy, either because of the occasional bumper harvest or because of a reduction in their normal level of consumption, sold agricultural produce on an irregular basis

---

6 As one officer explained it - 'the local industry has been kept alive through the difficulty with which custom dies in oriental countries and through the energy of the District Officers, backed by a certain amount of compulsion'. Grist, 'Wet Padi Cultivation in Negri Sembilan', p. 2.

to acquire a cash income to pay for their new needs.<sup>7</sup> They also offered themselves for short-term wage contracts or engaged in self-employed activities which produced cash returns. In the riverine areas, peasants were able to make attap or cut timber, whilst in mining areas tin panning was popular.

There was little significant difference between the modified traditional economy and its precursor, the traditional one. Padi cultivation remained the dominating activity, using up most of the peasant's land, labour and capital resources. The nature of, and the returns from, the other factors of production also remained largely unaltered. Labour was sometimes diverted to cash earning activities in the commercial economy, but this did not interfere with the normal functioning of the main traditional activities; it mainly involved a reallocation of leisure or of resources previously devoted to such subsidiary activities as hunting. The one feature differentiating the two economies was the perceptible level of monetization and commercialization found in the modified economy. This contrasted with the situation in the traditional economy in which the use of money and market relations had been very limited. This point should not be overstressed. Commercial transactions in the modified economy tended to consist of the exchange of surplus produce for goods, and although these transactions were measured in money terms, there was little actual manipulation of money by the peasants. Consequently, many peasants in this economy were ignorant of the potential of money and of its uses.

Perhaps the most striking feature of the modified economy was its impoverishment. During Malay times, the life of a peasant was often a difficult struggle. The padi harvest was liable to failure because of the late arrival of rains or to devastation by pests and there were periods of political oppression when the peasant had to flee his fields. The introduction of colonial rule stabilized the political situation, thereby removing an important cause of economic hardship. But it did little else, and peasants still found their lot

---

7 This was particularly possible with kampong produce. A survey of Malay fruit holdings in Malacca in 1931 found that 38% of the 154 holdings sampled sold their fruit. This was done in a casual manner and practically all the holdings had no idea how much money they derived from the sales. Third Inter-Departmental Agricultural Conference 1932, Appendix 15.

a hard one. Padi production, the principal economic activity in the modified economy, failed to rise substantially above the low subsistence level of Malay times, and cash returns from it were consistently lower than those from other activities.<sup>8</sup>

The second type of peasant agricultural economy was the mixed subsistence-commercial one. This economy consisted of peasants who, although engaging in subsistence food production, also allocated part of their resources to commercial agricultural production and were therefore drawn more fully into the market economy. The income obtained from this production was not only substantially larger than in the modified traditional economy, but was also more regular and enabled peasants to purchase a variety of goods and services. This in turn resulted in patterns of consumption which were less subsistence-oriented.

There were several forms of the mixed economy. One form consisted of the commercial production of padi, the base crop of both the traditional and modified traditional economies. In a few areas, mainly through the application of a higher level of technology, peasants were able to take a quantity of their produce regularly to the markets for sale. The most prominent example was Krian where the construction of a large irrigation scheme enabled peasants to produce above their subsistence requirements and where the existence of marketing facilities enabled surplus produce to be sold. Another form of the mixed economy consisted of the sale of vegetables, fruits, meat and other produce by peasants living close to population centres. As in the padi-based mixed economy, part of the produce was consumed by the peasant family but there was always a regular surplus which was marketed.

The predominant form of the mixed economy was the cultivation of non-food cash crops together with subsistence food crops. The practice had been prevalent among small groups of peasants since the earliest days of British rule and the establishment of markets for

---

8 Estimates by officials of the economic returns provided by padi tend to fluctuate but almost all officials were agreed that, save in the best padi lands, padi activity brought in a smaller cash income compared with wage labour or the cultivation of cash crops. For some estimates of returns from padi cultivation, see HCOF 584/00; NSSF 2520/18; 1280/21 and Rice Cultivation Committee Report, vol. 1, p. 24.

cash crops. Crops such as gambier, pepper, tapioca and tobacco were grown, usually on spare land, by peasants who lived in accessible areas and who had been exposed to market developments. For a long time, however, the practice was unable to make headway. Marketing facilities were rudimentary and uncertain, and returns were generally insufficient to persuade peasants settled in their modified traditional economy to reallocate their factors of production. In the early 1890s, however, coffee had shown promise of meeting the objections to cash cropping, and a large number of immigrant peasants who had not committed all their resources to subsistence food production began growing it on part of their land. But coffee prices soon fell to a low and unremunerative level and the coffee fields were either abandoned or converted to subsistence food production. Coffee's place was taken by coconuts which had the additional advantage of being a food crop.

The decisive impetus to the practice of cash cropping was the introduction of rubber. In rubber, the peasant found a crop ideally suited to his limited resources. The plant thrived on most soils and required little attention after an initial investment of capital and labour. Labour requirements were easily met; tapping of the trees was light, if monotonous work, and could be managed by the adolescent members of the family at any time of the day. Secondary growth around the rubber trees needed to be cleared occasionally, but this was not difficult. Production of the finished product - the rubber sheet - was equally simple, and the implements required for cultivation and processing were cheap and readily available. For this small investment, the rubber smallholdings produced returns far superior to other crops. Under these circumstances it is not difficult to see why rubber cultivation spread so rapidly among the peasantry.

The only drawback which the rubber cultivator faced was that he had to wait at least five years before he reaped any returns. For this reason, rubber cultivation was initially confined to surplus land or interplanted among the kampong cultivation rather than on established padi lands which were required to provide the peasant with food. Once the profitability of the crop had been established, however, it soon spread to marginal padi areas where production was inadequate to retain the peasant's favour. There were several obstacles in the way of rubber's extension into the existing padi and kampong areas. One was the government, which disapproved of peasant efforts to replace

subsistence cultivation by cash cropping and tried to coerce the peasantry into maintaining their level of subsistence cultivation. Another obstacle was that where the subsistence cultivation was relatively well-established it had acquired a sentimental value for the peasant which protected it to some extent. As well as the social cost of conversion, it was often uneconomic to convert wet padi sawahs into rubber holdings. External events presented a third obstacle. When the rubber market slumped or when the supply of food was threatened, peasants attempted to maintain as much of their subsistence cultivation as possible.

In spite of their awareness of the social and economic importance of padi, peasants in the mixed economy generally exhibited a high degree of economic rationality within the boundaries permitted by government and within their own perceptions of what was best for themselves. This can be illustrated. During the period of rubber depression, for example, tapping of rubber trees was done only after the more important work in the fields was completed. However, where padi land was less productive or where the rubber holding was particularly productive, rubber work was given priority. This allocation of time preference was indicative not only of the peasant's understanding of market conditions but also of his fluency in responding to commodity price changes. The rubber depression is also especially illuminating in showing that many peasants had no doubts where their best interests lay. Despite the low prices, peasant confidence in rubber failed to be shaken. It was said that it was 'the ambition of every Malay to own in addition to his paya, a few areas of rubber which would enable him to provide [a] better house, clothing etc.'<sup>9</sup>

Finally, it should be pointed out that the peasant's economic position in the mixed economy was a distinct advance over that of his counterpart in the modified traditional economy. Whereas in the latter case the sources of cash income were unreliable and the cash income derived small, the mixed economy had relatively stable and large cash returns. The income from rubber enabled peasants to increase significantly their range of expenditure on consumer items, besides providing a surplus for investment. The incomes derived by the

---

9 A. Jaffar to DO Pekan, 13 June 1931 on Director of Agriculture to US, FMS, 29 March 1931, DOF Pekan 327/31.

subsistence-commercial padi peasant and vegetable planter were much smaller and less regular than that derived by the rubber smallholder, but they also brought a higher standard of living.

The third form of the peasant agricultural economy was the commercial one. This emerged in an exceptionally short period of time and involved peasants who were specialized agriculturalists, fully committed to production for sale and unconcerned with subsistence cultivation. With most of their productive resources allocated to commercial production, these peasants were particularly vulnerable to changes in the market price of the commodity they produced, and in fact it was the market price which was the principal determinant of the precise allocation of their resources. Generally, the production unit in this economy, as in other types, was small, but there was a tendency for the enterprising peasant to expand his holding beyond the area normally managed by his family and to employ hired labour.

The commercial economy was dominated by peasant rubber smallholders. In addition there were important groups of coconut planters and market gardeners, and smaller numbers of peasants producing such miscellaneous cash crops as coffee, pepper, tapioca, tobacco and fruits. Enough has been said about the rubber industry to show its crucial importance to peasants. It might suffice to add that according to the 1931 census there were approximately 140,000 peasant rubber smallholders in the Federated Malay States who, together with smallholders in the other parts of the Peninsula, were responsible for turning out a crop which was easily the most valuable in the tropics. But whilst the peasant rubber industry, despite the vicissitudes it underwent during the depression period, provides a classic example of a profitable and specialized peasant agricultural activity, the peasant coconut industry in the 1930s offered the reverse illustration of how painful specialization in the monocultivation of a cash crop could be.

It has often been argued that the vulnerability of the commercial peasant to changes in the market price of the commodity he produced offset many of the economic advantages he enjoyed over the mixed subsistence-commercial peasant who had a food subsistence base. But it is doubtful whether the margin of advantage, measured in terms of cash returns, even during the darkest days of the commodity depression or during the most critical period of the food shortage, was ever tilted in favour of the peasant who combined

subsistence and commercial cultivation. This was due to the commercial peasant's ability to adjust quickly to new conditions. The period of rubber depression, for instance, saw many peasants planting subsistence food crops, thereby reducing their dependence on food purchases and conserving the income obtained from the cash crop. Some old and unproductive trees were cut down and replaced with food crops, but at no time did the smallholder give up the idea of rubber cultivation and revert to subsistence cultivation of food crops alone. Peasants also diversified by cultivating miscellaneous cash crops which brought in quick returns or by engaging in activities which supplemented the income obtained from the commercial cultivation. The latter practice was especially common among poorer peasants during the entire period and was not confined to the depression. Economic rationality and flexibility were attributes which gave the commercial peasant a distinct advantage over the mixed subsistence-commercial peasant.

The three types of peasant agricultural economy discussed here are obviously generalizations of the immense variety of peasant practices. It must be stressed therefore that they should not be regarded as rigid conceptualizations. Rather, they should be seen as malleable formulations, merging into each other, with a great deal of mobility within and between each type. Needless to say, the typology, while it appears to be a suitable means for systematizing the material, has been drawn up with a limited number of variables and cannot hope to explain all that has happened concerning the peasantry.

