MALAYAN PEASANT SMALLHOLDERS AND THE STEVENSON RESTRICTION SCHEME, 1922—28

by

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Introduction

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 catalyst in the development, particularly 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 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.¹

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.

¹ See Appendix 1.
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 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. 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.

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.

A few weeks after the release of the report, a Committee was appointed by the Colonial Office specifically to investigate the rubber situation. The report of the Stevenson Committee recommended that the Government should take action to

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2 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; 171/17/52613; 717/24/24495 and 717/24/35164.


4 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.

5 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.
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. This recommendation was accepted by the Secretary of State and by the British government, and restriction legislation was enacted in Malaya and Ceylon. 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 its original view have been examined by various authorities. 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. It has 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.

Throughout the entire proceedings, the subject ostensibly discussed was the survival of the rubber industry — plantation and smallholding. But was it really

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6 Both the reports can be found in CO 717/24/24495.
7 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 Whittlesley, *Governmental Control of Crude Rubber*, p. 18.
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 prices. Moreover, a 'short-sighted policy of taking dividends up to the hilt in the past', 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. This very large body of rubber producers was very much less inclined towards a restriction scheme, and for good reason. Unlike the planters, peasant small holders 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 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,

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12 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.

13 'Census of Areas under Rubber Cultivation in the Federated Malay States as in September, 1921', enclosure in High Commissioner to Secretary of State, Desp. 602 of 30 October 1923, CO 717/29/56773.
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. 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.

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

14 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, High Commissioner's Office File 1808/18.

allowing other parties to usurp their responsibilities towards peasants. Swettenham, a retired Malayan hand, with influence in the Colonial Office, was therefore able to misrepresent the peasant position and claim that 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’. 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’. This was not true.

The Mechanics of Discrimination

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 products 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 to as the ‘Duncan Scale’. 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.

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16 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.
17 FCP 24 October 1922, B 60.
18 The table below shows the Duncan scale:

<table>
<thead>
<tr>
<th>Age of Trees</th>
<th>Maximum Output for Twelve Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under five years</td>
<td>Nil</td>
</tr>
<tr>
<td>Between five and six years</td>
<td>120 pounds</td>
</tr>
<tr>
<td>Between six and seven years</td>
<td>180 &quot;</td>
</tr>
<tr>
<td>Between seven and eight years</td>
<td>240 &quot;</td>
</tr>
<tr>
<td>Eight years and over</td>
<td>320 &quot;</td>
</tr>
</tbody>
</table>

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. Investigations carried out by the Department of Agriculture in Perak, Selangor, Negri Sembilan, Malacca and Johore, found that the yields from smallholdings sampled varied between a low of 733 pounds to a high of 1,200 pounds per acre per annum. 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.

To allay any suspicion that smallholders had been singled out for discriminatory treatment under the Stevenson scheme, the committee recommended that the standard

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19 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 and SS (Conf.) 25 January 1923, CO 717/27/10363.

20 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 Argicultural 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.
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 1923.21 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 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

21 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.
people who alleged over-assessment of smallholdings and estates [medium holdings] and it is up to them to support their allegations by inspection'.

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. 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. These 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. 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 partici-

22 Minute by the Controller of Rubber Restriction, 25 July 1923, on Controller Rubber Restriction to SR Selangor, 5 July 1923, Selangor Secretariat File (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.

23 Haji Abdullah bin Haji and others to BR Selangor, 27 February 1924, SSF 1138/24.

24 Haji Idris bin Haji Abdul Jalil and 22 others to BR Selangor, 4 March 1924, SSF 1138/24.

25 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.
pants. 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 justifiable. It is also possible that, although there were instances of outright discrimination,26 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,27 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 area in bearing.28 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

26 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.

27 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.

28 The figures below show the breakdown of smallholding areas in the FMS:

<table>
<thead>
<tr>
<th>Area</th>
<th>Total Area</th>
<th>Area of Rubber</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Alienated</td>
<td>in Bearing</td>
</tr>
<tr>
<td>Perak</td>
<td>241,654</td>
<td>138,650</td>
</tr>
<tr>
<td>Selangor</td>
<td>111,244</td>
<td>57,260</td>
</tr>
<tr>
<td>Negri Sembilan</td>
<td>66,878</td>
<td>33,228</td>
</tr>
<tr>
<td>Pahang</td>
<td>36,608*</td>
<td>18,514</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>456,384</strong></td>
<td><strong>247,652</strong></td>
</tr>
</tbody>
</table>

* 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.