PLANTERS
AND SPECULATORS
Chinese and European
Agricultural Enterprise in Malaya,
1786-1921
by
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INTRODUCTION

At the close of the eighteenth century the Malay Peninsula was a scantily-populated, jungle-covered wilderness politically divided into a series of small states of varying degrees of independence and isolation. Settlement was restricted to small, traditionally-organized and often temporary Malay coastal and riverine kampongs,¹ to a few diminutive mining centres in the foothills and to a shifting aboriginal population elsewhere. Internal communication was limited to the rivers and occasional jungle-tracks, and the peninsula produced little for export to the outside world save small quantities of tin, gold and jungle produce. It was a region almost totally devoid of export-orientated agriculture.

The nineteenth century witnessed sweeping changes in these patterns. A British Settlement was established on Penang Island in 1786 and a strip of the adjacent mainland, named Province Wellesley, was added in 1800. The Settlement of Singapore was founded in 1819 and five years later Malacca passed finally into British hands. With the addition of the Dindings, these separate British points d'appui were combined to form the Straits Settlements in 1826. They remained under the control of the Government of India until 1867 when, as a result of local pressures, they were constituted a separate Crown Colony. In the meantime, a policy of non-interference in the peninsular Malay States had emerged. This policy was reversed in 1874 when British protection was extended to the western Malay States of Perak, Selangor and Sungei Ujong. By 1889 Pahang and the remainder of Negri Sembilan had been added to the list of protected states, and in 1896 these were linked to form the Federated Malay States. The extension of British influence was completed in the period 1909-19 when the rulers of Johore and the former Siamese states of Trengganu, Kelantan, Kedah and Perlis agreed to accept British Advisers: these states then

¹ The Malay word kampong signifies a village or a cluster of buildings making up a large homestead or small hamlet together with the surrounding mixed gardens.
became known as the Unfederated Malay States (Fig. 1 inset).

The economic development of the peninsula proceeded rapidly, particularly in the second half of the nineteenth century, as pioneers carved land from the jungle for mining or agricultural purposes in order to export the produce. To a very great extent this pioneering was undertaken by immigrant aliens desirous of making a profit on the venture rather than of establishing permanent settlements. The economy of the peninsula quickly became tied to external trade, its development lay in the hands of immigrant pioneers most of whom intended, ultimately, to return to their homelands. Much of the published research on the history of the peninsula has centred on the political and administrative developments connected with the extension of British influence; the concurrent social and economic developments have received limited attention. The main purpose of the present study is to trace the development of export-orientated or ‘plantation’ agriculture in Malaya during this period of rapid change.

Strictly speaking the term ‘plantation’ refers to any planting of export-orientated crops of whatever size. Plantation agriculture represents, therefore, a commercial venture producing for export. In the context of nineteenth-century Malaya the important distinction lies between export-orientated or plantation agriculture and domestic food-crop production or kampung agriculture. Size of unit was not a fundamental criterion in this distinction: it was the object of cultivation that marked the one from the other. The introduction of land regulations in the late nineteenth century which recognized a distinction between what are now termed ‘smallholdings’ and holdings comprising over 100 acres, termed ‘estates’, first established size of unit as a basic criterion. This new distinction was confirmed during the rapid expansion of rubber planting and of corporate ownership in export-orientated agriculture in the first two decades of the present century. Throughout this study the term ‘plantation’ is used in its literal sense and not as a synonym for the modern term ‘estate’. Moreover, until the middle years of the first decade of the twentieth century when the official

3 Throughout this study Malaya refers to the former Federation of Malaya together with the Island of Singapore.
statistics began to take 100 acres as the lower limit of ‘estates’; this latter term was also applied to holdings of a variety of sizes; it is similarly indiscriminately used for the earlier period in the pages that follow.

