

BRITISH COLONIAL ADMINISTRATION AND THE 'ETHNIC DIVISION OF LABOUR' IN MALAYA

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[The phenomenon of ethnic differentiation and identification in Malaysia, particularly from a historical perspective, has been little studied despite its obvious importance and interest. To what extent, for example, can the ethnic differentiation of labour whose redistribution is one of the main aims of the Malaysian government be explained by the 'inherent' characteristics of each community or to other factors continues to be an issue of controversy.]

This paper argues that, notwithstanding the complexity of factors that go to explain the social phenomenon, the colonial government must be regarded as playing the decisive role in the development of ethnic occupational differentiation. Evidence of British policy towards Malays, Chinese and Indians in land, labour, education and economy clearly reveals the stereotypes that underpinned British thinking. The result of policy was to structure or enhance the stagnation of Malays in the padi fields and Indians in the plantations, although some Chinese due to their intermediary role in the modern economy were more able to overcome these obstacles to mobility. Both the notion of the different 'inherent' characteristics and abilities of the "natives" and their own deeply felt sense of racial superiority formed critical conditions and factors for the British in their pursuit of the *Pax Britannica* in Malaya.

Pembahagian dan identifikasi kaum, khususnya daripada perspektif sejarah, adalah satu fenomena yang penting. Walaubagaimanapun sehingga masa ini ianya masih belum diteliti dengan mendalam. Misalan, adakah pembahagian buruh mengikut kaum yang sedang berlaku di Malaya? Jika ya, adakah ini disebabkan oleh faktor-faktor yang berkaitan dengan ciri-ciri komuniti itu sendiri ataupun disebabkan oleh faktor-faktor luar? Walaupun kejadian ini mungkin disebabkan oleh faktor-faktor yang kompleks dan rumit tetapi tidak dapat dinafikan bahawa salah satu daripadanya ialah peranan dan polisi kerajaan kolonial.

Polisi-polisi kolonialis terhadap tanah, buruh, pendidikan dan ekonomi menggunakan bukti-bukti yang menunjukkan kecenderungan Britain untuk membezakan kaum Melayu, Cina dan India mengikut pemikiran stereotaip. Hasil daripada polisi-polisi di atas ialah penempatan yang mengekalkan kaum Melayu di sawah padi dan kaum India di ladang. Akan tetapi, beberapa orang Cina oleh kerana peranan perantara mereka di dalam ekonomi moden, telah dapat mengatasi rintangan mobiliti. Kedua pendapat tersebut iaitu ciri-ciri pembawaan dan kebolehan penduduk asal dan pemikiran bahawa orang Britain merupakan kaum yang lebih taraf lebih tinggi telah menjadi faktor yang genting di dalam pengejaran Pax Britannica di Malaya.

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One of the most striking features of colonial Malaya was the way in which the various ethnic groups occupied different niches in the economy. Malays were agriculturalists and fishermen and were mainly to be found in the rural areas whilst the Chinese were employed more in commerce and industry in the towns and mines. In addition, there were Indians (mostly Tamils) who worked in plantations and the lower rungs of the government service, and a small number of Europeans who filled up the upper echelons in government offices and the major business enterprises in the towns. The occupational differentiation roughly corresponded to the class divisions in the country, with the Europeans forming a ruling upper class, the Malays, Chinese and Indians a lower class, and some Malays and Indians a nascent middle class. There were, of course, small numbers of each ethnic group that did not fit in with the general occupational and class configuration: the traditional Malay aristocracy still held substantial political and economic powers that put them in the upper class, and Chinese merchants and Indian professionals, on the basis of their wealth and status, were often the economic, though not social, equals of the Europeans. By and large however, it was possible in colonial Malaya to guess accurately the occupation and class of a person mainly on the basis of her ethnicity.

How the situation of a pattern of occupational differentiation amongst various ethnic groups came about and, specifically, the way in which official policy and practice worked for or against the creation and maintenance of the pattern are important matters of historical enquiry, not because on their answer hinge such questions as the capacity of the (colonial and post-colonial) in structuring the economy or inter-ethnic relations, the neutrality of the state in policies towards various ethnic groups, the extent to which community attitudes or values explain access or lack of it to economic opportunities, etc. A recent contribution has attempted to shed some light on the subject.¹ The author, Paul Kratoska, begins by challenging the findings of several scholars, who, he alleges, have argued that the British systematically excluded the non-Malays from rice cultivation. According to him, these scholars have thereby helped to establish a model of colonial exploitation according to which "the British administration of Malaya undertook to maximize revenue and to serve the needs of the British capital by pursuing a policy of ethnic division of labour, with the Chinese working in the mines and Indians on the estates of Malaya and with

¹ "Rice Cultivation and the Ethnic Division of Labour in British Malaya" *Comparative Society and History* (Cambridge, Cambridge University Press) 24:2, April 1982, pp. 24-44.

the indigenous Malay population producing food for mine and workers".² In Kratoska's opinion, this model "in several particulars wrong, and taken as a whole ... oversimplifies and seriously distorts the situation in colonial Malaya".³ There are two main arguments Kratoska has used to dismiss the model; one, that the British permitted the non-Malays to plant rice and two, that the British did not expect the Malays to produce rice for the non-Malay plantation and mining workers. In my opinion these arguments are insufficient to dismiss the case which maintains that the British played an important, if not overwhelming, role in creating and perpetuating an ethnic occupational differentiation, a case which rests on a much greater quantity of evidence than Kratoska has sought to refute. It is necessary that this case be laid out in some fullness so that readers can arrive at a better judgement. It is however necessary first to refute Kratoska's allegation that I have contributed to the notion that the British systematically excluded non-Malays from rice cultivation throughout the early period of their rule.

Non-Malays and Rice Cultivation

So far as my work is concerned, it is Kratoska who has oversimplified the more complex development and nuances of colonial policy in the economy that I described in my historical work spanning the period 1874-1940 in the course of alleging that I am of the view that the British systematically excluded non-Malays from pursuing rice cultivation during the early period of colonial rule. In the book he cites, I had pointed out as early as in the introductory chapter dealing with the Malay States before 1895, that the British were concerned to attract non-Malay capital and labour into rice farming. An excerpt from it summarising what I described as a British dual agriculture concept for Malaya, that is, the development of plantation agriculture especially by European capitalists and peasant agriculture by local and immigrant labour will bear me out.

² *Ibid.*, p. 280. The term 'ethnic division of labour' is quite misleading as it might imply a water-tight segmentation of the different races in different economic spheres whereas it was never the case in colonial Malaya that each of the major economic sectors was exclusively comprised of members of one ethnic group.

This is clearly shown in the 1931 Census of British Malaya which recorded, for example, that although the Chinese comprised the majority of the gainfully employed in commerce and industry (78%) the Malays and Indians accounted for about 20%. Moreover, of the 358,000 people gainfully engaged in some form of agriculture in the Federated Malay States, 48% were Malays, 36.6% Chinese and 13.4% Indians. See also Table 1 below showing further the distribution of Chinese and Malays by main industrial group in 1921 and 1947.

A better term for the situation that emerged in colonial Malaya whereby a majority of the Malays were engaged in peasant agriculture, Indians in plantation agriculture and Chinese in mining, trade and commerce is 'ethnic occupational differentiation'.

³ *Ibid.*

"The aim of peasant agriculture in countries with abundant labour resources is to produce food for the population. It is not a settled requirement that the aim of peasant agriculture should be to produce food for the population."

The basic principle of peasant agriculture, in its simplest form, is to produce food for the population. It is not a settled requirement that the aim of peasant agriculture should be to produce food for the population."

There are many reasons why his efforts might mislead previous historians. He has covered most of the ground, although we have not seen them. To avoid this, I shall only mention a few points in this article and identify them, with full references. That rice, compared with other crops, has a wider spread.

See Kratoska, *op. cit.* pp. 135-39; *Peasant Agriculture in Malaya*, pp. 59-60, 186-87.

⁴ Lim Teck Guan, *The Chinese in Malaya*, Kuala Lumpur, 1964, p. 189.

⁵ Lim Teck Guan, *The Chinese in Malaya*, Kuala Lumpur, 1964, pp. 189-90 and 122-42.

⁶ See e.g. Chalmers J. Anderson, *The Chinese in Malaya*, Kuala Lumpur, 1964, pp. 189-90 and 122-42. See also Chalmers J. Anderson, *The Chinese in Malaya*, Kuala Lumpur, 1964, pp. 189-90 and 122-42. See also Chalmers J. Anderson, *The Chinese in Malaya*, Kuala Lumpur, 1964, pp. 189-90 and 122-42.

"The aim of the other component of the dual agriculture concept was to attract peasant agriculturalists from other parts of the Peninsula as well as from other countries to reinforce the indigenous peasant group.... 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, a large growing number of people engaged in non-agricultural pursuits had to be fed, and British officers envisaged that a settled agricultural peasantry would be able to cater for the new requirements"⁴

The basis for these views of early British policy towards peasant agriculture, including non-Malay agriculture, had in fact been established in considerable detail in my earlier work,⁵ and I had made a clear reference to it in the work Kratoska used and which he should have noticed.