One of the more provocative questions it raises relates to the tendency for the indigenous Malay peasantry to be confined to the modified traditional and the mixed subsistence-commercial economies, whilst the immigrant Malaysians and Chinese in particular have congregated around the commercial sector. The early British administrators had described the indigenous Malays as passive, lazy, indolent and in little haste to become wealthy.<sup>10</sup> By comparison they

---

10 See, for example, AR Perak 1909; AR Negri Sembilan 1912 and the books produced by the early administrators. Swettenham, frequently referred to as a champion of the Malays, had especially harsh words. In British Malaya, he wrote that the Malay had 'no stomach for really hard work and continuous work, either of the brain or the hands'. See p. 137.

had found the immigrants to be hard-working, enterprising and frugal and they had especially referred to the indispensable role played by the Chinese in the economic development of the Malay States.<sup>11</sup> This comparison between the indigenous Malay and immigrant Chinese communities was drawn for many years and, as late as 1928, one observer wrote how the Malay society was 'still largely medieval' and 'essentially conservative' whilst the Chinese were 'essentially bourgeoisie, convivial, speculative and modern' and possessed 'a zest for enterprise, education and progress'.<sup>12</sup>

The British had attributed this difference in economic vitality to such factors as the Malay historical experience when to accumulate wealth was to invite attack, the climate which discouraged hard work and the environment which permitted an acceptable though low standard of living with the minimum amount of effort.<sup>13</sup> Such answers are too vague, and other more specific reasons can be found to explain the differing reactions of the indigenous Malay and the immigrant Malaysian and Chinese peasant communities to the new economic environment. One important reason has already been discussed. The indigenous Malays were traditionally subsistence food producers and they had naturally continued with their subsistence-oriented activities during the early years of colonial rule. For many of these peasants, participation in the new economic opportunities involved a

---

11 Swettenham, for example, described the Chinese as the 'bone and sinews of the body politic'. British Malaya, p. 293.

12 Report by the Right Honourable W.G.A. Ormsby Gore, M.P. (Parliamentary Under-Secretary of State for the Colonies) on his Visit to Malaya, Ceylon and Java during the year 1928. (H.M.S.O. London, 1928), p. 12.

13 A persuasive interpretation of the Malay character as based on climatic and environmental factors was given by W. Maxwell before a gathering of Malay officers of the Civil Service. See Conf. 80/25 in SSF 252/40. Their poor opinion of Malay economic ability did not prevent many British officers from assuming a benign attitude towards them. Swettenham, for instance, commented 'it is questionable whether we should deserve their thanks if we could teach them the tireless energy, the self-denying frugality of the Chinese. And for what? Often in order that their children, or the adopted children, may squander, in a few years, what their fathers have collected in a lifetime of toil. You cannot make people virtuous by Act of Parliament and you cannot graft the Chinese nature on Malay body'. British Malaya, p. 305.



clash with their traditional lives, and the social and economic costs arising from this were often regarded as too great. During the first decade of the century, however, after the introduction of rubber, it was mainly the political factor which prevented many of the indigenous peasants from taking advantage of the commercial crop. This historical positioning of the Malay peasant as a subsistence producer - a result of the interplay between social, economic and political forces - was a stumbling block in his progress towards full commercialization.

The immigrant communities, on the other hand, were less tied down to subsistence food cultivation. Only a few Chinese in the Peninsula were engaged in padi cultivation; and although many became subsistence vegetable gardeners during the depression period, only those who were able to transform the activity into a commercial enterprise continued this economic activity in better times.<sup>14</sup>

Immigrant Javanese likewise disdained padi cultivation, and in their eagerness for quick returns, were said to ignore their own handicraft culture, preferring to purchase articles from shops and to devote their time wholly to cash crop cultivation. Some idea of the relative economic positions of the communities is provided by the 1931 census. Approximately 45 per cent of the Malay working population was engaged in padi cultivation compared with 20 per cent of the Malaysians and 0.002 per cent of the Chinese.<sup>15</sup> Immigrant agricultural enterprise was also facilitated by their ability to organize communal activity. Javanese land colonization, for instance, was undertaken by groups supervised by headmen. After clearing and partitioning land, peasants planted quick maturing crops among the longer maturing ones, of which

---

14 Exclaimed one officer, 'No other people in the tropics are able to produce such crops without wasting the soil and without outbreaks of plant and animal disease'. AR Labour Department 1938.

15 See Vlieland, British Malaya: A Report on the 1931 Census, Tables 132, 133 and 134, pp. 288-97 for further statistical details of the economic activities of the three communities.

rubber was the most preferred.<sup>16</sup> Chinese land colonization was carried out in the same manner. Investment in rubber cultivation was carried out by kongsis which operated on several adjoining blocks and left the individual peasant more time to engage in other activities. This system not only increased efficiency and cut down the costs of cultivation, but it also spread the risks of failure more widely. In contrast, Malay land colonization appears to have been mainly individualistic and consequently more prone to failure.

Another important reason was the absence of a versatile and commercially-successful domesticated animal in the indigenous peasant economy. The buffalo, the most important animal in the Malay rural community, was slow-breeding and inefficient. It was mainly used for working the fields and valued more for the social stature it brought to its owner than for its commercial returns. In addition to the buffalo the Malay peasant usually possessed a few chickens and goats, all of which served his subsistence needs. The Chinese peasant, on the other hand, as well as keeping poultry reared the pig, which was and still remains the most suitable and valuable animal in the tropics. The pig was very much the ideal commercial animal; it required little care, possessed a quick growth rate and reproduced prolifically. There was also a large commercial demand for its meat. Its value also lay in its integration into the peasant economy. Pig droppings make a rich fertilizer and, by constantly replenishing the nutrients required to grow vegetables, the animal performed an essential function and helped to explain the commercial success of Chinese market gardeners. The animal was reared in very large numbers by the Chinese fishing community and provided a valuable source of income. The pig, however, was taboo to the Muslim Malays because of the prohibition against the

---

16 AR Selangor 1936. The Resident thought that the Javanese ranked only behind the Chinese in their capacity for hard work; in determination he considered that they rivalled the Chinese and in their peaceful communal life he thought that the Chinese might take a cue. Another method of land colonization popular among the Javanese was for settled families to invite relatives over to work on their holdings. These new settlers would put in two years' work in return for the payment of their travel, board and lodging, and were free to seek other employment and work their own land after the period. Only when these peasants were settled did they try to bring their own relatives over. This was said to be the chief means by which Kuala Langat, where half the population was Javanese, was settled. AR Kuala Langat 1935, SSF 308/33.

animal in the Koran.<sup>17</sup> This religious prohibition and the inability of the indigenous peasantry to acquire a substitute commercial animal is one of the important factors contributing to the difference in economic standing between the Chinese and Malay vegetable gardening and fishing communities.

Social considerations have also played an important role in limiting the indigenous peasant's response to the new economic opportunities. One was the Islamic stigmatization of usury or riba. On account of this religious scruple, Malay peasants with savings have not been able to invest in economic undertakings which would have earned an interest for them.<sup>18</sup> Consequently they have possessed a lesser desire to save; and, when they have made savings, for them to be put into relatively unproductive investments such as livestock, a house, jewellery or land. This was not the total impact of the religious prohibition against riba. Because the Malay peasant regarded interest as sinful and was conditioned not to accept it, the

---

17 It is not exactly known how the prohibition originated in the Malay Peninsula. The aboriginal tribes and migratory Malay groups had hunted the wild pig and relished its meat, and some aboriginal tribes had also reared domesticated pigs. Probably, it was not until the arrival of the Chinese that the Malay revulsion against the animal grew. The early Chinese reared pigs in the most primitive conditions and the animal soon became associated with aliens and all that was distasteful to the Malay. Wilkinson has noted that whilst some of the fundamental doctrines of Islam are not always observed by the Peninsula Malays, other issues of theoretical importance are strictly enforced. As an example he mentions that the Malay who habitually neglected his five daily prayers 'would shrink with horror from the sin of eating pork'. Wilkinson, 'Malay Customs and Beliefs', p. 7.

18 This prohibition of the riba was frequently cited by officers as the reason for Malay reluctance to join savings banks or co-operatives. In 1920 the Director of Posts and Telegraphs pointed out that Malays who had deposits in the banks frequently refused to accept interest. See Views of the District Officers Perak, the State Treasurer, Perak, and the Director of Posts and Telegraphs, FMS, on the unpopularity of the Government Savings Bank with the Malays, SSF 3711/20.

In 1927, however, the Director of Co-operatives reported a gradual change in the Malay peasant's attitude towards savings. He wrote that rural credit societies were depositing money in Post Office savings banks, an action which would have been rare fifteen years before. AR Co-operatives Department 1927.

concept of economic profit became a more alien and less desirable objective. This has put the indigenous peasant in a position of disadvantage compared with the immigrant Malaysians and the Chinese, who had fewer scruples about making money work for them.<sup>19</sup>

Another possible factor was the commitment of a large part of the indigenous peasant's resources to unproductive social expenditure. One example of this was the indigenous peasant's religion which enjoined every Muslim who could afford it to go on a pilgrimage to Mecca. In Malay times relatively few Malays had been able to fulfil the 'Haji'. But increased propagandization of the religion during the colonial period stimulated the ambition of Malays to make this trip which conferred on the pilgrim an enhanced social status, and improved communications made it possible for many to do so.<sup>20</sup> Included among these pilgrims were peasants who had either used up their savings, sold their lands or borrowed to perform the 'Haji'.<sup>21</sup> It has been argued that the Haji had an emancipating economic effect on pilgrims and stimulated economic enterprise.<sup>22</sup> This was quite possible and indeed the first Malay peasants organized in a rubber scheme in Negri Sembilan had hoped that the income from the cultivation would enable them to go to Mecca.<sup>23</sup> But it would not invalidate the fact that this unproductive

---

19 See too, the articles by M. Freedman, 'The Handling of Money: A Note on the Background of the Economic Sophistication of Overseas Chinese' and M.G. Swift, 'The Accumulation of Capital in a Peasant Economy', both in Readings in Malayan Economics, ed. Silcock, pp. 38-42 and 21-27 respectively.

20 In 1924 it was estimated that 5,000 pilgrims went from Malaya to Mecca and Medina annually. HC to SS (Conf.) 16 April 1924, CO 273/525. Moreover, the number appears to have increased during the next few years. In 1926, pilgrims from Larut were more than double those of the previous year, and in 1927 almost 2,000 pilgrims from Selangor alone made the pilgrimage. AR Perak 1926; AR Selangor 1927.

21 See, for example, NSSF 1344/97 which records how a peasant sold eight acres of land to obtain money for a trip to Mecca and after his return had to rent the land that he formerly owned.

22 This is one of the points made by J. Vrendenbregt in his article, 'The Haddj'. Bijdragen Tot de Taal -, Land - En Volkenkunde, Vol. 118, i (The Hague, 1962) pp. 91-154.

23 In 1910 it was estimated that the 96 pilgrims from Kuala Selangor took out a total of \$130,000, excluding the cost of the passages, from the country. HCOF 997/11.

expenditure was a heavy drain on the peasant capital. Weddings, funerals and other ceremonial occasions were other sources of unproductive consumption. It was customary among Malays that these occasions should be on as lavish a scale as possible, which placed an additional strain on the peasants' resources.