The development of plantation agriculture in Malaya in the nineteenth and early twentieth centuries was mainly the work of Chinese and European pioneers. Entering a region largely devoid of commercial agriculture these pioneers responded in varying ways to the possibilities offered by the humid tropical environment. Much of what follows is, therefore, a study of a planters’ frontier, of the reactions of pioneer agriculturalists to conditions that were new to them and to a situation in which the essentials for the development of plantation agriculture—credit facilities, labour and land with access to points of export—were severely limited. It is not, of course, a simple story. A number of different crops, with diverse requirements, producing different results and grown on varying systems attracted these pioneers at different dates. Moreover, the Chinese and the Europeans tended to respond in different ways and, in part, these reflected the social and cultural values of their respective origins. The Chinese agricultural pioneers looked for quick returns on a small capital investment. They were drawn to Malaya by the prospect of acquiring sufficient wealth to return to their homeland to a life of relative comfort, and the long-term development of land in an alien environment offered little attraction. To the nineteenth-century European settlers, on the other hand, long-term investment in land was considered the basis for the development of plantation agriculture, a concept which no doubt arose partly from the traditional European attitude towards ‘landed estates’ and partly from the experience of European planters with tropical crops in other parts of the British Empire.

The cardinal theme of this study is that for much of the nineteenth century the Chinese achieved greater success in their efforts to develop export-orientated agriculture than did their...
European counterparts. In an attempt to indicate the factors involved in this success Part I focusses attention on the activities of Chinese planters using a system of cultivation reflecting their response to contemporary conditions. Towards the close of the century, however, the situation began to change noticeably and the European planters started to play an increasingly important role, culminating in the European domination of plantation agriculture in Malaya that accompanied the foundation of the rubber industry in the first two decades of the twentieth century. Part II is concerned with the earlier less successful attempts to develop plantation agriculture on the lines envisaged by the European settlers. It points to the emergence of factors more favourable to such development in the later years of the century. Undoubtedly most important in this respect were the inter-related effects of an expanding world economy and the spread of British control, for these gave planters in Malaya access to British capital, to the rapidly growing British market, and to cheap Indian labour at a time when plantation agriculture was generally regarded as the chief means of exploiting tropical colonies. The last section deals with the effects of the introduction and expansion of rubber planting in confirming this change. In examining this shift from Chinese to European domination considerable emphasis has been placed on the organization of the agricultural enterprises concerned, since in the last analysis it is this factor that determines their relative success under similar conditions.

Writing at the time of the rubber boom Willis remarked that 'enterprise of the kind now under consideration tends to run in grooves, the product that offers greatest attraction being alone taken up, as was lately the case with rubber'. More recently, C.J. Robertson observed that the history of the plantation system, 'notably in both Ceylon and Malaya, shows the rise and fall of successive crops and on the whole a continuous successful adaptation'. Plantation agriculture in Malaya in the nineteenth and early twentieth centuries was, in fact, highly

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speculative in nature; development followed a 'boom and bust' cycle tied closely to external economic conditions. Rising prices for particular agricultural products drove the pioneers to clear large areas of the Malayan jungle for planting purposes; falling prices resulted in declining interest, reduced acreages and frequently a change to some other relatively more profitable crop. Until rubber swept aside the nineteenth-century export crops there were noticeable regional concentrations on particular crops, and at any one time interest tended to centre on a single crop within each region. It is this fact that makes a treatment by individual crops desirable in the present context.

When a field is as uncharted as the economic history or historical geography of Malaya it is frequently necessary to establish the signposts of related disciplines before work can proceed satisfactorily on the task in hand. This the author has not hesitated to do whenever it appeared necessary. The result is a much broader survey than was originally intended, a survey which strays constantly beyond the bounds of what is more usually regarded as 'geography'. Nevertheless, as the work of a geographer, this book is more concerned with the effects of social and economic processes on the land than with the processes themselves.

Adjacent academic disciplines necessarily overlap, and many research topics lie in what might be regarded as the 'no man's land' in between, requiring as they do the application of a mixture of techniques and methods of analysis. In few fields of investigation is this so true as in the study of social and economic phenomena in the past, for here it is virtually impossible, nor does it seem desirable, to disentangle the traditionally-defined spheres of economics, geography and history. A central point of view can be adopted that is recognized as geographic, but only by probing beyond the limits of a single, traditionally-defined discipline can a satisfactory reconstruction of past social and economic phenomena be achieved.