There are a number of other important points brought out by Kratoska in his efforts to describe non-Malay rice cultivation before 1930 which might mislead readers to the conclusion that they have not been considered by previous historians. In fact my works and those of earlier scholars⁶ have covered most, if not all, of the major points mentioned by Kratoska, although we have reached different conclusions about British policy from them. To avoid taking up more space than the purpose of this exercise warrants, I shall only highlight some of the main points contained in Kratoska's article and identify the relevant place in my works where I have dealt with them, with further comments when our views differ.

That rice cultivation was a less remunerative activity for the peasant compared with other economic activities, and that this was a limiting factor in its spread.

See Kratoska. pp. 286-88; Lim Teck Ghee *Origins of a Colonial Economy*, pp. 135-39; *Peasants and Their Agricultural Economy*, pp. 21-22, 47, 82, 89-90, 186-87

⁴ Lim Teck Ghee, *Peasants and their Agricultural Economy in Colonial Malaya, 1874-1941* (Kuala Lumpur, Oxford University Press, 1977), p. 16.

⁵ Lim Teck Ghee, *Origins of a Colonial Economy, Land And Agriculture in Perak 174-1897* (Penang, Universiti Sains Malaysia Press, 1975). See especially chapters 2 and 4, pp. 80 and 122-42 respectively.

⁶ See e.g. Chai Hon Chan, *The Development of British Malaya* (Kuala Lumpur, Oxford University Press, 1964) pp. 124-25; Emily Sadka, *The Protected Malay States, 1874-1895* (Kuala Lumpur, University of Malaya Press, 1968) pp. 356-60; Victor Purcell, *The Chinese in Southeast Asia* (Kuala Lumpur, Oxford University Press, 1980) p. 269 and Kernial Singh Sandhu, *Indians in Malaya, Some Aspects of their Immigration and Settlement (1786-1957)* (Cambridge, Cambridge University Press, 1969) pp. 263-71 which cover some of the same ground on early non-Malay agricultural activity in rice, although not so intensively, and generally over shorter historical time spans than my second work.

✓ However, this should not lead one to the conclusion that Kratoska reaches namely that "The economics of rice cultivation in 1939 remained moreover, much the same as 10, or 50, years earlier" (p. 309). The economics of any agricultural activity depends on changing costs of production including labour, fertilizers, seeds, etc. and on the yield which also changes. Gross and net returns will thus fluctuate considerably over time as can be seen from my table estimating the cash returns from padi and rubber between 1922 - 39.⁷

Moreover, although rice cultivation was generally less profitable, there were many well-established padi areas where the crop was traditionally cultivated and where other crops would not have been suitable. In such areas, the population was economically rational in not switching to other crops.

2. That the non-Malays (and many Malays) were drawn towards more profitable non-padi economic activity.

See Kratoska, pp. 289-90; my *Origins of a Colonial Economy*, pp. 134-36 and *Peasants and Their Agricultural Economy*, pp. 125, 149-51, 201-04, 236. However, not all agricultural activity was shunned by the Chinese and, in fact, large numbers of Chinese were engaged in the agricultural sector since the earliest days of colonial rule in the Peninsula. Chinese capitalist planters were responsible for the early successful pepper, gambier, tapioca and clove plantations in the Straits Settlements and neighbouring areas, and the later sugar plantations in the Malay States.⁸ At the turn of the century, there were about 40 sugar cane estates, mainly Chinese-owned in Perak occupying about 50,000 acres and employing between 8,000-9,000 labourers, a magnitude of cultivation by no means "small-scale" as described by Kratoska (p.284). It was the earlier successful experience in plantation agriculture that enabled Chinese capital and labour to move so rapidly and easily into rubber cultivation and carve a considerable niche there.⁹

① /In the 1920's and 30's, Chinese capitalist agricultural activity was boosted by the presence of large numbers of Chinese labourers, many thrown out of work from the mining sector, who opened up small areas of land for food crop and other commercial crop cultivation. These land settlement efforts were generally obstructed by the colonial administration whose position was that the government could not "admit for a moment that he (the non-Malay cultivator) has any right to expect permanent occupation" and if the land was wanted for urban, mining or industrial development,

⁷ *Peasants and their Agricultural Economy*, Appendix 7.1, p. 258

⁸ See James Jackson, *Planters and Speculators, Chinese and European Agricultural Enterprise in Malaya 1786-1921*. (Kuala Lumpur, University of Malaya Press, 1968).

⁹ *Peasants and their Agricultural Economy*, Appendix 7.1, p. 258

¹⁰ *Ibid.*, p. 20.

reserved the right to evict the cultivator.⁹ This unsympathetic policy towards non-Malay agricultural settlement was in force throughout the entire middle period of colonial rule. The only concession the colonial government made to Chinese peasant (as distinct from Chinese capitalist) needs was the granting of temporary occupation licences (T.O.L.'s) for the land in use. These licences which forbade the cultivation of all but vegetable crops - padi was regarded as a permanent crop and therefore was not permitted to be planted - and which were annually renewable at the discretion of the authorities were a form of tenure inimical to the cultivators' interests but they fitted in well with the policy of differential access the British pursued towards the different ethnic groups.

That the colonial government assisted in various efforts to encourage early non-Malay rice planting schemes.

See Kratoska, pp. 292-302; my *Origins of a Colonial Economy*, pp. 72-75 and *Peasants and Their Agricultural Economy*, pp. 19-20, 79, 129.

There is a difference though in our analysis of British efforts. I have been much more critical of these efforts and have argued that "the colonial administration had only a paper commitment to non-Malay peasant colonization" with "no carefully considered schemes" that could convert these wishes into reality.¹⁰ In showing how the British were reluctant to invest large sums of public money in irrigation schemes with one major exception, although water control was of the utmost importance to the success of padi cultivation, how the amounts spent on waterworks to assist peasant agriculture represented only a small fraction of those spent on railways and roads constructed primarily to facilitate plantation and mining development and how tin mining activity was permitted to disrupt padi cultivation by polluting rivers or diverting water required to irrigate the fields (pp. 39-48), I had called into question the British commitment to all, and not merely to non-Malay, peasant padi cultivation. Kratoska on the other hand, in writing that prior to 1930, "the government generally would have welcomed, and at times actively encouraged, the development of a non-Malay peasantry engaged in rice cultivation" (p. 281) uncritically attaches more substance to the British efforts than is justified.

⁹*Peasants and their Agricultural Economy*, p. 205. The problems that an unsympathetic government caused Chinese vegetable gardeners are discussed in pp. 201-209

¹⁰*Ibid.*, p. 20.

Ethnic Occupational Differentiation: The Responsibility of the Colonial Administration.

On the more important question of the responsibility of the colonial administration in the emergence of the ethnic occupational differentiation in Malaya, first of all the critique of colonial economy policy and practice is not as crude as Kratoska makes it out to be. No serious historian has suggested that the British "controlled ... the economic behaviour of the population" (p. 314) or that the British shaped and manipulated the structure of the economy by forcing the various races into different types of economic activity and by compelling them to remain there. If Kratoska sets out to argue against such an exaggerated critique, then he is tilting with windmills.

What is suggested instead from some of the historical scholarship that has gone into the description and analysis of British policies towards the three main ethnic groups in Malaya is that the colonial government must bear an important, and perhaps the main responsibility for the emergence of the pattern of ethnic occupational differentiation. Through policies that encouraged and fostered the immigration of Chinese and Indians into Malaya, the British initially laid down the foundations of a multi-ethnic society. It is misleading to imply that the British had no control over the immigration of non-Malays and that the multi-racial society developed "naturally". The British had it within their power to stop or restrict the influx of the Chinese and Indians into Malaya; that they did not do so, it must be stressed, was not for any special fondness they had for the non-Malays but entirely a consequence of what they perceived to be in their economic interests. Later, the pursuance of different policies by the British in education, settlement, labour, government employment and other major areas accorded the various ethnic groups unequal opportunities to participate in the building of a new society and economy, thus contributing to a situation of ethnic specialization or isolation in different sectors of the economy and the emergence of a plural society.¹¹ This view does not imply that the colonial government was the only important actor in the making of the plural economy and society, neither does it deny that other factors such as ethnic variations in culture and values might have contributed to the tendency for

¹¹ The concept of differential incorporation leading to a plural society has been postulated in situations wherever the "collective character (of the system) and the scope of its substantive differentiations, ... (is) sufficiently vigorous and pervasive to establish an effective order of corporate inequalities and subordination by the differential distribution of civil and political rights, and the economic, social and other opportunities that these permit or enjoin". Using this concept, Smith has argued that many colonial territories, including British, French, Portuguese and Belgium, can be regarded as plural societies although not all of them have race as clearly as in Malaya as a base for differential incorporation. M.S. Smith, "Some Developments in the Analytical Framework of Pluralism", in Leo Kuper and M.G. Smith, *Pluralism in Africa* (Berkeley and Los Angeles, University of California Press, 1969) pp. 430-31.