The indigenous peasant's economic efficiency was also impaired by his religious obligations. All Muslims are expected to undertake a dawn-to-dusk fast during the whole of the month of Ramadhan. In this fast they have to refrain from eating and drinking as well as observing other prohibitions. This has been described as one of the 'five pillars' of the Islamic faith and has been strictly observed in the Malay Peninsula. But in the tropics the puasa is a demanding act of devotion<sup>24</sup> which has generally had a disruptive effect on Malay economic life. Coconut cultivators, for example, during the puasa period were reported to have given up copra-making which under a broiling sun is quite arduous.<sup>25</sup> The effect of the puasa on padi activity - particularly if it coincided with harvesting - was also disastrous.<sup>26</sup> It should be noted, however, that the Chinese peasant also had social characteristics or customs which were economically unproductive. The return to the native village in China was the equivalent of the indigenous pilgrim's trip to Mecca. The Chinese New Year with its orgy of eating and its deafening expenditure on fire crackers was the equivalent of the Malay's ceremonial expenditure. For many years too, opium smoking among the Chinese male population was a prime example of a social habit which was not only economically wasteful but also lowered economic efficiency.

---

24 One observer has described it as 'a time of misery, mitigated by the possibility of sleeping all day and feasting all night'. Wilkinson, Malay Custom and Beliefs, p. 63.

25 See, for example, MR Agricultural Field Officer, January 1933, SSF 263/33 for some observations on this.

26 The poor padi harvest in the FMS in 1935 was attributed to this. For some comments, see AR Agricultural Field Officer 1935, NSSF 266/36. In Krian, planting in 1904 had coincided with both the fasting and durian seasons and had lost out to both, despite the issue of government notices asking peasants not to neglect padi cultivation. The DO ruefully noted that social habits or religious obligations were impervious to government action. AR Larut and Krian 1904, supplement to PGG 8 September 1905.

The crucial factor was often the limited economic opportunities available to the indigenous peasant as compared with the Chinese peasant. The commercial structures which emerged in the Federated Malay States and throughout the Peninsula were primarily non-Malay structures, communicating in non-Malay languages. For the indigenous peasant and to a lesser extent for the immigrant Malaysian peasant, just to bridge this cultural gap required a great effort. The absence of linkage to the commercial sector has considerably impeded the Malay peasant's economic mobility. For the Chinese peasant, however, movement into the commercial sector was very much easier and his share of the opportunities for commercial advancement were that much greater. In fact, it was this sector from which the body of the Chinese peasantry was derived. Estate mandors, labourers, shop assistants, mining coolies - such people had either been forcibly compelled to become peasants or had diversified into peasant agriculture whilst retaining their other interests. The link with the commercial sector also helped to produce among these peasants a view of agricultural activity as a means of economic advancement and less as a means of subsistence.

Finally, it is a moot question whether the Malay peasant's relative estrangement from the commercial world was not above all a matter of choice. Malay peasants belonged to a distinctive culture whose vision of what constituted a good life differed from that of others. Admittedly, the Malay's acquisition of a watch, sewing machine or Jacob's cream crackers, indicated a modification in several aspects of the material part of his culture. But there was a tendency for these material acquisitions to derive their meaning from the kampong world with which the Malay identified and, having acquired them, there appears to have been little incentive for the peasant to acquire more. In contrast, the immigrant cultural ethos was one which placed a high premium on economic success, and the Chinese peasant, although living in a rural setting, took his life-style from the standards of the urban world where the competitive spirit was sharper, where perceptions of consumption were more complex and where economic objectives were much higher.

GLOSSARY

adat perpateh	matriarchal law of Minangkabau society.
anak buah	tribesmen
aruan	freshwater mudfish especially plentiful in flooded areas or rivers.
attap	roofing-thatch made usually of <u>nipah</u> leaves.
bendang	irrigated padi fields sometimes taken to mean a stretch of land under padi cultivation, in contrast to a single plot.
blukar	secondary jungle; scrub.
chetty	also known as chettier; a South Indian caste of money-lenders and bankers.
durian	thorny fruit highly regarded by the local population because of its unique flavour.
dusun	patch of land, usually higher, planted with variety of fruit trees.
gutta rambong	wild rubber obtained from <u>Ficus elastica</u> .
Haji	pilgrimage to Mecca.
kampong	Malay village; when used of cultivation refers to fruit and minor crops grown in perimeters of village.
kebun	garden, planted up with minor food crops; usually adjacent to Malay kampong house.
kedai	an ubiquitous feature in the rural landscape. These are small provision shops where the proprietors usually combine sundry business with the purchase of local produce.
kongsi	Chinese partnership or association of any kind.
kuala	river mouth; estuary.
kuasa	grant of land conferred by Sultan to a chief.
ladang	planted clearing on dry ground in contrast to a flooded padi field.
lallang	also lalang; grass, <u>imperata cylindrica</u> . Land under lallang tends to be poor as it exhausts the soil.

lembaga	a territorial chief in Negri Sembilan.
mandor	overseer of plantation labour force.
mukim	administrative subdivision of land for revenue purposes.
negeri	used specifically of an autonomous area under a Malay sultan; Malay state.
nipah	thatch-palm; <u>nipa fruticans</u> .
padi	rice in the ear.
padi ratus	system of forward sale of padi crop in return for credit advances, especially prevalent in Krian.
paya	type of padi land in Pahang; sodden grassland.
penghulu	headman with minor administrative and judicial authority.
puasa	fast; abstinence from food and drink. This refers especially to the Ramadhan month when every Muslim must fast throughout the day time.
ragi	a reddish coloured grain of Indian origin.
raiats	local population.
Ramadhan	the ninth month of the Muslim calendar; month of the Great Fast.
riba	usury; interest on money lent. Interest is prohibited by Muslim law.
sawah	land cultivated with padi. The padi is planted usually in small parcels separated from one another by low ridges.
tenggala	a plough.
toddy	the sap obtained from the incised fruit blossoms of various species of palm, particularly coconut. An intoxicating liquor of 5% alcohol content is obtained after fermentation.
tuei	a reaping-knife used in padi-cultivation.
zakat	a Muslim religious tithe levied once a year after the fasting month for distribution among the poor.



WEIGHTS, MEASURES AND CURRENCIES

Weights:	1 gantang	=	1 English gallon
	1 kati	=	1.33 lb.
	1 pikul	=	133.33 lb.

Measures:	640 acres	=	1 square mile
-----------	-----------	---	---------------

Currencies: Prior to 1867 the official currency in the Straits Settlements was the Indian rupee. In 1867 the dollar was stabilized as the official unit of money and various silver dollars from Hongkong, Mexico, Peru, Bolivia and Spain were specified as legal tender from time to time. In 1894 a British trade dollar was introduced. It was replaced in 1904 by a Straits dollar which was equivalent to 2s.4d. of the English currency. This Straits dollar has been the official currency since then.

APPENDIX 1.1Federated Malay States: Changing Racial Composition of  
Population, 1891-1931.

(Population in Thousands)

Race	1891	1901	1911	1921	1931
Malaysian	231.55	312.49	420.84	510.82	593.73
Chinese	163.43	299.74	433.24	494.55	711.54
Indian	20.15	58.21	173.71	305.22	380.00
Others	3.38	8.16	9.21	14.30	27.83
All Races	418.51	678.60	1,037.00	1,324.89	1,713.10

- Sources: (a) G.T. Hare, FMS Census of the Population 1901.  
 (b) A.M. Pountney, The Census of the Federated Malay  
 Malay States, 1911.  
 (c) J.E. Nathan, The Census of British Malaya, 1921.  
 (d) C.A. Vlieland, British Malaya: A Report on the 1931  
 Census.

Note: The term 'Malaysian' is used to include all indigenous  
 peoples of the Malay Peninsula and Archipelago.

APPENDIX 1.2Federated Malay States: Population Growth by State,  
1891-1931

(Population in Thousands)

State	1891	1901	1911	1921	1931
Perak	214.25	329.67	494.06	599.06	765.99
Selangor	81.59	168.79	294.03	401.01	533.20
Negri Sembilan	65.22	96.03	130.20	178.76	233.80
Pahang	57.45	84.11	118.71	146.06	180.11
All States	418.51	678.60	1,037.00	1,324.89	1,713.10

APPENDIX 1.3Federated Malay States: Malaysian Population Growth by  
State 1891-1913

(Population in Thousands)

State	1891	1901	1911	1921	1931
Perak	103.39	141.72	199.03	239.13	272.55
Selangor	26.58	40.39	64.95	91.78	122.87
Negri Sembilan	48.48	56.92	69.75	77.65	87.19
Pahang	53.10	73.46	87.11	102.26	111.12
All States	231.55	312.49	420.84	510.82	593.73

APPENDIX 1.4Federated Malay States: Chinese Population Growth  
by State 1891-1931

(Population in Thousands)

State	1891	1901	1911	1921	1931
Perak	93.95	149.37	217.20	224.59	325.53
Selangor	50.85	108.77	150.91	170.69	241.35
Negri Sembilan	15.39	32.90	40.84	65.17	92.37
Pahang	3.24	8.70	24.29	34.10	52.29
All States	163.43	299.74	433.24	494.55	711.54

APPENDIX 1.5Federated Malay States: Indian Population Growth  
by State 1891-1931

(Population in Thousands)

State	1891	1901	1911	1921	1931
Perak	14.86	34.71	74.77	130.32	159.15
Selangor	3.59	16.75	74.08	132.55	155.93
Negri Sembilan	1.12	5.52	18.25	33.66	50.10
Pahang	0.58	1.23	6.61	8.69	14.82
All States	20.15	58.21	173.71	305.22	380.00

## APPENDIX 1.6

## Federated Malay States: Population Engaged in Agriculture, 1931

Occupation	Perak	Selangor	Negri Sembilan	Pahang	Total
Rice Cultivation	43,213	4,465	15,219	29,429	92,326
Rubber Planting	107,319	92,734	63,994	25,008	289,135
Coconut Planting	8,802	11,428	182	590	21,002
Market Gardening	17,436	10,130	4,812	1,773	34,151
Stock Rearing & Poultry Farming	2,781	2,966	4,326	354	10,427
Forestry & Woodcutting	6,277	2,599	1,653	1,611	12,140
Other or Multifarious Agricultural Industry*	23,523	17,586	6,329	4,100	51,538
Total	209,431	141,908	96,515	62,865	510,719

\* (excluding oil palm cultivation)

Note: These figures include 142,504 plantation workers mainly found in the rubber industry.

Source: Vlieland, British Malaya: A Report on the 1931 Census, Table 119, p. 248.

Federated Malay States: Racial Composition of Population Engaged in Agriculture, 1931

<u>Occupation</u>	<u>Malaysians</u>	<u>Chinese</u>	<u>Indians</u>	<u>Others</u>	<u>Total</u>
Rice cultivation	89,122	1,038	1,892	267	92,319
Rubber planting	43,622	67,873	26,332	555	138,382
Coconut planting	10,244	1,246	8,010	37	19,537
Fruit and vegetable growers	1,296	32,621	214	20	34,151
Rearers of poultry and livestock	6,386	2,449	1,750	47	10,632
Foresters and Woodcutters	1,757	10,225	137	8	12,127
Others and Multifarious	25,549	16,115	9,883	158	51,705
<b>Total</b>	<b>177,976</b>	<b>131,567</b>	<b>48,218</b>	<b>1,092</b>	<b>358,853</b>

Source: Vlieland, British Malaya: A Report on the 1931 Census, Tables 132-35, pp. 288-96.