Although it has become usual to regard geography as the study of the inter-relationships of the 'physical' and 'cultural' environments these are clearly part of a single entity which can only be divided artificially. If it is the task of the geographer to investigate Man's utilization of the earth and its resources, then all those factors which influence this utilization are
pertinent to the investigation; conversely, those which are irrelevant should be ignored. Variations in relief, soil-type or climate may play important roles in determining agricultural patterns in temperate areas. In Malaya in the nineteenth and early twentieth centuries such factors were of minor importance and thus receive attention only when warranted by their influence. In contrast, what are generally termed 'historical' and 'economic' factors determined the very nature of plantation agriculture and the lines of development and expansion which it followed in this area and they deserve, therefore, pride of place in a study such as this.

In the past half decade there has been a growing clamour for the re-interpretation of Malayan history to provide what is termed an 'Asian-centred' perspective. In this study the author has attempted to trace the development of plantation agriculture in Malaya from the point of view of the people and the land involved, not from any particular 'perspective' nor as seen from the seats of officialdom in Malaya or in London. This subject, once termed 'one of the economic romances of the tropical belt', has rarely received more than a few lines in published works on the history or geography of Malaya, yet plantation agriculture forms one of the twin pillars of the modern Malayan economy. Not even a general outline of this development has appeared in the past, and to some extent lack of published material has been taken to imply that such development was unimportant in the nineteenth century. Thus, in order to establish a sound factual background to support the interpretations suggested in this study it has been necessary to present a considerable amount of detail that has not previously appeared in print.

A brief comment on sources seems called for in this connexion, for very heavy reliance has been placed on English-language material. There is, in fact, no alternative, for the Chinese pioneers left little in the way of documents to mark their presence. This is not as serious a handicap as it might at first glance appear. For various reasons the Europeans showed

considerable interest in the activities of the Chinese planters and the extant English language sources contain a great deal of information which, if carefully sifted, can help to fill the gap. Occasional works did appear by English-educated Chinese authors in the earlier years of this century and these have been used where appropriate. Nevertheless, much of the material upon which this book is based has been drawn from official reports and records. The European planting community, however, tended to be distinct from the body of Government officials and contemporary newspapers have proved a valuable source of information for the reverse side of the coin depicted in these official records. Although often fragmentary, the information which these various sources provide on the past agricultural economy is, in total, considerable; it is, however, rarely as complete as the author would have wished and gaps necessarily appear in the analysis that follows.
THE BASES OF CHINESE AGRICULTURAL PIONEERING

There is a close relationship between the establishment of the British Settlements of Penang and Singapore and the beginnings of large-scale Chinese immigration to Malaya; indeed, the major focal point of Chinese settlement in the peninsula shifted from Malacca to Penang after 1786 and from Penang to Singapore after 1819. Although the southern Settlement attained the dominant role, throughout the nineteenth century all three British Settlements retained their positions as starting and controlling points for Chinese penetration into the relatively undeveloped and unknown Malay States which constituted their immediate hinterlands.

Chinese penetration into the Malay Peninsula was already in progress for both mining and agricultural purposes in the early years of the nineteenth century and in several regions had assumed significant proportions before the British first intervened directly in the Malay States in 1874. In fact, there is little doubt that the Chinese came to regard the Malay States as the natural economic hinterland of the Straits Settlements long before the British accepted this fact either politically or economically.

The close connexion in time between the extension of British control to the Malay States and a marked increase in their Chinese population has tended to create a belief that British intervention resulted in the establishment of 'real order and security' in these states and that this directly encouraged a tremendous influx of Chinese immigrants.1 Undoubtedly there is a degree of truth in this belief, but Chinese pioneers were already at work, and in relatively large numbers, as either miners or agriculturalists, in several of the mainland states

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