¹² W.R. Roelofs, *Race and Ethnicity in the Tropics* (London, George Allen and Unwin Press, 1967) p. 1.

the ethnic groups to gravitate to different sectors. What it does do, however, is to focus attention on the decisive role of the colonial government in the shaping of the colonial situation, an approach which I believe is appropriate and necessary when analysing the situation not only in Malaya but also in many other colonial territories.

✓ Should others want to take issue with this approach which sees the colonial power in Malaya as crucial in establishing and influencing the environment and institutions that shaped Malayan plural society and economy, including the ethnic occupational differentiation, thereby leading to an understanding of colonial economy and society as largely an instrumentality of the colonial power, it is not enough to show that the British welcomed or tolerated non-Malay entry into padi cultivation, a Malay preserve. By itself, this particular policy was a small and insignificant part of the larger colonial policy and the correctness of the critical view of colonial exploitation is not dependent on it. For the critical view to be shown wrong, the principal economic and social policies pursued by the colonial administration must be shown to have designs or intentions that were not related to some notion of ethnic differentiation that existed in the minds of the British and this is what has not been done so far. The suggestion that the differentiation that emerged was a consequence of economic and social free-will exercised by the various ethnic groups is even more misleading. This attempt to whitewash the hands of the British quickly falls apart when we scrutinise closely colonial policy towards each of the main ethnic groups, the attitudes and objectives that motivated the colonial administration in each of these policies and the consequent impact on economy and society in Malaya.

The Malays: Preserving a Sturdy and Thrifty Peasantry

I shall argue my case by beginning with the Malays whose place in the colonial scheme is well described by the views below of the Director of Agriculture in 1934. These remarks were cited by Roff in his work to explain British policy that "acted to isolate the Malay from economic and social stimuli which with other forms of guidance and help could have assisted Malay peasant society in moving toward new patterns of living more in keeping with the demands of the modern world."¹²

✗ "Our trusteeship for the Malay people demands that we administer the country on lines consistent with their welfare and happiness, not only for today but for the future ages. That end will be attained rather by building up a sturdy and thrifty peasantry living on the lands they own and living by the food they grow than by causing them to forego the life of their fathers for the glamour of new

¹² W.R. Roff. *The Origins of Malay Nationalism* (Kuala Lumpur, Oxford University Press, 1967) p. 124.

ways which put money in their pockets today but leave them empty tomorrow, and to abandon their rice fields for new crops which they cannot themselves utilize and the market for which depends on outside world conditions beyond their orbit.¹³

Elsewhere, Roff has described how the British, in return for the right to develop a modern extractive economy within the *negeri* (by means of alien immigrant labour), "undertook a policy refraining" from catapulting the Malay people into the modern world.¹⁴ Elaborating, he has argued that, amongst other reasons, the British sought actively to shield Malay peasant society from the disruptive effects of the new economic order "partly... (due to) a sentimental view of the idylls of village life, partly as a means of ensuring continued food production, and, partly, in order to avoid the political consequences thought likely to follow any substantial disorganization of the peasant economy." Hence, the "problem of providing the work force (clerical and technical as well as manual) for expanding export industries and burgeoning government services was met by the whole-sale importation of immigrant workers." At the same time, land policies were pursued to keep the peasant in possession of his patrimony "and to encourage his continuing cultivation of traditional crops, in particular wet rice."

Earlier I discussed how the early administrators had high hopes that domestic rice production, especially by the Malay peasantry, would help provide a cheap supply of food to feed the labour employed in the mines and plantations. These expectations had largely disappeared by the first decade of the twentieth century after the failure of various government-sponsored padi cultivation projects to achieve the results that government desired. However, it did not mean that the colonial administration had changed its view that padi was the most suitable crop for the Malay or that the government was prepared to allow Malay peasants to plant whatever crop they thought useful or profitable. The idea that padi was the soul of Malay life¹⁵ and that no other crop would serve the Malay so well continued to prevail in official circles, and once the rubber planting boom began in earnest, many officers became extremely agitated over what they regarded as the government's duty to maintain rice cultivation among the Malays and the need to discourage them from surrendering to the rubber craze that was

¹³ *Ibid.*, p. 125

¹⁴ D.J. Steinberg, et. al., *In Search of South-East Asia, A Modern History* (Kuala Lumpur, Oxford University Press, 1971) p. 322.

¹⁵ As one of the early British studies on the Malay puts it "He (the Malay) is essentially a planter; his festivals are seasonal; his joys and sorrows depend on the crops; and his whole life is regulated by the great rice-planting industry," R.J. Wilkinson, "Malay Customs and Beliefs", *Journal of the Royal Asiatic Society, Malayan Branch* (JMBRAS) Vol. XXX, Pt. 1, Nov. 1957, p. 66.

sweeping the country. Much evidence can be found in the colonial records of district and state administration showing the mounting concern amongst officers as they perceived the progressive slackening of Malay efforts in padi and the uninhibited manner with which rubber was embraced. The concern culminated in four important policies which had as their purpose the discouragement of rubber cultivation by the peasantry and the encouragement of rice cultivation instead.¹⁶ (These policies had the support of the traditional Malay elite who saw any drastic change in the peasant way of life as undermining their authority in much the same way that the British were fearful of the political and social consequences of rapid economic changes in peasant society.)

① The first policy which was implemented as early as 1912 was the imposition of a 'no rubber' condition on new lands alienated to peasants, especially Malays. [Much resentment was caused by this action about which one official noted in 1920: "whatever the intention of the policy may be - the smallholder (Malay) sees only the result viz. that he remains comparatively poor while a Chinaman on an adjacent holding derives a comfortable income from his rubber trees"]¹⁷ The second policy following in the wake of the Malay Reservation Enactment in 1913, which attempted to "protect the birth right and inheritance" of the Malays by curbing non-Malay interests in special areas, was the British discouragement of rubber planting by Malays in these areas and the insistence instead on "more traditional forms" of cultivation especially padi. Malay peasants, intending to plant rubber, were often directed to do so on alienated lands other than in a reservation or proposed reservation.² The third policy was in the form of a Rice Lands Enactment passed in the four Federated States in 1917 which gave the government extraordinary powers to preserve padi cultivation. The legislation had arisen as a result of a ruling by two Legal Advisers in Perak that the word '*bendang*'¹⁷ in the 'nature of cultivation' column of land registers did not constitute a special condition binding on the owner. Challenging the ruling, the District Officer of Larut expressed the fear that if the ruling was widely publicised it would disrupt the communal nature of padi cultivation and lead to its replacement by rubber. His concern met with much support from his fellow officers (and pro-plantation representatives sitting in the Federal Council) and despite the doubts surrounding the legality of the government's action and the recognition that the legislation would involve administrative reversal of a judicial decision, the Act was passed empowering government to deprive errant cultivators of their land and to chop down the forbidden trees, amongst other penalties, for violation of

¹⁶ These policies are discussed in my *Peasants and their Agricultural Economy*. pp. 166-20.

¹⁷ Rice field in Malay.

the cultivation condition on padi lands. The fourth policy was the prolonged closure of land office books to new peasant rubber land applications in some districts after 1917 and the imposition of higher rates of premium for new land which another scholar of the early rubber industry acknowledged "represented a considerable obstacle to peasants wishing to acquire more land."¹⁸ At about the same time, a scale of rents favouring padi, coconuts and *kampung*¹⁹ cultivation and discouraging rubber cultivation was established for all the states.

To what extent were these policies the outcome of an altruistic belief that the Malays were growing the wrong crop or were they more influenced by the fear that a fully developed peasant rubber industry might offer competition to British plantation interests which, by this time, were reaping large profits from rubber? As early as 1909, we can find indications from this report that plantation interests, unhappy about the competition from peasant development, were finding a sympathetic response from many colonial officials.

"The ghosts of coffee and tapioca are still in every mukim in the shapes of abandoned patches waving their warning blades of lallang. 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 ... the majority are likely to be."²⁰

In this instance, Ernest Birch the British Resident of Perak state in which the opinion was voiced, defended the right of the peasant to participate in rubber cultivation and reap its profits. But there were other instances when discriminatory action was taken against peasant rubber cultivators with the explicit intention of protecting the interests of British capital.²¹

Further research on the link between British capital and the colonial state in Malaya, and the manner in which the state was influenced in its policies by the interests of the former, needs to be undertaken. A contribution towards this has been made in my works which show how, during the

¹⁸ J. H. Drabble, "Peasant Smallholders in the Malayan Economy: An Historical Study with Special Reference to the Rubber Industry" in J. C. Jackson and M. Rudner, ed., *Issues in Malaysian Development* (Singapore, Heinemann Educational Books, 1979) p. 78.

¹⁹ A Malay word meaning village but frequently used by the British to describe the forest and miscellaneous food crop cultivation found in the vicinity of the village.