Note: These figures exclude 104,767 Indians, 32,916 Chinese and 4,821 Malaysians and small numbers of Europeans and Eurasians mainly employed in the plantation rubber industry.

APPENDIX 2.1

Exports, Imports, Revenue and Expenditure of the Federated  
Malay States, 1877-1912.

(\$ million)

<u>Year</u>	<u>Exports</u>	<u>Imports</u>	<u>Revenue</u>	<u>Expenditure</u>
1877	1.08	0.97	0.64	0.62
1878	1.26	1.31	0.59	0.56
1879	1.47	1.78	0.65	0.63
1880	1.91	2.23	0.88	0.79
1881	3.03	3.29	1.03	0.96
1882	5.54	5.67	1.32	1.30
1883	8.04	6.97	2.04	1.95
1884	8.10	8.54	2.15	2.14
1885	9.69	8.67	2.21	2.26
1886	13.20	10.41	2.50	2.29
1887	19.20	12.90	3.14	2.62
1888	19.78	17.33	3.66	3.01
1889	19.72	15.65	5.01	4.05
1890	17.60	15.44	4.84	5.24
1891	18.50	14.89	4.57	5.55
1892	22.66	19.16	5.35	5.88
1893	27.37	21.90	6.41	6.80
1894	32.70	24.50	7.51	7.16
1895	31.62	22.65	8.48	7.58
1896	28.40	21.15	8.43	8.60
1897	31.15	25.00	8.30	8.80
1898	35.24	27.12	9.36	11.11
1899	54.90	33.77	13.49	11.50
1900	60.36	38.40	15.61	12.73
1901	63.11	39.52	17.54	17.27
1902	71.35	45.76	20.55	15.99
1903	80.25	47.79	22.67	16.22
1904	77.62	47.05	22.26	19.32
1905	80.06	50.58	23.96	20.75
1906	80.83	50.75	27.22	18.90
1907	82.25	56.87	28.79	20.22
1908	66.42	51.34	24.62	25.87
1909	76.27	46.19	25.25	23.63
1910	102.85	53.26	26.56	23.60
1911	116.28	66.53	35.06	25.20
1912	154.97	76.12	42.65	30.99

Source: Manual of Statistics Relating to the Federated Malay States for 1920 (Kuala Lumpur, 1920) pp. 181-12, 211-12.

APPENDIX 2.2Exports, Imports, Revenue and Expenditure of the Federated  
Malay States, 1913-1938

(\$ million)

<u>Year</u>	<u>Exports</u>	<u>Imports</u>	<u>Revenue</u>	<u>Expenditure</u>
1913	148.67	86.41	44.33	47.29
1914	123.44	73.78	37.31	55.01
1915	162.43	61.34	40.77	42.84
1916	220.55	71.47	51.12	31.97
1917	271.49	73.26	65.55	40.88
1918	223.07	74.75	68.45	45.29
1919	279.14	118.85	72.14	70.68
1920	289.11	175.92	72.28	100.43
1921	135.49	103.01	54.45	114.39
1922	140.43	78.82	52.49	49.81
1923	197.10	89.09	63.95	52.83
1924	212.88	97.44	70.72	54.16
1925	411.88	137.12	86.56	69.55
1926	445.60	173.89	102.54	87.66
1927	339.93	176.16	105.40	93.26
1928	278.52	191.47	95.66	109.00
1929	349.01	201.39	81.80	84.66
1930	213.65	168.02	65.56	82.47
1931	125.18	106.20	52.35	62.16
1932	87.85	71.13	43.82	53.74
1933	111.89	67.13	47.20	50.26
1934	202.73	84.73	58.93	47.21
1935	186.77	87.10	62.36	51.12
1936	246.95	96.80	68.09	52.70
1937	357.25	131.10	80.86	71.14
1938	174.80	123.38	63.05	101.58

Source: AR Federal Secretary 1938, Appendix A.

## APPENDIX 2.3

Federated Malay States: Export Duty from Tin and Rubber,  
1898-1938

Year	Export Duty on Tin (\$m.)	% of Tin Export Duty to Total Revenue	Export Duty on Rubber (\$m.)	% of Rubber Export Duty to Total Revenue
1898	3.2	34.2		
1899	6.2	45.8		
1900	7.1	45.1		
1901	7.0	39.7		
1902	8.4	41.0		
1903	9.6	42.3		
1904	8.8	39.6		
1905	9.2	38.5		
1906	10.0	36.8	0.05	0.18
1907	9.4	32.6	0.10	0.34
1908	7.3	29.5	0.11	0.46
1909	7.2	28.3	0.36	1.43
1910	7.2	26.9	0.96	3.63
1911	8.8	25.1	1.00	2.85
1912	10.9	25.4	1.6	3.70
1913	10.7	24.2	1.4	3.15
1914	7.0	18.8	1.3	3.58
1915	7.2	17.7	2.4	5.89
1916	7.9	15.4	3.9	7.53
1917	9.3	14.2	3.3	7.50
1918	13.1	19.1	2.3	3.29
1919	9.9	13.7	4.9	6.77
1920	12.2	16.7	4.4	6.15
1921	6.2	11.3	0.2	0.31
1922	5.8	10.9	0.8	1.53
1923	8.3	12.9	4.7	7.29
1924	12.5	17.7	4.2	5.94
1925	14.0	16.1	8.7	10.05
1926	15.6	15.1	11.2	10.93
1927	17.7	16.7	8.6	8.16
1928	16.0	16.7	3.7	3.87
1929	15.4	18.8	4.3	5.26
1930	9.1	13.9	1.1	1.68
1931	5.5	10.5	0.5	0.96
1932	3.6	8.2	0.4	0.91
1933	4.9	10.3	0.6	1.27
1934	8.9	15.0	2.2	3.74
1935	9.7	15.5	2.2	3.53
1936	13.4	19.6	2.8	4.11
1937	19.5	24.0	4.8	5.93
1938	8.1	12.8	1.6	2.54

- Sources: (a) AR CS 1924, Appendix A  
 (b) Sir Lewis Fermor, Report Upon The Mining Industry of Malaya (Kuala Lumpur, 1939)  
 Table 34, p. 88.



APPENDIX 3.1

## Tin Production of the Federated Malay States, 1878-1912

(Figures in Tons)

<u>Year</u>	<u>Perak</u>	<u>Selangor</u>	<u>Negri Sembilan</u>	<u>Pahang</u>	<u>Total</u>
1878	3,452	2,517			
1879	4,101	2,537			
1880	5,247	3,007			
1881	6,018	3,008			
1882	7,227	3,391			
1883	9,488	4,275			
1884	10,190	4,561			
1885	9,680	4,935	1,264		
1886	10,991	5,897	882		
1887	12,895	7,821	1,151		
1888	13,026	8,079	1,050		
1889	13,467	10,952	1,312	298	26,029
1890	14,117	10,389	2,142	327	26,975
1891	14,406	14,904	2,447	357	32,114
1892	16,538	12,390	4,185	388	33,501
1893	18,870	15,033	3,440	418	37,761
1894	22,953	22,341	2,586	477	48,357
1895	23,960	21,515	2,332	403	48,210
1896	22,811	20,098	2,967	634	46,510
1897	20,949	17,980	2,916	548	42,393
1898	19,703	16,490	2,746	631	39,570
1899	18,959	15,180	3,410	805	38,354
1900	21,166	16,041	4,501	936	42,444
1901	22,921	18,012	4,478	1,329	46,740
1902	24,159	16,569	4,376	1,376	46,480
1903	25,967	17,420	5,087	1,492	50,966
1904	26,399	17,882	5,051	647	49,979
1905	26,594	17,254	5,067	2,077	50,992
1906	25,949	15,959	4,628	2,054	48,620
1907	25,678	16,304	4,473	1,975	48,430
1908	27,844	16,818	3,823	2,379	50,864
1909	27,480	15,834	2,861	2,568	48,743
1910	25,080	14,297	2,065	2,421	43,863
1911	26,032	13,760	1,740	2,617	44,149
1912	28,407	15,201	1,730	3,183	48,421

Source: Wong Lin Ken, Malayan Tin Industry, Appendix A, p. 249.

## APPENDIX 4.1

## World Production of Natural Rubber 1920-40

( '000 tons)

Year	Malaya	Indonesia	Thailand	Ceylon	Other Asia (including Pacific)	Africa	South America	Total
1920	174	76	-	40	15	6	41	352
1921	151	72	-	39	14	5	21	302
1922	212	102	1	47	17	3	21	403
1923	182	137	2	37	21	6	20	405
1924	176	151	3	37	25	5	26	423
1925	211	193	5	46	33	8	33	529
1926	277	208	4	59	35	10	31	624
1927	232	232	5	56	39	9	37	610
1928	294	228	5	57	39	8	25	656
1929	456	255	5	81	43	6	23	869
1930	443	241	4	76	40	5	16	825
1931	422	257	5	62	39	4	12	801
1932	406	212	4	49	30	3	6	710
1933	445	281	7	64	42	2	10	851
1934	480	380	18	79	62	3	10	1,032
1935	370	287	28	54	71	6	14	830
1936	359	311	35	50	85	8	18	866
1937	492	434	36	70	102	11	21	1,166
1938	345	301	42	49	103	13	19	872
1939	362	370	42	62	120	14	20	990
1940	541	537	44	89	142	16	26	1,395

Source: A. McFadyean, The History of Rubber Regulation, 1934-43 (London, 1944) Statistical Supplement, Table 3, pp. 228-9.

APPENDIX 4.2

Shares of Smallholdings and Plantations in Rubber Production  
of the Federated Malay States, 1920-40

Year	<u>Smallholdings</u>		<u>Plantations</u>		Total production tons
	Tons	% of total production	Tons	% of total production	
1920	n.a.	n.a.	n.a.	n.a.	101,300
1921	n.a.	n.a.	n.a.	n.a.	94,500
1922	n.a.	n.a.	n.a.	n.a.	128,500
Introduction of the Stevenson Restriction Scheme					
1923	33,300	33	68,000	67	101,300
1924	30,900	33	62,600	67	93,500
1925	35,400	33	71,800	67	107,200
1926	52,900	33	107,300	67	160,200
1927	42,100	33	85,500	67	127,600
1928	57,600	33	116,900	67	174,500
End of Restriction					
1929	110,300	42	151,100	58	261,400
1930	110,200	44	140,800	56	250,000
1931	105,400	43	141,400	57	246,800
1932	97,400	42	136,500	58	233,900
1933	110,800	45	137,400	55	248,200
Jan-May 1934	57,000	51.7	53,300	48.3	110,300
Regulation Introduced					
June-Dec 1934	56,900	40.3	84,400	59.7	141,300
1935	72,100	36	128,300	64	200,400
1936	67,700	36.1	119,900	63.9	187,600
1937	96,800	37.6	160,600	62.4	257,400
1938	58,730	31.9	125,400	68.1	184,100
1939	59,600	32.3	125,000	67.7	184,600
1940	109,800	39.2	170,200	60.8	280,000

Sources: The shares of production for 1923-28 were based on the figures of standard production during the first three restriction years. Shares for 1929-33 were obtained from AR Department of Agriculture, 1929-33 while those for 1934-40 were derived from estimates of the relative shares of the total Malayan production found in Bauer, The Rubber Industry, Table IV, p. 97.