²⁰ *Annual Report Perak 1909*

²¹ In Selangor in 1918, for example, the cancellation of more than 1000 smallholder applications was ordered by the district administration to ensure that British capital tied up by the war would not suffer a disadvantage and the policy of keeping the land for development by British capital in preference to other capital was not defeated.

early period, colonial plantation policy was based on the premise that only a body of Europeans could bring brains, energy and money to convert the jungles into extensive estates and that no Asian had the ability, experience or determination to do so. Hence, specially liberal incentives were given to European planters, especially British, to induce them to invest in the Malay States.²² In contrast to the anti-peasant rubber measures, the colonial administration also engaged in a programme of positive assistance to plantation enterprise, including the provision of cheap credit, the reservation of better sited land, the building of drainage works, anti-malarial projects, roads, bridges and other 'public' work designed to strengthen the infrastructure for the plantation economy. During the middle period of colonial rule, I have also shown how discrimination against smallholders reached its peak when the Stevenson Rubber Restriction Scheme, the single most important event affecting the course of development of the rubber industry in Malaya, afforded British officialdom the perfect cover to favour plantations and penalize smallholdings. Introduced explicitly with the intention of protecting British capital and metropolitan interests,²³ one of its chief effects was to strongly inhibit the full development of the peasant smallholding industry. Among the several ways in which this was done was through general underassessment of smallholding yields, penalization of individual smallholdings by low assessment and restrictions on new planting and land alienation to smallholders. I have estimated the financial loss suffered by smallholders in the Federated Malay States as a result of underassessment alone at \$173 million.

Other works on plantation rubber and the mining industry have also revealed instances when British capitalists were favoured at the expense of the local entrepreneurial class.²⁴ Commenting on the working of rubber

²²The two most important incentives were in land and labour. In land a liberal policy was pursued in which planters were encouraged to obtain large areas at nominal costs and with a minimum of restrictive conditions. A permissive labour policy enabled immigration and labour regulations to be simplified so that labour was rapidly, conveniently and cheaply imported, while labour conditions were set at a minimal standard to enable employers to reduce their obligations and labour costs. Furthermore, a government subsidy was granted to assist Indian immigration into Malaya.

²³A statement by the Colonial Secretary which appeared in the *Times* of 1 August 1925 left no doubt about this. It read in part that the "scheme was introduced for the purpose of saving the extremely valuable position in the plantation rubber industry built up in the East and no one would dispute that it is not proving effective in obtaining this object."

²⁴See James Jackson, *op. cit.*, pp. 91, 189-90, 234-40; P.T. Bauer, *Report of a visit to rubber smallholdings in Malaya, July-September 1946* (London, H.M.S.O., 1947) and *The Rubber Industry: A Study in Competition and Monopoly* (London, Longmans Green, 1948); Wong Lin Ken, *The Malayan Tin Industry to 1914* (Tucson, University of Arizona Press, 1965) pp. 146-7, 220-1 and Yip Yat Hoong, *The Development of the Tin Mining Industry of Malaya* (Kuala Lumpur, University of Malaya Press, 1969) pp. 151-2; 301-07.

regulation from 1934 to 1942, Bauer, the foremost authority on the industry during that period, had this to say.

"... the leaders of the Malayan and of the N.E.I. delegation to the I.R.R.C. (International Rubber Regulation Committee) were civil servants, the administration of restriction in the East was also in the hands of civil servants. Yet the *smallholders could hardly have been treated worse if the whole machinery had been operated by estate representatives*. Indeed the "order" which replaced "chaotic competition" was rather like the law of the jungle. One is forcibly reminded of a sentence of Alfred Marshall in his *Principles*: "In many cases the 'regulation of competition' is a misleading term, that veils the formation of a privileged class of producers, who often use their combined force to frustrate the attempts of an able man to rise from a lower class than their own."²⁵ (emphasis added)

Although no scholar yet has undertaken the formidable task of unravelling the links between the colonial government and capitalist interests (local and British) in the economy as a whole, a recent work by Robert Heussler on the administrative cadres that ran British Malaya offers some glimpses of these links. On the connection between organized rubber interests and the government, he writes,

"Midway through the first decade of the twentieth century, rubber had become so important to the economy that the great unifying organizations, the Planters' Association of Malaya and the Rubber Growers' Association, occupied positions not unlike those of similar ones in Britain and America, powerful combines that dealt with the government on equal terms or better ... their influence on Malaya was greater than that of nineteenth-century merchants, and their links with the government were strong. Swettenham and Treacher were both members of the RGA after retirement. In 1909 Treacher became manager of Guthrie's (one of the largest agency houses in the country) new estate in Negeri Sembilan, and he and Swettenham joined the board of companies. Sir Eric Macfadyen who came out as a cadet in 1902, left the service to go into planting and later became chairman of the PAM."²⁶

Drawing on interview material, private diaries and letters and published material, Heussler provides some tantalizing disclosures, for example that the planter - before and after rubber - and the official had always been "good friends on close visiting terms, something that could not always be said of officials and the mining community, many of whose leaders were

²⁵ P.T. Bauer, "The Working of Rubber Regulation" in T.H. Silcock, ed. *Readings in Malayan Economics* (Singapore, Eastern Universities Press, 1961) pp. 263-4.

²⁶ Robert Heussler, *British Rule in Malaya: The Malayan Civil Service and its Predecessors, 1867-1942* (Westport, Greenwood Press, 1981) p. 176. Heussler has also noted how, in the early period, the social circle would be easily mobilised by planters to gain an advantage. "Planters with good connections in England could count on a sympathetic hearing and practical help all along the line, from the secretary of state to the governor and resident general and on down to the residents in the states where they held land. Assistance given included land concessions on favourable terms, help with the supply of labour, and cost sharing on the building of roads and railways" (p.17).

of the same social cut as the other two groups were."²⁷ He also indicates that there was some evidence to show that many officials were involved in dealings with plantation companies or were themselves speculating in rubber land, actions which might have affected their judgement especially when dealing with peasants.²⁸ Unfortunately, such observations tend to be too general, and are generally submerged in the documentation on the background and education of the officers, on the work they did, and on their moral and professional percepts.

In the meantime, until new work emerges which can prove the contrary case, it is not unreasonable to assume that within the intimate social circle of planters and officials circulated - "both frequented the same clubs, played games together, and shared the same military units" - there was ample opportunity for the planters to persuade many officials to share their opposition to the peasant enterprise. (This is not to say that planters and government were engaged in a conspiracy to prevent peasants from participating in rubber planting or that there was a plot to preserve the field for British white enterprise; it is only to caution that the action and policies undertaken by the government were subject to various influences, not all of which were readily discernible or admitted to by the government.)

The extent to which peasant rubber enterprise, particularly Malay, was disturbed as a result of the colonial government's actions and policies is a matter of some dispute. One scholar who has studied the early plantation rubber industry although acknowledging that the officials "did try to sustain some broad principles of policy, notably the view that rubber was best suited to capitalist rather than to peasant agriculture" has argued that in the early period "in practice little hindrance was placed upon peasant entry into the industry."²⁹ The conclusion I drew in my work was that the early anti-peasant rubber policies described above and others pursued later, notably the Stevenson Restriction Scheme (1922-28) and the International Rubber Regulation Agreement (1934-41) which restricted peasant rubber output and prohibited new land alienation and new rubber planting, acted as an important brake on peasant, especially Malay rubber development.]

In summary, the Malay peasantry was subject to a great deal of pressure to maintain the existing levels of padi and other food crop cultivation.

²⁷Ibid., p. 188.

²⁸In 1907 a government circular was issued warning officers against participation in rubber speculation but it was said to have had little effect. The large number of officers involved in speculation and its concern over the consequent lowering of the morale of the service prompted the colonial office in London to call for stronger measures from the local administration in 1910. See *ibid*, p. 128-9.

²⁹Drabble, *op. cit.*, pp. 72-3.

tion and not to grow rubber. The various actions and policies undertaken by the colonial authorities could be said to amount to a sustained campaign to confine the Malays to their traditional agricultural pursuits and to restrict their participation in the modern economy. In the making of British policy towards the Malays, it is also being suggested here that the potential impact on the well-being of the British-dominated plantation sector was an important consideration to policy makers. We can see how the interests of British capital and British colonial administration coincided by measures which encouraged or compelled the Malays to plant rice and other food crops instead of rubber, thus avoiding offering more competition to the plantation sector.

Land and agricultural policies seeking to maintain the Malays in the padi sector were reinforced by social policies, notably in the educational field where the British introduced, "a system of elementary vernacular education" (in Malay, and effectively, for Malays only)... (which) had as its principal objective the creation of a "vigorous and self-respecting agricultural peasantry, conscious of the dignity that attaches to hewing wood and drawing water."³⁰ The same conclusion on colonial educational policy towards Malays was reached by Philip Loh who argued that the British colonial policy, "exemplified in a conscious attempt to minimize aspirations that were likely to emerge with a fuller development of educational opportunity for the Malays ... tended to isolate the majority of the Malay community from the mainstream of social and economic change that was taking place in their midst." In particular, it was seen to isolate Malays from the industrial and urban developments associated with the emergence of British as one of the world's most important producers of oil and rubber.³¹

³⁰Steinberg, et. al., *op. cit.*, pp. 323-24.