Year	Perak	Selangor	Negri Sembilan		Pahang	Total	Total Value
			Selangor	Nagri Sembilan			
	(Quantity in tons)						
1913	7,192	1,946	39	108	9,285	not available	
1914	10,869	3,259	151	217	14,496	2,473,248	
1915	10,954	2,767	86	128	13,935	1,838,508	
1916	11,847	2,725	157	192	14,821	2,141,739	
1917	15,960	4,603	94	393	21,050	2,505,129	
1918	19,868	5,230	229	156	25,483	3,053,325	
1919	20,796	5,401	179	267	26,643	5,146,575	
1920	19,658	4,893	254	188	24,993	9,216,586	
1921	25,949	9,731	89	433	36,202	7,569,701	
1922	38,023	12,751	355	562	55,262	8,745,565	
1923	35,038	13,027	491	481	49,038	8,190,701	
1924	38,545	12,900	1,179	561	53,184	9,641,012	
1925	40,008	15,426	2,236	314	57,984	11,260,299	
1926	44,542	16,963	3,417	907	65,829	12,851,770	
1927	39,499	14,121	3,302	615	57,537	10,142,826	
1928	45,451	20,147	2,252	654	68,504	11,459,708	
1929	45,897	20,937	1,493	700	69,027	12,325,800	
1930	46,647	22,714	1,095	587	71,043	10,823,900	
1931	41,259	23,683	202	439	65,583	6,478,100	
1932	46,806	26,655	235	389	74,085	8,370,500	
1933	52,937	32,489	277	869	86,522	7,439,300	
1934	46,771	25,854	-	664	73,289	4,729,500	
1935	60,173	32,185	3	542	92,903	8,150,200	
1936	60,710	31,881	5	767	93,363	10,161,300	
1937	60,115	28,210	4	586	88,915	11,118,600	
1938	62,397	29,929	-	654	92,980	7,239,500	
1939	63,792	27,503	-	669	91,964	7,455,200	

Note: (a) There are no separate figures for peasant and plantation production. In 1933, however, peasant smallholdings comprised 55% of the mature coconut acreage and it can be assumed that peasant copra exports comprised at least half of the total exports during the period.

(continued overleaf)

(b) Export value figures for years 1929-39 are estimates derived from the Malayan figures of the value of the export of coconut products found in Grist, Malayan Agricultural Statistics 1939, Table 19.

Sources: (a) Production and export value figures for years 1913-23 were obtained from AR Director of Agriculture 1913-23.

(b) Production and export value figures for years 1924-39 were obtained from Grist, Malayan Agricultural Statistics 1939, Tables 19 and 22.

APPENDIX 6.1

Federated Malay States: Wet Padi Area 1921-38  
(Area in thousand acres)

<u>Season</u>	<u>Perak</u>	<u>Selangor</u>	<u>Negri Sembilan</u>	<u>Pahang</u>	<u>Total</u>
1921-22	88.9	14.8	30.4	26.3	160.4
1922-23	90.7	12.1	30.7	25.5	159.0
1925-26	89.9	15.7	31.3	26.2	163.1
1926-27	88.8	17.3	30.8	22.0	158.9
1927-28	87.6	13.1	31.5	22.0	154.2
1928-29	n.a.	n.a.	n.a.	n.a.	156.3
1929-30	n.a.	n.a.	n.a.	n.a.	161.4
1930-31	n.a.	n.a.	n.a.	n.a.	163.1
1931-32	88.2	20.8	32.8	32.8	174.6
1932-33	88.6	25.0	33.9	39.8	187.3
1933-34	90.6	18.7	34.4	37.7	181.4
1934-35	89.8	15.5	33.5	32.8	171.6
1935-36	90.7	18.4	33.8	31.4	174.3
1936-37	93.1	20.0	34.4	35.2	182.7
1937-38	90.2	15.0	33.6	36.1	174.9

Source: AR Department of Agriculture, 1922-38.

Note: Figures for the seasons 1923-25 are not available.  
No state breakdowns were available for the seasons 1928-31.

APPENDIX 6.2

Federated Malay States: Wet Padi Production 1921-38  
(million gantangs)

<u>Season</u>	<u>Perak</u>	<u>Selangor</u>	<u>Negri Sembilan</u>	<u>Pahang</u>	<u>Total</u>
1921-22	21.7	2.7	5.2	4.5	34.1
1922-23	22.4	2.2	5.2	4.2	34.0
1925-26	20.5	2.9	4.0	4.0	31.4
1926-27	12.4	3.8	3.1	2.1	24.4
1927-28	19.5	1.7	3.9	3.7	28.8
1928-29	n.a.	n.a.	n.a.	n.a.	28.8
1929-30	n.a.	n.a.	n.a.	n.a.	35.3
1930-31	n.a.	n.a.	n.a.	n.a.	35.7
1931-32	24.3	3.3	9.6	5.6	42.8
1932-33	24.3	4.9	9.9	7.9	47.0
1933-34	28.1	4.0	11.6	7.6	51.3
1934-35	29.3	4.2	10.6	8.3	52.4
1935-36	29.2	4.5	10.4	7.3	51.4
1936-37	30.2	5.2	10.8	7.2	53.4
1937-38	24.3	3.6	9.7	7.5	45.1

Source: AR Department of Agriculture, 1922-38.

APPENDIX 6.3

Federated Malay States: Wet Padi Yield 1921-38  
(gantangs per acre)

<u>Season</u>	<u>Perak</u>	<u>Selangor</u>	<u>Negri Sembilan</u>	<u>Pahang</u>	<u>Average</u>
1921-22	244	182	171	171	213
1922-23	247	182	169	165	214
1925-26	228	185	128	153	193
1926-27	140	220	124	95	154
1927-28	222	130	124	168	187
1928-29	n.a.	n.a.	n.a.	n.a.	185
1929-30	n.a.	n.a.	n.a.	n.a.	219
1930-31	n.a.	n.a.	n.a.	n.a.	219
1931-32	276	157	173	291	245
1932-33	275	197	232	251	251
1933-34	311	211	201	337	283
1934-35	327	273	252	315	305
1935-36	322	245	232	308	295
1936-37	324	261	204	314	292
1937-38	269	239	208	288	258

Source: AR Department of Agriculture, 1922-38

## APPENDIX 7.1

## Comparison of Cash Returns from Padi and Rubber Cultivation in Krian, 1922-39

Year	Average Yield of Padi per acre (gantangs)	Price per Gantang (cents)	Gross Proceeds from Padi (dollars per acre)	Average Yield of Rubber (lb. per mature acre)	Price per lb. (cents)	Gross Proceeds from Rubber (dollars per acre)	Difference in Favour of Rubber (dollars)
1922	260	13	33.80	400	25	90.00	56.20
1923	270	13	35.10	200	47	94.00	58.90
1924	260	13	33.80	200	43	86.00	52.20
1925	310	13	40.30	200	109	218.00	177.70
1926	260	13	33.80	200	75	150.00	116.20
1927	190	13	24.70	200	59	118.00	93.30
1928	230	13	29.90	200	33	66.00	36.10
1929	160	14	20.40	485	32	155.20	134.80
1930	200	13	26.00	460	16	73.60	47.60
1931	260	8	20.80	445	8	35.60	14.80
1932	270	7.5	20.25	385	6	23.10	2.85
1933	290	6.7	19.43	465	7	32.55	13.12
1934	280	6	16.80	330	17	56.10	36.50
1935	390	8	31.20	240	17	40.80	13.50
1936	350	8	28.00	230	24	55.20	30.70
1937	360	8	28.80	330	28	92.40	67.20
1938	310	9	27.90	200	21	42.00	21.30
1939	320	9	28.80	200	28	56.00	33.60

Notes: (a) The difference in favour of rubber is greater if the nett proceeds are taken into account as the cost of rice production varied between \$6-\$14, while that of rubber was estimated at \$3-\$6.

(b) The idea for the table was obtained from Table XI in Bauer, 'Some Aspects of the Malayan Rubber Slump', Economica, Vol. XI (November, 1944) p. 196.

(continued overleaf)



Sources: Padi yields for 1922-30 were obtained from Rice Cultivation Committee Report, Vol. I, p. 20. Yields for 1935-39 were obtained from AR Drainage and Irrigation, 1935-39. Yields for 1931-34 were obtained by adding 100 gantangs to the average annual yield of padi in the Federated Malay States. Padi prices between 1922-28 and 1934-39 were the prices guaranteed for padi delivered at the Government rice mill, Krian. Padi prices for 1929-33 were obtained from Bauer's article mentioned above and are the prices for padi delivered at the Government rice mill, Bagan Serai.

Rubber yields for 1922-28, the duration of the Stevenson scheme have been estimated at half that of plantations. Yields for 1929-39, (except for 1933 where a rough estimate was used) were obtained from Bauer, 'The Working of Rubber Regulation', Economic Journal, Vol. LVI (London, September 1946) Table IV, p. 394. Rubber prices were obtained by deducting a margin of 1-5 cents from the average Singapore spot price for rubber found in Grist, Malayan Agricultural Statistics 1939, Department of Agriculture, SS and FMS Economic Series No. 11, 1940 (Kuala Lumpur, 1940) Table 97.

APPENDIX 8.1

Land Statistics in the Federated Malay States, 1 January 1931

	<u>Perak</u>	<u>Selangor</u>	<u>Negri Sembilan</u>	<u>Pahang</u>	<u>All States</u>
	(figures are in acres)				
Country land owned by Malays	361,159	157,310	119,837	140,405	778,711
Country land owned by non-Malays	561,080	603,794	418,353	256,233	1,839,460
Town and village land owned by Malays	667	752	455	281	2,155
Town and village land owned by non-Malays	1,948	3,736	1,816	727	8,227
Area occupied under T.O.L. by Malays	8,631	6,328	944	2,572	18,475
Area occupied under T.O.L. by non-Malays	4,875	12,289	3,310	1,102	21,576
Area alienated under Mining Enactment	112,151	55,319	7,354	216,984	391,838
Forest and other reserves	1,689,651	575,836	517,269	1,946,662	4,729,418
Total area alienated	2,740,162	1,415,394	1,069,338	2,564,966	7,789,860
Area unalienated	2,217,041	671,646	567,644	6,553,654	10,009,985
Area of the State	4,957,203	2,087,040	1,636,982	9,118,620	17,799,845

Source: Commissioner of Lands to SR Selangor, 11 March 1931,  
SSF G 1195/30.

APPENDIX 8.2

Alienated Land in Malay Reservations in the Federated Malay States, 1 January 1931

	<u>Perak</u>	<u>Selangor</u>	<u>Negri Sembilan</u>	<u>Pahang</u>	<u>All States</u>
			(figures are in acres)		
Land owned by Malays	215,524	116,845	109,041	75,069	516,479
Land owned by non-Malays	17,985	4,168	52,000	1,763	75,916
Area occupied under T.O.L. by Malays	3,931	4,551	776	539	9,797
Area occupied under T.O.L. by non-Malays	889	90	315	5	1,299
Area alienated under Mining Enactment	2,390	-	74	-	2,464
Forest and other reserves	168,512	996	127,665	10,028	307,201
Total area alienated	409,231	126,650	289,871	87,404	913,156
Area unalienated	1,329,457	88,144	225,131	593,295	2,236,027
Area of Malay Reservations	1,738,688	214,794	515,002	680,699	3,149,183

Source: Commissioner of Lands to SR Selangor, 11 March 1931,  
SSF G 1195/30.

APPENDIX 8.3

Ownership of Agricultural and Mining Lands by Race in the Federated Malay States, 1 January 1938  
(figures in acres)

	<u>Europeans</u>	<u>Malays</u>	<u>Chinese</u>	<u>Indians</u>	<u>Others</u>	<u>Total</u>
Perak	315,846	358,132	171,909	73,318	147,109	1,066,314
Selangor	421,909	166,382	130,128	60,081	9,120	787,620
Negri Sembilan	305,191	116,888	75,469	34,853	10,668	543,069
Total	1,042,946	641,402	377,506	168,252	166,897	2,397,003

Source: FCP 29 November 1938, B 79.

APPENDIX 8.4

Ownership of Agricultural and Mining Lands by Race in the Federated Malay States, 1 January 1938  
(figures by per cent)

	<u>Europeans</u>	<u>Malays</u>	<u>Chinese</u>	<u>Indians</u>	<u>Others</u>	<u>Total</u>
Perak	29.6	33.6	16.1	6.9	13.8	100
Selangor	53.6	21.1	16.5	7.6	1.2	100
Negri Sembilan	56.2	21.5	13.9	6.4	2.0	100
All States	43.5	26.8	15.7	7.0	7.0	100

Note: The great majority of lands shown in the 'others' column were owned by companies from the United States. If they are included together with lands owned by Europeans, it would boost the European share of land ownership in the FMS to 50.5%.

Source: FCP 29 November 1938, B 79.

A NOTE ON SOURCES

THE source materials found most useful for this study are the records - both unpublished and published - of the federal and state governments. The unpublished material includes the High Commissioner's Office files, 1894-1941. These consist of correspondence between the High Commissioner and the Resident-General, Chief Secretary or Federal Secretary and the Residents. About 195 feet or approximately 40,000 files of what must have been a very large cache of material has survived, and though the collection is an incomplete one, particularly for the period after 1921, it is useful for its numerous valuable enclosures on subjects pertinent to the study as well as for the light it throws on the colonial decision-making process.

The Selangor Secretariat files are the best preserved of the state records and consist of correspondence to the Resident from federal and state departments and officers and from other bodies and individuals. Approximately 500 feet of this invaluable collection, which deals with all matters of government in the state and measures more than 800 feet for the period 1874-1940, was studied. The records examined completely cover the years 1874-97, 1909-13, 1916-20 and 1927-40. Records for other years were selected on the basis of references provided by state records and from other sources. The Negri Sembilan Secretariat files are comparable in content to the Selangor state records, and although similarly valuable the collection is very much less complete. Approximately two-thirds of the collection, which measures 155 feet and covers the period 1887-1941, was scrutinized. Records for the years 1897-1941 were examined fully, whilst records for the earlier years were selected by referring to a prepared index.

District and Land Office files are records of local administrations and form an important supplement to the state secretariat records. Research has been concentrated on the district files of Perak and Pahang where Secretariat records are not available. From Perak the files of Sitiawan and Kuala Kangsar - measuring approximately 100 feet - were examined. From Pahang a cross-selection of files from Bentong, Kuantan, Pekan, Raub and Temerloh were studied. The records of Port Dickson in Negri Sembilan, measuring 12 feet, were also studied.

Use was also made of the Colonial Office records, in particular the CO 273 and 717 series, which contain correspondence between the Governor of the Straits Settlements and High Commissioner of the Federated Malay States and the Secretary of State for the Colonies, private correspondence and departmental minutes.

There is an enormous quantity of published official records which in their diversity of sources and wide variety of subject reflect the complexities of colonial government especially after the first quarter of British rule in the states. They include the Parliamentary Command Papers, which contain the early annual reports of the states and the exchange of despatches between the Governor and the Secretary of State preceding and succeeding the reports. Annual reports of the states from the late 1880s onwards can be found in the state government gazettes, which together with the federal gazettes are useful compendiums on the lives of the states and contain - in addition to the reports of the Residents - district and department reports, government notices, legislation and other information. The annual and special reports and other publications of all departments regarded as likely to contain material pertinent to the study, including those of Agriculture, Co-operative Societies, Drainage and Irrigation, Forest, Land and Veterinary were studied and found to be particularly fruitful. Other printed materials consulted which were found useful were council proceedings, census and other statistical reports, circulars, financial estimates and laws and regulations.

## B I B L I O G R A P H Y

## UNPUBLISHED OFFICIAL RECORDS

## Great Britain (Public Record Office, London)

- CO 273/224-665. Original Correspondence between the Governor, Straits Settlements and Secretary of State for the Colonies, 1897-1940
- CO 426/12-23. Register of Correspondence, Straits Settlements, 1896-1919
- CO 427/24-37. Register of Correspondence, Straits Settlements, 1920-37
- CO 486/7-17. Correspondence, Register of Out-letters, Straits Settlements, 1895-1926
- CO 537/45-48. Supplementary Original Correspondence: despatches and offices, 1873-98
- CO 717/1-144. Original Correspondence between High Commissioner, Federated Malay States and Secretary of State for the Colonies, 1920-40
- CO 786/1-12. Register of Correspondence, Federated Malay States, 1919-37
- CO 787/1-3. Register of Out-letters, Federated Malay States, 1920-26

## Malaysia (University of Malaya Library, Kuala Lumpur)

- CO 273/1-223. Correspondence between Governor, Straits Settlements and Secretary of State for the Colonies, 1874-97 (on microfilm)

## Malaysia (National Archives of Malaysia, Petaling Jaya)

## Federal Records

High Commissioner's Office Files, 1894-1941

## State Records

Kuala Kangsar District Office Files, Perak, 1922-41  
 Sitiawan District Office Files, Perak, 1919-37  
 Kuala Kangsar Land Office Files, Perak, 1922-33

Selangor Secretariat Files, 1874-1940

Negri Sembilan Secretariat Files, 1887-1941  
 Port Dickson District Office Files, Negri Sembilan  
 1915-36

Bentong District Office Files, Pahang, 1923-41  
 Kuantan District Office Files, Pahang, 1896-1936  
 Pekan District Office Files, Pahang, 1918-40  
 Raub District Office Files, Pahang, 1919-35  
 Pekan Land Office Files, Pahang, 1931-40  
 Temerloh Land Office Files, Pahang, 1917-36

## PUBLISHED OFFICIAL RECORDS

(Except where otherwise indicated the materials are to be found  
 in the National Archives of Malaysia, Petaling Jaya)

I Parliamentary Papers: (on microfilm in University of Malaya  
 Library Kuala Lumpur)

These contain correspondence concerning the affairs  
 of the Malay States, instructions to the British  
 Residents, annual reports of the Residents and  
 miscellaneous items.

C. 1111 of July 1874  
 C. 1320 of August 1875  
 C. 2410 of July 1879  
 C. 3095 of August 1881  
 C. 3285 of August 1882  
 C. 3429 of November 1882  
 C. 4192 of August 1884  
 C. 4958 of February 1887  
 C. 5566 of November 1888  
 C. 5884 of August 1889  
 C. 6222 of November 1890  
 C. 6576 of February 1892

II Annual Reports

Resident-General, FMS	1895-1909
Chief Secretary, FMS	1910-1934
Federal Secretary, FMS	1935-1939



British Resident Perak	1888-1939
British Resident Selangor	1886-1939
British Resident Negri Sembilan	1887-1939
British Resident Pahang	1888-1939
Department of Agriculture	1905-39
Chinese Affairs Department	1901, 1905-15, 1923, 1925-39
Co-operative Societies Department	1922-39
Drainage and Irrigation Department	1932-39
Forest Administration Department	1901-39
Immigration and Emigration Department	1905, 1908, 1910, 1911
Labour Department	1914-22, 1925-39
Lands, Mines and Surveys Department	1896-1907, 1928-31
Mines Department	1935-1939
Public Works Department	1901-16, 1918-39
Survey Department	1901-15, 1918-1919, 1923-39
Trade and Customs Department	1903-08, 1911-21, 1923-39
Veterinary Department	1931-39

### III Government Gazettes

Straits Settlements Government Gazettes	1875, 1884-1940
Federated Malay States Government Gazettes	1909-40
Perak Government Gazettes	1888-1909
Selangor Government Gazettes	1891, 1898-1909
Negri Sembilan Government Gazettes	1894, 1896, 1898-1909

### IV Council Proceedings

Straits Settlements Legislative Council Proceedings	1902, 1904-6, 1908, 1911-15, 1917-1939
Federal Council Proceedings	1909-1939
Perak Council Minutes (see under C.W. Harrison for 1877-9, R.J. Wilkinson for 1880-2 and Perak Government Gazette for 1888-95)	1877-79, 1880-82, 1888-95
Selangor Council Minutes (on microfilm in Australian National University, Canberra)	1877-1940

### V Constitutional

Minutes of the First Session of Chiefs of the FMS held at Kuala Kangsar, Perak	14-17 July 1897
--	-----------------

Minutes of the Second Session of Chiefs of the FMS held at Kuala Kangsar, Perak	20-22 July 1903
Proceedings of Durbar of Malay Rulers held at Seri Menanti	25 November 1939
Proceedings of Conference of Residents held at Kuala Lumpur	1902, 1905
Index to Decisions of Residents' Conferences, 1897-1928, comp. J.A. Harvey (Kuala Lumpur, 1928) [found in National Library, Singapore]	1897-1928

## VI Circulars

Perak	1885-1906, 1930-32, 1935
Selangor	1904, 1909
Negri Sembilan	1895-1903
Pahang	1904
Circulars, Instructions and Rulings - Resident-General's Office	1896, 1900, 1906-15
Chief Secretary's Office	1914-17, 1918-24, 1926-27, 1931-39
Federal Secretary's Office	1924-40
Circulars and Schemes - Resident- General's Office	1896-1902, 1896-1905