³¹Philip Loh Fook Seng. *Seeds of Separatism: Educational Policy in Malaya 1874-1947* (Kuala Lumpur. Oxford University Press, 1975) p. 30. Both Loh and Roff cite numerous statements from leading British officers in Malaya which forcefully argued that education for the Malays was to be specifically oriented towards keeping them on the land. For example, from the 1920 Report of the Chief Secretary: "The aim of the Government is not to turn out a few well-educated youths, not yet numbers of less well-educated boys; rather it is to improve the bulk of the people and to make the son of the fisherman or peasant a more intelligent fisherman or peasant than his father had been, and a man whose education will enable him to understand how his own lot in life fits in with the scheme of life around him" (Loh, p. 28). From the High Commissioner's address to the Federal Council, 1919: "It is no real education that qualifies a pupil in reading, writing and arithmetic and leaves him with a distaste, or perhaps even a contempt, for the honourable pursuits of husbandry and handicraft. It will not only be a disaster to, but a violation of the whole spirit and traditions of the Malay race if the result of our vernacular education is to lure the whole of the youth from the kampong to the town." (Roff, p. 138). From Winstedt's Report on Education, Federated Malay States 1947: "There will always be a large number of Malay children with no aptitude for languages or literary pursuits, whose mental and moral development will depend mainly on the discipline of the village school with the opportunity it provides for studying the 3 Rs, benefiting by physical and manual training, and acquiring such rudiments of simple agriculture as will fit them for the free life of that country-side, where the economic happiness and economic interests of the race have lain for centuries" (Loh, p. 30).

British efforts at isolating the Malay educationally worked at two levels and were aimed at securing the stability of the Malay political and social order under British control. At the apex, the allegiance of the traditional Malay elite was obtained through the establishment of an 'Eton of the East' the Kuala Kangsar Malay College in 1905 - which served as a preparatory ground for some of the 'sons of Rajas and Chiefs' to enter the ascription and lower administrative positions the British permitted Malay royalty. A few Malay commoners were admitted into the college but the great majority of Malays - those at the base - were either uneducated or minimally educated according to the official dictum that "nothing should be done to distract them from the pursuit of an independent agricultural life."³² Malay requests for the establishment of English schools in rural areas which provided a means of entry to the new occupational opportunities available in the colonial service and private sector were rejected,³³ Malay pupils were discouraged from pursuing enrolment in English schools,³⁴ whilst in the vernacular Malay schools, a 4 - 5 year maximum duration of schooling was provided with emphasis on subjects such as elementary agriculture, basket-making and carpentry which were not likely to make the students aspire to a life outside the *kampung*.³⁵ No secondary Malay schools were established until after World War II, and secondary education of 3 years was only available to a small group of teacher trainees in a teachers training college, the Sultan Idris Training College, established in 1922.

That the British succeeded all too well in their educational, land, agricultural and other policies aimed at keeping the Malay masses on the land can be seen from the census figures below comparing the proportion of Malay working population in the FMS by occupational status with that of Chinese within the main industrial groups in 1921 and 1947.

³²Loh noting that there was a persistent perception among British officials that English education might open the door to seditious sentiments in a colonial context, cites this extract from a memorandum on education in the colonies. "When he has reached the older age, the immature product of an English school inevitably looks down upon manual labour. With the completion of Standard VI only, he is unfit for employment in any office, and infallibly becomes a malcontent. He is bitterly aggrieved by an educational system which fits him for nothing, and he becomes a potential seditionist." *Ibid.*, p. 105.

³³Loh, *ibid.*, p. 88

³⁴The 1947 Census enumerated 33,881 Malays out of a total Malay population of 1,033,510 - 3.1% - who were literate in English in the Federation of Malaya. See Table 63 in V. Del Tufo, *Malaya: A Report on the 1947 Census of Population* (London, 1949) p. 400.

³⁵In the Federation, only 30.0% Malays, 15 years and over, were literate in any language according to the 1947 Census, the lowest proportion among the 3 major Asian groups. 37.6% Indian and 35.9% of Chinese were literate in comparison. See, *ibid.*, pp. 91-2.

TABLE I
FEDERATED MALAY STATES: MALAYS AND CHINESE
EMPLOYED WITHIN MAIN INDUSTRIAL GROUP, 1921 AND 1947

Industrial Group	Malays		Chinese	
	1921 (%)	1947 (%)	1921 (%)	1947 (%)
Fishing and Agriculture	89.0	79.1	41.0	50.1
Mining, Manufacture and Transport	5.0	7.2	37.3	24.3
Commerce and Finance	1.5	2.2	12.7	14.2
Public Administration	2.1	8.9	1.0	1.8
Professional Service	0.9	0.4	0.7	1.5
Entertainment, Sport and Personal Service	1.5	2.2	7.3	8.1
Total %	100.0	100.0	100.0	100.0
Number	235,911	268,334	314,224	390,969

Note: The Chinese population involved in mining was drastically reduced during the Second World War period, at the same time as the Chinese agricultural population was swelled by people fleeing to the rural areas. By 1947, the normal peace-time occupational profile of the Chinese had not yet been restored.

Source: The figures for 1921 were calculated from Table XXXVI and XXXVII of J.A. Nathan, *op. cit.*, pp. 281-84, 294-97; and for 1947 from Tables 103, 104 and 105 M.V. Del Tufo, *op. cit.*, pp. 534-39.

Since the 1921 table gives the breakdown of occupational groups in different detail, it has been necessary to reassemble the groups to make them comparable to the 1947 breakdown. Not included in the 1921 totals are clerks, draughtsmen, warehousemen, storekeepers, packers, stationery, engine drivers, undefined workers, housekeepers, those with no occupation, school children, beggars and lunatics whilst those excluded from the 1947 totals are in the category of 'Other, indeterminate, Not stated or Nil', including housekeepers and schoolchildren. In 1921, half a century after the beginning of British rule in the Malay States, 89 per cent of Malays in the main working groups were engaged in fishing and agriculture. In 1947, the figure had dropped slightly but still four in every five working Malays were to be found in the poorest sector of the economy.

The Indians: The Plantations' "Sucked Oranges"

And what of the Indians who had the unenviable position in the colonial economy as the chief source of plantation labour - as late as 1947, 58

cent of the Indians gainfully employed in the 4 states of Perak, Selangor, Negeri Sembilan and Pahang were labourers on primarily European-owned plantations].³⁶ To what extent was their mode of employment determined not by government policy but by the economic and social context within which they lived and which they had the freedom to choose? Kernal Singh Sandhu, writing on the Indian community, has this to say about British policy:

"They (the British colonial governments) welcomed, or were prepared to tolerate, as the case may be, Indians as a labouring or a subordinate class, but not as that which might one day conceivably compete with European interests.... In Malaya, although not a declared policy, this bias or discrimination nevertheless appears to have been frequently practised surreptitiously, if not openly. This attitude of the Malayan government... largely explains the lack of any substantial numbers of big business, highly qualified professional and other such classes in the stream of modern Indian migration to the country."³⁷

Silcock and Aziz, discussing Indian nationalist sentiments in the 30's on the basis of the exploitation of Indian labour, have commented in a similar vein about colonial policy towards the Indians.

"It is natural for an Englishman, reading the statement that Malaya threw back its labourers like sucked oranges to India when it had no further use for them... (to dismiss) the accusation as a hysterical lie. Yet the "sucked orange" propaganda drew attention to a real evil, the import and export of labour as a commodity, in response to varying demand, which took the place of genuine immigration. Similarly the suggestion that Indians, for all their toil, rarely rose far above their wretched starting point may have exaggerated the wretchedness but they contained a sound attack on immigration policy conducted on commercial principles. The effect of the policy was to accentuate the transient character of Indian labour in Malaya, so that relatively few Indians were absorbed into Malayan society."³⁸

It may be argued that these criticisms that the British should bear the responsibility for the predicament the Indian community in Malaya and itself in might be too strong since, although the British were interested in the 1940s and promoted Indian immigration as a source of labour for the plantations, there was nothing to prevent Indian labour from moving to work in the more remunerative sectors of the economy. However, labour mobility was in theory rather than in practice. Under the indenture recruitment system

³⁶According to the 1947 Census, 112, 440 Indians were employed in rubber, coconut and palm estates out of a total of 189, 153 Indians listed by industrial group. See, *ibid.*, Table pp. 460-83.

³⁷Kernal Singh Sandhu, *op. cit.*, p. 46.