## VII Statistical

FMS Census of the Population 1901, comp. G.T. Hare (Kuala Lumpur, 1902)
The Census of the Federated Malay States 1911, comp. A.M. Pountney (Kuala Lumpur, 1912)
The Census of British Malaya, 1921, comp. J.E. Nathan (London, 1922)
British Malaya: A Report on the 1931 Census, comp. C.A. Vlieland (London, 1932)
FMS Financial Estimates, 1896-1941 (Kuala Lumpur, 1897-1941)
Malaya: Average Prices, Declared Trade Values, Exchange and Currency for the Year 1939 (corrected up to 31st December, 1939) comp. Dept. of Statistics, Straits Settlements and FMS (Singapore, 1940)
Malaya: Schedule of Import, Export and Excise Duties (corrected up to 30th June, 1941) comp. Dept. of Statistics, Straits Settlements and FMS (Singapore, 1941)
Nationality of Ownership and Nature of Constitution of Rubber Estates in Malaya, comp. D.H. Grist (Kuala Lumpur, 1933)
Malayan Agricultural Statistics 1931-39, comp. D.H. Grist (Kuala Lumpur, 1932-40)
Manual of Statistics Relating to the Federated Malay States for 1920 (Kuala Lumpur, 1920)

## VIII Laws, regulations, etc.

- The Laws of Perak; Orders in Council and enactments passed by the State Council, 1877-1896, comp. A.B. Voules (Taiping, 1899)
- The Land Laws of Perak, 1877-1900, comp. W.G. Maxwell (Taiping, 1906)
- Perak Circulars, 1885-1906, ed. R.J. Wilkinson (Kuala Lumpur, 1907)
- The Laws of Perak, from the 11th September 1877 to the 31st December 1903, comp. W.G. Maxwell, 3 vols. (Kuala Lumpur, 1907)
- Chronological Lists of State and Federal Laws, 1877-1932, With Rules, comp. H.A. Forrer (Kuala Lumpur, 1933)

## IX Miscellaneous

Department of Agriculture, Straits Settlements and FMS Publications (Ministry of Agriculture Library, Kuala Lumpur)

Bulletins Old Series, Nos. 1-39, 1909-27

- No. 5, 1909: The Extermination of Rats in Rice-Fields, by W.J. Gallagher
- No. 7, 1910: Coffee Robusta, by W.J. Gallagher
- No. 11, 1911: Coconut Cultivation in the FMS, by L.C. Brown
- No. 12, 1911: Padi Cultivation in Krian, by H.C. Pratt
- No. 18, 1914: Agriculture in Malaya in 1912, by L. Lewton-Brain
- No. 20, 1914: Agriculture in Malaya in 1913, by L. Lewton-Brain
- No. 33, 1922: Wet Padi Planting in Negri Sembilan, by D.H. Grist
- No. 35, 1923: Rice in Malaya, by H.W. Jack

The Agricultural Bulletin of the Federated Malay States, vols. I-IX, 1913-21; continued as the Malayan Agricultural Journal, vols. X-XXVIII, 1922-40

- Vol. I No. 4, 1912: 'The Rice Crop in Malaya' by N.W. Barritt
- Vol. I No. 6, 1913: 'Malay Kampongs in the District of Temerloh, Pahang', by L.C. Brown, pp. 226-28
- Vol. I No. 1, 1914: 'Economics of Padi Planting', by N.W. Barritt, pp. 443-46
- Vol. III No. 1, 1914: Minutes of Planters' Association of Malaya meeting, August 1914, pp. 18-32
- Vol. V No. 3, 1916: Minutes of Meeting of the Planters' Association of Malaya, October 1916, pp. 100-06
- Vol. V No. 7, 1917: Agricultural Conference, Malaya 1917
- Vol. V No. 11 & 12, 1917: 'Food-Stuffs in Malaya', by F.G. Spring, pp. 422-27

- Vol. IX No. 1, 1921: 'The Cultivation of Tenggara Padi',  
by D.H. Grist and Syed Abdul  
Rahman, pp. 25-26
- Vol. X No. 1, 1922: 'Local Land Tenure', by Mohamed Noor,  
pp. 13-14
- Vol. XIII No. 1, 1925: 'Report on the Weekly Fairs in Krian',  
by Mohamed Noor, pp. 13-16

Bulletins General Series Nos. 1-20, 1929-33

- No. 1 The Culture of Vegetables in Malaya, by B. Bunting  
and J.N. Milsum
- No. 4 Reports of Agricultural Field Officers for the Year  
1929
- No. 5 Report and Proceedings of the Second Inter-  
Departmental Agricultural Conference held in  
Kuala Lumpur, 1930
- No. 6 Technical Reports for the Year 1930
- No. 7 Reports of Agricultural Field Officers for the Year  
1930
- No. 8 Investigations on Coconuts and Coconut Products, by  
F.C. Cooke
- No. 11 Reports of Agricultural Field Officers for the Year  
1931
- No. 15 Reports of the Field Branch for the Year 1932
- No. 20 Reports of the Field Branch for the Year 1933

Bulletins Economic Series Nos. 1-11, 1931-40

- Nos. 1, 3, 5-11,  
1932-40: Malayan Agricultural Statistics, 1931-39,  
comp. D.H. Grist
- No. 2, 1933: Nationality of Ownership and Constitution  
of Rubber Estates in Malaya, comp.  
D.H. Grist
- No. 4, 1934: Bark Consumption and Bark Reserves on  
Small Rubber Holdings, by H.D. Meads

Bulletins Scientific Series Nos. 1-26, 1930-55

- Report of the Rice Cultivation Committee, 2 vols. (Kuala  
Lumpur, 1931)
- Report on the Progress of Schemes for the Improvement and  
Extension of Rice Cultivation (Kuala Lumpur, 1935)
- Report of a Committee appointed by His Excellency the Officer  
Administering the Government of the Straits  
Settlements and High Commissioner of the Malay States  
to Investigate and Report on the Present Economic  
Condition of the Coconut and Other Vegetable Oil  
Producing Industries in Malaya (Kuala Lumpur, 1934)
- Proceedings of the Forest Conference held in the FMS, 1915  
(Kuala Lumpur, 1915)
- Forestry in the Malay Peninsula, by G.E.S. Cubitt (Kuala  
Lumpur, 1924)

- Report and Proceedings of the Mining Conference held at Ipoh, Perak, FMS, 23 September to 6 October 1901, written and arranged by W.J.P. Hume and F.J.B. Dykes (Perak, 1902)
- The Tailings Commission 1904. Report containing a Summary of the Proceedings with the Resolutions Passed and Recommendations made to which are appended the minutes and notes of evidence with exhibits and appendices (Kuala Lumpur, 1905)
- Report of the Commissions appointed to enquire into and report upon (a) the present state of trade depression and (b) the extension of credit facilities (Singapore, 1921)
- The Final Report of the Retrenchment Commission (Kuala Lumpur, 1923)
- Report of the FMS Retrenchment Commission appointed on 9 March 1932 (Kuala Lumpur, 1932)
- The Singapore and Straits Directory 1893 (Singapore, 1894); 1895 (Singapore, 1896)

#### UNPUBLISHED PRIVATE PAPERS

Great Britain (British Association of Malaya Library, London)

Historical collection of private papers deposited by H.P. Bryson, R.J.B. Clayton, T.B. Coe, T. Kitching, W.G. Maxwell and J.S. Potter

Malaysia (National Archives of Malaysia, Petaling Jaya)

Hugh Clifford's Diary, 1888 and 1893  
 Raja Haji Kamaralzaman Raja di-Hilir of Perak Papers, 1934-52  
 Hugh Low's Diary, 1877  
 Personal Papers of Frank Swettenham, 1883-1940

#### UNPUBLISHED THESES AND ACADEMIC EXERCISES

- Abdul Aziz b. Mohd. Yassin, 'Zakat: A Perspective on its Origin and Place in Malay Society' (University of Malaya, Singapore, 1957)
- Ahmad B. Sa'adi, 'The Development of Malaya's Rice Industry, 1896-1921' (University of Malaya, Singapore, 1960)
- Cant, R.C., 'An Historical Geography of Pahang, 1888-1939', Ph.D. dissertation (University of Malaya, Kuala Lumpur, 1965)
- Chew, Ernest, 'Sir Frank Swettenham's Malayan Career Up Till 1896', M.A. dissertation (University of Singapore, Singapore, 1966)

- Goh Yoon Fong, 'British Administration in Selangor, 1896-1909', M.A. dissertation (University of Malaya, Kuala Lumpur, 1966)
- Loh Fook-seng, Philip, 'Some Aspects of British Social Policy in the Protected Malay States, 1877-1895', M.A. dissertation (University of Malaya, Kuala Lumpur, 1967)
- Sithamparanathan, R., 'The Establishment of District Administration in Batang Padang, 1889-1900' (University of Malaya, Singapore, 1956)
- Tahir Abd. Rahim, 'Malay Practices and Beliefs Connected with the Cultivation of Padi in Malacca' (University of Malaya, Singapore, 1957)
- Zaharah Mahmud, 'Change in a Malay Sultanate: An Historical Geography of Kedah before 1939', M.A. dissertation (University of Malaya, Kuala Lumpur, 1966)

#### JOURNALS AND NEWSPAPERS

- Journal of the Straits Branch Royal Asiatic Society, Singapore
- Journal of the Malayan Branch Royal Asiatic Society, Singapore
- (Malayan) Journal of Tropical Geography, Singapore
- Straits Times, Singapore (collection of cuttings on 'Co-operative Societies 1930-41', 'Immigration 1934-55', 'Malaynization 1932-40', 'Padi Cultivation 1930-41', 'Agriculture pre-war and post-war' and 'Rubber Smallholders' found in Straits Times Library, Kuala Lumpur)

#### BOOKS AND ARTICLES

- Akers, C.E., Report of the Rubber Industry of the Orient (London, 1912)
- Anderson, J., Political and Commercial Considerations relative to the Malayan Peninsula (Prince of Wales Island, 1824)
- Bastin, J. and R. Roolvink, eds., Malayan and Indonesian Studies (London, 1964)
- Bauer, P.T., 'Some Aspects of the Malayan Rubber Slump 1929-33', Economica, vol. XI (London, November 1944) pp. 190-98
- 'The Working of Rubber Regulation', The Economic Journal, vol. LVI (London, September 1946) pp. 391-414
- 'Malayan Rubber Policies', Economica, vol. XIV (1947) pp. 81-107
- The Rubber Industry (London, 1948)
- Blythe, W.L., 'A Historical Sketch of Chinese Labour in Malaya', JMBRAS XX, (1947) pp. 64-114

- Boeke, J.H., Economics and Economic Policies of Dual Societies (New York, 1953)
- Brown, C.C., Perak Malay (London, 1921)
- Bryson, H.P., 'Land Tenure and Documents of Title in Malaya', Malaya (London, January 1963) pp. 26-27
- Burkill, I.H., A Dictionary of Economic Products of the Malay Peninsula, 2 vols., (London, 1935)
- Chiang Hai Ding, 'The Origin of the Malayan Currency System', JMBRAS XXXIX, i (1966)
- Clarke, C. and M. Haswell, The Economics of Subsistence Agriculture (London, 1961)
- Clarkson, J.D., The Cultural Ecology of a Chinese Village: Cameron Highlands, Malaysia (Chicago, 1968)
- Cowan, C.D., Nineteenth Century Malaya: The Origins of British Control (London, 1961)  
ed., The Economic Development of South East Asia (London, 1964)
- Dalton, G., ed., Tribal and Peasant Economies (New York, 1967)
- Ding Eing Tan Soo Hai, The Rice Industry in Malaya 1920-40 (Singapore, 1963)
- Dobby, E.H.D., 'The Changing Significance of Padi-Growing in South-East Asia', Journal of Tropical Geography, vol. 6 (1955) pp. 81-88
- Drabble, J.H., 'The Plantation Rubber Industry in Malaya up to 1922', JMBRAS XL, i (1967) pp. 52-77
- Emerson, R., Malaysia (Kuala Lumpur, 1964)
- Figart, D.M., The Plantation Industry in the Middle East, United States Department of Commerce, Trade Promotion Series No. 2 Crude Rubber Survey (Washington, 1925)
- Firth, R., Malay Fishermen: Their Peasant Economy (London, 1946)
- Firth, Rosemary, Housekeeping among Malay Peasants (London, 1947)
- Fisk, E.K., 'Planning in a Primitive Economy: From Pure Subsistence to the Production of a Market Surplus', Economic Record, vol. XI (Melbourne, June 1964) pp. 156-74  
'The Labour Absorption Capacity of Subsistence Agriculture' (in forthcoming issue of Economic Record)  
Studies in the Rural Economy (Singapore, 1964)
- Forster, G.M., Traditional Cultures and the Impact of Technological Change (New York, 1961)

- Freedman, M., 'The Handling of Money: A Note on the background of the Economic Sophistication of Overseas Chinese' in Readings in Malayan Economics, Silcock, ed., pp. 38-42
- Furnivall, J.S., Colonial Policy and Practice: a Comparative Study of Burma and Netherlands India (New York, 1956)
- Geertz, C., Agricultural Involution: The Process of Ecological Change in Indonesia (California, 1963)
- German, R.L., ed., Handbook to British Malaya (London, 1936)
- Greaves, I.C., Modern Production among Backward Peoples (London, 1935)
- Grist, D.H., Outline of Malayan Agriculture (Kuala Lumpur, 1936)  
Rice (London, 1953)
- Gullick, J.M., 'Sungei Ujong', JMBRAS XXII, ii (1949) pp. 1-62  
'The Negri Sembilan Economy of the 1890s', JMBRAS XXIV, i (1951) pp. 38-55  
Indigenous Political Systems of Western Malaya (London, 1958)
- Harrison, C.W., 'Council Minutes, Perak, 1877-79', Papers on Malay Subjects, ed., R.J. Wilkinson, 1st series, History III, 1907
- Ingram, J.C., Economic Change in Thailand since 1850 (California, 1955)
- Jackson, J.C., Planters and Speculators: Chinese and European Enterprise in Malaya, 1786-1921 (Kuala Lumpur, 1968)
- Jackson, R.N., Immigrant Labour and the Development of Malaya 1786-1920 (Kuala Lumpur, 1961)
- Ju-K'ang T'ien, The Chinese of Sarawak: A Study of Social Structure (London, 1953)
- Khoo Kay Kim, 'The Origins of British Administration in Malaya', JMBRAS XXXIX, i (1966) pp. 52-91
- Knorr, K.E., World Rubber and Its Regulation (California, 1945)
- Lambert, R.D. and Hoselitz, B.T., eds., The Role of Savings and Wealth in Southeast Asia and the West (London, 1964)
- Li Dun-Jen, British Malaya: An Economic Analysis (New York, 1935)
- Lim Chong Yah, Economic Development of Modern Malaya (Kuala Lumpur, 1967)
- Linehan, W., 'History of Pahang', JMBRAS XIV, ii (1936) pp. 1-257



- Low, Lt.-Col. J., A Dissertation on the Soil and Agriculture of the British Settlement of Penang or Prince of Wales Island in the Straits of Malacca, Including Province Wellesley on the Malayan Peninsula: with Brief References to the Settlements of Singapore and Malacca, and Accompanied by Incidental Observations on Various Subjects of Local Interest in These Straits (Singapore, 1836)
- Makepeace, W.E., Brooke, O.E. and Bradell, R. St. J., eds., One Hundred Years of Singapore, 2 vols. (London, 1921)
- Maxwell, W.E., 'Law and Customs of the Malays with reference to the Tenure of Land', JSBRAS XIII (1884) pp. 75-220
- Maxwell, W.G. and Gibson, W.S., Treaties and Engagements affecting the Malay States and Borneo (London, 1924)
- McFadyean, Sir A., ed., The History of Rubber Regulation 1934-43 (London, 1944)
- McHale, R.T., Rubber and the Malayan Economy (Singapore, 1967)
- Meek, C.K., Land Law and Customs in the Colonies (London, 1949)
- Mills, L.A., British Rule in Eastern Asia (London, 1942)
- Mohamed Ja'afar, 'An Account of the Cultivation of Rice in Malacca', trans. C.O. Blagden, JSBRAS XXX (1897) pp. 285-304
- Myint, H., The Economics of the Developing Countries (London, 1963)
- Nair, K., Blossoms in the Dust (London, 1961)
- Neale, W.C., Economic Change in Rural India: Land Tenure and Reform in Uttar Pradesh 1860-1955 (Yale, 1962)
- Newbold, T.J., Political and Statistical Account of the British Settlements in the Straits of Malacca, with a History of the Malayan States, 2 vols. (London, 1839)
- Newell, W.H., Treacherous River: A Study of Rural Chinese in North Malaya (Kuala Lumpur, 1962)
- Okun, B. and R.W. Richardson, eds., Studies in Economic Development (New York, 1962)
- Ooi Jin-bee, 'Rural Development in Tropical Areas with special reference to Malaya', Journal of Tropical Geography, vol. 12 (March, 1959) pp. 1-222
- Parmer, J.N., Colonial Labour Policy and Administration: A History of Labour in the Rubber Plantation Industry in Malaya, c.1910-1941 (New York, 1960)
- Pelzer, K.L., Population and Land Utilization: an Economic Survey of the Pacific Area, Part 1 (New York, 1941)

- Potter, J.M., Capitalism and the Chinese Peasant: Social and Economic Change in a Hong Kong Village (California, 1968)
- Puthuchery, J.J., Ownership and Control in the Malayan Economy (Singapore, 1960)
- Robson, J.H.M., Records and Recollections, 1899-1934 (Kuala Lumpur, 1934)
- Roff, W.R., The Origins of Malay Nationalism (Kuala Lumpur, 1967)
- Rowe, J.W.F., Studies in the Artificial Control of Raw Material Supplies No. 2 Rubber (London, 1931)
- Royal Institute of Colonial Affairs, The Colonial Problem (London, 1937)
- S. Husin Ali, 'Social Stratification in Kampong Bagan', JMBRAS monograph (1964) pp. 1-170
- Sadka, E.S., The Protected Malay States 1874-1895 (Kuala Lumpur, 1968)
- Sandhu, Kernial Singh, Indians in Malaya: Some Aspects of Their Immigration and Settlement (1786-1957) (Cambridge, 1969)
- Schidrowitz, P. and Dawson, T.R., eds., History of the Rubber Industry (Cambridge, 1952)
- Schultz, T.W., Transforming Traditional Agriculture (London, 1964)
- Silcock, T.H., The Commonwealth Economy in Southeast Asia (London, 1959)  
ed., Readings in Malayan Economics (Singapore, 1961)
- Stahl, K.M., The Metropolitan Organization of British Colonial Trade (London, 1951)
- Steward, J.H., ed., Contemporary Change in Traditional Societies, 3 vols. (Illinois, 1967)
- Swettenham, F., British Malaya (London, 1907)
- Swift, M.G., 'The Accumulation of Capital in a Peasant Society' in Readings in Malayan Economics, Silcock, ed., pp. 21-27  
Malay Peasant Society in Jelebu (London, 1965)
- Tarling, N., 'British Policy in the Malay Peninsula and Archipelago 1824-1871', JMBRAS XXX, iii (1957) pp. 1-228
- Tempany, Sir H.A. and Grist, D.H., An Introduction to Tropical Agriculture (London, 1958)
- Thio, E., British Policy in the Malay Peninsula 1880-1910, vol. 1 (Kuala Lumpur, 1969)
- Tjoa Soe Hock, Institutional Background to Modern Economic and Social Development in Malaya (Kuala Lumpur, 1963)

- Vickers, W.J. and Strahan, J.H., A Health Survey of the State of Kedah with special reference to Rice Field Malaria, Nutrition and Water Supply (Kuala Lumpur, 1937)
- Vredenburg, J., 'The Haddj', Bijdragen Tot de Taal-, Land - En Volkenkunde, 118, 1 (The Hague, 1962) pp. 91-154
- Walterstein, E., ed., Social Change: The Colonial Situation (New York, 1965)
- Watson, R.G., The Land Laws and Land Administration of the Federated Malay States (Kuala Lumpur, 1908)
- Wertheim, W.F., Indonesian Society in Transition, A Study in Social Change (The Hague, 1955)
- Wharton, Jr., C.R., Research on Agricultural Development in Southeast Asia (New York, 1965)
- Wheeler, L.R., The Modern Malay (London, 1928)
- Whittlesey, C.R., Governmental Control of Crude Rubber (Princeton, 1931)
- Wilkinson, R.J., Malay Beliefs (London, 1906)  
 gen. ed., Papers on Malay Subjects 1st Series (Kuala Lumpur, 1907-11)
- The Series comprises:
- Malay Literature, by R.J. Wilkinson and R.O. Winstedt (1907)
- Malay Law, by R.J. Wilkinson and W.J. Rigby (1908)
- Malay History, by R.J. Wilkinson and C.W. Harrison (1908-11)
- Malay Life and Customs, by R.J. Wilkinson and R.O. Winstedt (1908-10)
- Malay Industries, by R.J. Wilkinson and G.E. Shaw (1909-11)
- The Aboriginal Tribes, by R.J. Wilkinson (1910)
- A History of the Peninsular Malays (Singapore, 1923)
- 'Malay Customs and Beliefs', JMBRAS XXX, iv (1957) pp. 1-87
- A Malay-English Dictionary, 2 parts (London, 1959)
- Willis, J.C., A Report upon Agriculture in the Federated Malay States (Kuala Lumpur, 1905)
- Wilson, P.J., A Malay Village and Malaysia (New Haven, 1967)
- Wilson, T.B., The Economics of Padi Production in North Malaya (Kuala Lumpur, 1958)
- Wong Lin Ken, The Malayan Tin Industry to 1914 (Tucson, 1965)

Wright, A. and Read, T.H., The Malay Peninsula: a record of  
British Progress in the Middle East (London, 1912)

Wynne, M.L., Triad and Tabut (Singapore, 1941)

Yip Hat Hoong, The Development of the Tin Mining Industry of  
Malaya (Kuala Lumpur, 1969)