³⁸T. H. Silcock and Ungku Aziz, "Nationalism in Malaya" in *Asian Nationalism and the* ed. by William L. Holland (New York, 1953) p. 275.

which survived until the early twentieth century, imported Indian labour was not permitted to work for another employer during the period of bonding, often as long as three years. The Labour Code of 1912 enacted for the Straits Settlements and Federated Malay States gave the labourer the right to give a month's notice to his employer and leave the estate for other employment but the *kangany*³⁹ labour recruitment system which succeeded the indenture one placed many obstacles in the path of labour mobility. Arasaratnam, another Indian scholar has pointed out that besides having to work out his loan to the employer who had brought him over, the Indian estate labourer was kept "on a lead, attached to and dependent" on the *kangany* who had helped bring him over.⁴⁰

Nor was the setting in the plantation conducive to the mobility of labour. The early plantations were located in remote areas and "constituted closed societies where the labourers' basic needs were provided, discipline was very strict, movement closely regulated and the European manager regarded by the labourers as the *peria dorai* or lord and master."⁴¹ Even after the Malay states experienced considerable development, many Indian labourers continued to be dependent upon their employers acknowledging "their social as well as purely managerial authority" and had relations which have been described as "perhaps, more akin to those of a feudal serf and his lord than those of an industrial proletariat and his capitalist director."⁴² Caught between the *kangany*, the plantation management and a government whose officials "even went to the extent of stating quite categorically that they looked on Indians as 'birds of passage' and would discourage them from doing anything but living and working on rubber estates,"⁴³ it is not surprising that the majority of Indians stagnated in the plantation ghettos during the colonial period.

At the same time, Indian attempts to free themselves of the plantation bondage and to settle on the land did not get very far. Kratoska, in presenting the historical data on these efforts, has concluded that the failures were due to the "little interest" in peasant cultivation shown by Indians, although "the government generally encouraged permanent settlement by

³⁹A Tamil word literally meaning overseer. In Malaya, the word is commonly used to refer to the foreman or supervisor of a group of labourers working on a plantation.

⁴⁰Sinappah Arasaratnam, *Indians in Malaysia and Singapore* (Kuala Lumpur, Oxford University Press, 1979) p. 17.

⁴¹M.R. Stenson, *Industrial Conflict in Malaya* (Kuala Lumpur, Oxford University Press, 1970) p. 2.

⁴²*Ibid.*, p. 3.

⁴³Kernial Singh Sandhu, *op. cit.*, p. 273.

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on-Malays as peasant cultivators."⁴⁴ This conclusion, which is in keeping with the logic of his argument that it was free choice rather than government policy which determined the mode of employment of non-Malays, is, however, quite unwarranted even on the basis of the evidence that Kratoska offers. Undoubtedly the reasons for failure are many and complex, but the common element behind the failure of all the actual and proposed Indian colonization schemes that Kratoska has enumerated, with one exception, was the government's lack of support.⁴⁵ Colonial policy makers were occasionally attracted to the idea of Indian colonization, especially when it seemed to be able to help resolve the labour or food problem, but, in practice, little was done since it made greater economic and political sense to the British to maintain the Indian as a transient estate labour force.

Although there was little hope for the Indian labourer to escape from plantation, the possibility existed that his children would be able to do so. The main avenue of upward mobility for the Indians was through the policies of the colonial government since, unlike the Chinese, the Tamil population did not have its own considerable economic or educational resources or a tightly knit social framework to draw upon. In 1901, there

"Kratoska, *op. cit.*, p. 314

"Details of the schemes and proposals as well as the government's position and reason for failure as mentioned by Kratoska are given in chronological order below.

1881 Bagan Serai Scheme which persists until today despite "very poor soils" and difficult conditions.

1886 Lower Perak scheme which was reputed to be thriving six years later "notwithstanding government neglect".

1901 proposal that *coolies* building the Krian Irrigation works be given land. Turned down by Resident-General.

1903 proposal for settlement of immigrant labour. Not taken up by the government.

1919 Batu-Caves settlement. Failure attributed to poor administration and the many problems including "bad roads, inadequate houses, underutilized lands and caste conflicts".

1921 proposal by J.W. Campbell to place settlers "no matter of what nationality" on suitable land. Rejected by colonial secretary.

Undated Ipoh Settlement. No details of government support.

1925 proposal by Planter's Association of Malay that colonization schemes be created to encourage permanent Indian settlement. The "officials were unenthusiastic about the proposal and did not act on it".

Undated proposal by Ramachandra Rao, the Protector of Emigrants at Madras, for movement of entire Indian villages to Malaya. Rejected by government.

1928 proposal by Annual Indian Conference to government to create village settlements. Rejected by Selangor government.

1933 Chuah settlement which thrives until today. Some government assistance granted.

1935 proposal by C. Wilson, Controller of Labour for permanent Chinese and Indian settlement. "British Residents were unconvinced of the desirability of creating a non-Malay peasant population."

1937 proposal by V.S. Srinivasa Sastri for subsistence holdings to Indians. Rejected by Malayan government.

was already in the FMS a child population (below 15 years) of 7,000 in a population of 45,000 Tamils, sufficient enough numbers for the colonial government to launch a school system that could have provided new skills to enable the immigrants' children to aspire to a less menial role in the economy. However, British policy refused to accept the responsibility and instead left the initiative in Tamil education to the plantation industry. Not surprisingly, the industry developed estate schools "as an incentive to recruiting labour" and "as a means of keeping the Tamil labourer happy and contented."⁴⁶

An account of the conditions found in the estate schools gives a clearer picture of why education for the Indian masses, like the Malays, failed to provide a way out of an impoverished rural sector.

"The predominant type of Tamil school was the estate school, often typically a makeshift arrangement. A section of an old building not infrequently served as the 'school' and the estate clerk or some other employee such as the labour supervisor or the assistant at the plantation medical room would be assigned to teach in it for two or three hours each week day as a part of his daily duties. Primary textbooks were acquired from India or Ceylon. Under such conditions the type of instruction supplied in the estate school at the time was at best of an extremely rudimentary nature. A primary Tamil education of four years' duration was, however, available in the better organized Tamil schools, though this was apparently rarely attained by the pupils. In 1921 only twenty-six pupils for the whole of the F.M.S. were reported to have successfully completed their Terminal Examination, that is, the Fourth Year Tamil school Examination."⁴⁷

Under these conditions, the main function of the Tamil schools, apart from accentuating the ethnic and the cultural identity of the pupils and their estrangement from the rest of Malaysian society, was "to inculcate the ideas of sanctity of contract in the immigrant labourer and of ordinary honesty to his employers" so that he could "work harder, longer and more continuously."⁴⁸ For the great majority of Indians as another scholar has concluded, the quality and quantity of education available "served the same function as the primary education available to the rural Malays: with no opportunity for capital accumulation in the context of the plantation wage labour force and lacking access to the means of acquiring marketable

⁴⁶Loh, *op. cit.*, p. 45. The attitude of planters is clear from these comments made by the planter representative when the education provision in the Labour Code was debated in the Federal Council in 1923. He said: "So long as they let the Controller of Labour pass any smoke factory with the word 'school' written up in large letters I shall be quite happy". See Arasaratnam, *op. cit.*, p. 179.

⁴⁷ Loh, *op. cit.*, pp. 45-6.

⁴⁸ *Ibid.*, p. 46.

skills, the Tamils were effectively denied access to positions and privilege in the wider society.⁴⁹

The Chinese: Coolies and Capitalists

Unlike the Indians, the Chinese were not confined to the estates but were to be found in practically every sector of the economy. How did this happen? First of all it must be borne in mind that Chinese emigration to Malaya was principally envisaged by the colonial government as providing a labouring class and 'the muscle and sinew' for development, not so much for their 'brains' and in this the official perception of the Chinese role was not really much different from the official perception of the Indian's. Large numbers of Chinese landed in the mines and plantations of the Malay States and died there or were shipped out when they were no longer useful. Some Chinese, however, managed to escape from these initial working places and established themselves in the interstices of the colonial economy as shopkeepers, traders, artisans and in whatever other employment they could find and they were joined by other Chinese who, through superior financial resources or kin connections, were able to set themselves up in better occupations.

The mobility was facilitated in an important way by the much less paternalistic policies the colonial administration was compelled to adopt towards Chinese labour as compared with Indian labour. Partly because of lack of officers conversant in the Chinese dialects and partly because there was not the same kind of collusion from the Chinese government as there was from the colonial Indian government over immigration and employment, Chinese labour was not funnelled as rigidly into one particular economic sector as Indian labour was, but instead was dispersed widely wherever Chinese capital had penetrated. An important role in this respect was played by the triad societies, trade guilds and benevolent societies which although used by the main office bearers (often the owners of capital) as a means of exercising control, especially over newly-arrived immigrant labour, also provided the means for substantial numbers of labourers to redeem themselves from their obligations. A useful perspective on this is provided by Stenson.

⁴⁹ Leslie N. O' Brien, "Divide and Rule: Education in Colonial Malaya", paper prepared for the Centre for Development Studies, Flinders University (undated) p. 21. O' Brien's wider conclusion on the role of education in colonial Malay is that "the way the school system was structured gave legitimacy to and aided the reproduction of these cleavages (class, ethnic and gender differentials). p. 27.

"Within Malaya, the process (of change in immigration and employment) was one of the reduction or even breakdown of restrictive society, guild, managerial, and contractor authority as a result of a rapidly expanding economy, new forms of production, freer movement of labour, and sometimes government policies.... Instead of being collected in isolated pockets around the tin mines of the interior or in compact districts at the main ports, the Chinese labourers were, by the turn of the century, scattered throughout the country with comparatively little regard to tribe or occupation. The rapid expansion of the tin industry and the inability of the main miners and society heads to maintain absolute control of either immigration or employment led as early as the 1880's and 90's to a marked increase of individual bargaining power on the part of the labourers and to the rise of profit-sharing by means of the tribute system of employment."⁵⁰

Another reason for the ubiquitousness of the Chinese in the economy, perhaps the more important one, was the initial foothold that the Chinese gained in the nineteenth century in the expanding frontier economy of the Malay States, a foothold that they rapidly consolidated and which presented many difficulties for non-Chinese to penetrate. When the British established Penang and Singapore in the late eighteenth and early nineteenth centuries, amongst the different immigrant communities that were attracted to them, the Chinese flocked in the greatest numbers, and they quickly made their presence in the economy felt. Writing in 1804, Leith estimated that the Chinese in Penang amounted "to between 5 and 6,000" and described their occupational diversity in the following terms: "The better sort of them possess valuable estates, in land and houses, and were the first Planters of pepper. The lower order exercise, different trades of carpenters, smiths, shoemakers, etc. they are labourers and fisherman, and supply the markets with all sorts of vegetables"⁵¹

Penang and Singapore grew rapidly as trading ports but it was the Chinese merchants more than the Europeans who engaged actively in the valuable trade between the Peninsula and the Straits Settlements, of which tin, although the most important item, was but one of a great variety of products that passed through Chinese hands.⁵² The important position they held in entreport trade not only opened up to Chinese labour a wide range of jobs connected with the processing and transshipment of produce, but also yielded considerable profits to the merchants, much of which was

⁵⁰Stenson, *op. cit.*, p. 6.

⁵¹G. Leith *A Short Account of the Settlement, Produce and Commerce of Prince of Wales Island in the Straits*, quoted in R.N. Jackson, *Immigrant Labour and the Development of Malaya 1786-1920* (Kuala Lumpur, Government Printers. 1961) p. 9.

⁵²From the east coast came tin, black and white pepper, gold dust, silk and cotton, Malay cloths, sugar and rattan. The west coast exported tin, bees-wax, elephants' teeth, ebony, hides, rattan, sago, wood, vegetables, fruits, cattle and poultry. See Khoo Khay Kim, *The Western Malay States 1850-1873* (Kuala Lumpur, Oxford University Press, 1972) p. 55.

reinvested in the tin mines of the Malay States. That tin mining boosted further the already considerable occupational diversity amongst the Chinese is apparent from this early account of Chinese tin mining on Banka island.

"Besides the immediate labourers in the mines, many others are connected with them, being engaged either in raising food and necessities, or in fabricating the tools and other materials required in processes of mining, washing, and smelting. Amongst these are blacksmiths, carpenters, charcoal burners, gardeners, etc."⁵³

After tin mining, came the foundries, sawmills, rubber and pineapple factories, engineering shops, brick works, etc., many of them established with Chinese capital and requiring large numbers of skilled Chinese craftsmen. Finally, the rapid growth of commercial and marketing activity in the Malay States provided opportunities at the lower level for provision shop owners, rubber dealers, padi purchasing middlemen, fish retailers, etc. which the Chinese were best placed amongst the local groups to take advantage of, although the highest level of the chain of distribution and marketing, with its attendant greater margin of profits, was dominated by

⁵³J. Crawford, *History of the Indian Archipelago*. Vol. III quoted in R.N. Jackson, *op. cit.*, p. 32. J.D. Vaughan, writing on the Chinese of the Straits Settlements in 1854, although the book was only published in 1879, was more fullsome. To him "The Chinese are everything; they are actors, acrobats, artists, musicians, chemists and druggists, clerks, cashiers, engineers, architects, surveyors, missionaries, priests, doctors, schoolmasters, lodging house keepers, butchers, pork-sellers, cultivators of pepper and gambier, cake sellers, cart and hackney carriage owners, cloth hawkers, distillers of spirits, eating house keepers, fishmongers, fruitsellers, ferrymen, grass sellers, hawkers, merchants and agents, oilsellers, opium shopkeepers, pawnbrokers, pig dealers and poulterers. They are rice dealers, ship chandlers, shopkeepers, general dealers, spirit shop keepers, servants, timber dealers, tobacconists, vegetable sellers, planters, market-gardeners, labourers, bakers, millers, barbers, blacksmiths, boatmen, book-binders, boot and shoemakers, brickmakers, carpenters, cabinet makers, carriage builders, cartwrights, cart and hackney carriage drivers, charcoal burners and sellers, coffinmakers, confectioners, contractors and builders, coopers, engine-drivers and firemen, fishermen, goldsmiths, gunsmiths and locksmith, limeburners, masons and bricklayers, mat, kajang and basket makers, oil manufacturers, and miners. To which we may add painters, paper lantern makers, porters, pea grinders, printers, sago, sugar and gambier manufacturers, sawyers, seamen, ship and boat builders, soap boilers, stone cutters, sugar boilers, tailors, tanners, tinsmiths and braziers, umbrella makers, undertakers and tomb-builders, watchmakers, water carriers, wood cutters and sellers, wood tomb-builders, wood and ivory carvers, fortune-tellers, grocers, beggars, idle vagabonds or samsengs and thieves. See, *The Manners and Customs of the Chinese of the Straits Settlements*, introduced by Wilfred Blythe (Kuala Lumpur, Oxford University Press, 1974) p. 15.

Europeans firms.⁵⁴

X In successfully making their way up the ladder of economic mobility, it is true that the Chinese generally did not encounter much opposition from the colonial government, and more than one scholar has been bemused why the British "at all times with very minor and occasional reservations have looked with equal favour on the rising and expanding Chinese capitalist class."⁵⁵ The probable answer to this is that the British had quickly realised their inability to economically develop the Malay States by themselves without a "huge array of coolies sweating out their lives in back-breaking labour of all varieties ... balanced ... by a large middle class of shopkeepers, merchants, artisans and government employees and by a smaller group of capitalists"⁵⁶ It must be borne in mind that the British did not seek to develop Malaya and most of the tropical colonies as colonial settlements in the same way they developed the temperate lands of Australia, New Zealand, Canada and South Africa where white colonies were established. Hence, there was no necessity here to resort to killing or driving into reservations the indigenous people or of establishing colour bars to prevent the immigration of non-whites as happened in the white colonies.⁵⁷ On the con-

⁵⁴A historical study of the development of the structure of market distribution and its implications has yet to be undertaken but Tan Tat Wai, in a recent book, following up from Putschueary's pioneering work on the British agency houses, has argued that British agency houses controlled the apex of the marketing pyramid by initially taking advantage of local acquaintances to push for British control of the mining sector and subsequently the plantation sector. Their domination in turn "ensured British industrial interest in the procurements of raw materials and disbursement of industrial products". Chinese businesses, although initially dominating in trading and the tin industry, faced intense competition from European economic interests where their marketing pyramids extended into the same sectors. The group representing British interests who held "the credit line, the sources of supplies, marketing outlets, and more advanced technology and business organization", however, eventually won supremacy "with the help of systematic Colonial Government efforts at strengthening the position of the European capitalists by eroding Chinese control over labour and by enacting all kinds of regulations unfavourable for the Asians" See his *Income Distribution and Determination in West Malaysia* (Kuala Lumpur, Oxford University Press, 1982) pp. 263 and 267; and James J. Putschueary, *Ownership and Control in the Malayan Economy* (Singapore, Eastern Universities Press, (1960) pp. 23-4; 56-7, 60-6.

⁵⁵R. Emerson, *Malaysia, A Study in Direct and Indirect Rule* (Kuala Lumpur, University of Malaya Press, 1964) p. 472.

⁵⁶*Ibid.*, p. 4

⁵⁷For a succinct summary of the way in which race has influenced international relations in the nineteenth and twentieth centuries and how white dominance was established in the colonies, see Hugh Tinker, *Race, Conflict and the International Order: From Empire to United Nations*. (London, Macmillan Press, 1977) Chapters 1 and 2.

ary, the small band of white officials, planters and miners⁵⁸ needed much cheap non-white labour to produce the profits that made their own stint in the colony worthwhile. Not only was cheap coolie labour required but, as agriculture, mining, trade, finance and banking developed, and the economic links between colony and metropolis strengthened, local intermediaries became necessary to link the local producers and consumers to the manufacturers and financiers in Britain. This role was mainly played by the Chinese as can be seen in the chart on the next page. Thus, so long as the Chinese did not compete directly with British capital in the same sectors, the colonial administration was quite happy to see them develop. Finally, purely from a pragmatic point of view - Swettenham during his time acknowledged the Chinese to be the contributors of almost the whole of the revenue of the Malay States, a situation which continued for virtually the first 50 years of colonial rule - it is easy to understand why the British were less concerned at defining a narrow economic role for the Chinese than they did for the Malays and Indians.

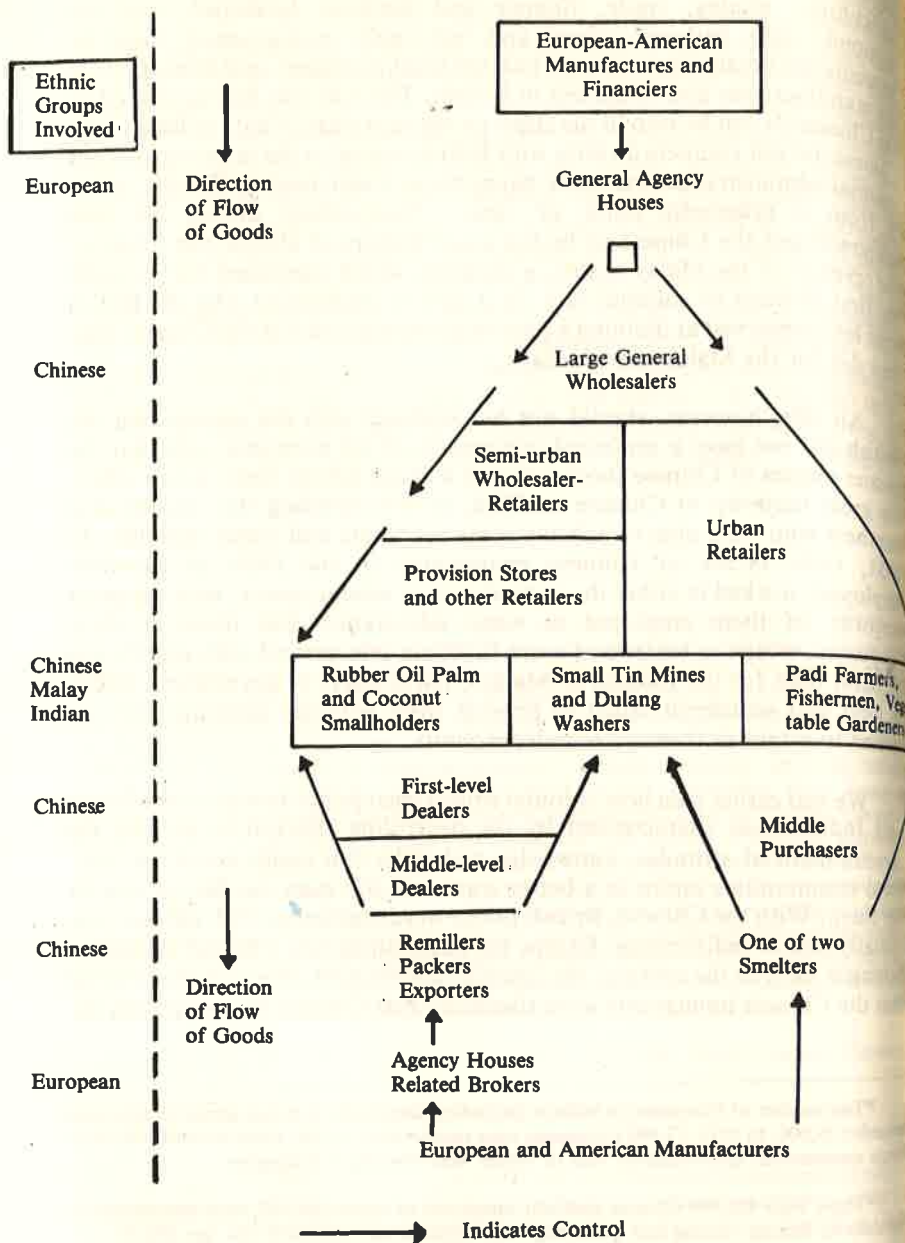
All this, however, should not be confused with the notion that the British did not have a preferred conception of the economic role that the greater masses of Chinese should play as a cheap labour force, a role which the great majority of Chinese fulfilled, notwithstanding the considerable numbers who were able to achieve some economic and social mobility. In 1931, fully 58.5% of Chinese enumerated in the FMS as gainfully employed, worked in either the agricultural or mining sector, with the great majority of them employed as wage labourers.⁵⁹ For most of these labourers, escape to better and more fulfilling jobs proved only slightly less difficult than for the Indians or Malays, particularly as government policy in land and settlement failed to provide them with the openings they required to establish themselves independently.

We had earlier seen how colonial educational policy towards the Malays and Indians was characterised by the overriding concern to prevent the development of attitudes, knowledge and skills that might make the two rural communities aspire to a better station in life than the British saw fit for them. With the Chinese, British policy in education, as with labour, was initially one of indifference. Except for establishing two Chinese schools in Selangor early in the century, the colonial government adopting the premise that the Chinese immigrants were aliens and that Chinese education was en-

⁵⁸The number of Europeans in Malaya (including Singapore) does not appear to have ever exceeded 20,000. In 1931, 17,686 Europeans were enumerated; in 1947 there were 18,958 Europeans enumerated, approximately half of whom were residing in Singapore.

⁵⁹There were 420,996 Chinese gainfully employed of whom 246,182 were enumerated in agriculture, fishing, mining and quarrying. See Vlieland, *op. cit.*, Table 134. pp. 294-97.

**CHART 1
THE MARKETING PYRAMID OF MALAYAN
ECONOMIC ACTIVITIES**



Source: Based on Tat Tat Wai, *op. cit.*, Chart 7.3. p. 268

...ely a matter to be handled by the Chinese themselves, made no attempt until the 1930s to assist Chinese education either financially or administratively.⁶⁰ The growing politicization of Chinese schools, however, was a different matter since it raised nationalist consciousness and could subvert colonial rule and from about 1920 onwards, the colonial government made continual efforts to control and intervene in matters which served its political purpose.³

The result of colonial educational policy towards the Chinese was that a large majority of Chinese children went through a separate educational system that was "trapped in an intricate web of partisan Chinese politics and chauvinism" and "tended to lose sight of its educational objectives." Not only the Chinese but also the country as a whole suffered more than gained from the China-consciousness fostered in the schools. The extent to which Chinese-education served as a means of upward mobility for the children of poor Chinese can only be guessed at but was unlikely to be considerable. Since only a few Chinese schools provided secondary education and the primary level of education focussed on a general knowledge (subjects taught in the curriculum modelled on that found in China were Chinese, arithmetic, history, geography, nature study, civics, singing, drawing, physical training and English) it must be presumed that the Chinese who succeeded in the commercial and business world mainly worked their way up rather than relied on educational qualifications. Similarly, Chinese artisans, craftsmen and technical workers did not learn their skills from schools but obtained them through apprenticeships served in real job experiences. The Chinese educated in English schools appear to have been able to make more use of their education to find access to white collar, professional and other better paying jobs but they formed an elitist minority.⁶¹ In summary, the great mass of Chinese children failed to find in education the potential channel for mobility it offered.

I have so far argued that British land, agricultural and educational policies towards the Malays consciously sought the ossification of Malay rural society. Similarly South Indian Tamils were segregated in labour lines plantations. The Chinese, because of their initial headstart in the capitalist sector, were more diversified, occupationally, but the majority, employed as plantation and mining workers, were not much more

⁶⁰Between 1924 and 1938 government grants to Chinese schools in the Federated Malay States varied from a low figure of 1.6% of total expenditure on education to a high of 5.19%. See Loh, *op. cit.*, Table 7, p. 93.

⁶¹Between 1924 and 1937, a greater proportion of Chinese students was enrolled in Chinese schools than in English schools in the FMS. This proportion varied from 66.5% to 84%. See Loh, *ibid.*, p. 92.

economically mobile than their Malay and Indian counterparts. Among all three ethnic groups, the growing middle-class of professionals, bureaucrats and businessmen revealed that the colonial government could not maintain a sharp differentiation of labour by ethnic community for as long or as finely-drawn as it might have desired. Moreover, the increased integration of the country into the international economy and the maximization of their own economic interests required the British to open the doors of economic and social mobility to a small select group of locals. But there was no contradiction at all between this development and the overall thrust of the dominant policy aimed at enhancing the ethnic differentiation of labour, a policy that very largely succeeded.

Colonialism and 'Pluralism'

To the British, the occupational and racial 'pluralism' which existed was not only a convenient and profitable way to run the colony; it also fitted in perfectly well with the racial stereotypes they had. This aspect of colonial rule in Malaya - the extent to which 'racial stereotyping' played a role in the making of colonial policies towards the different races - has received relatively little attention.

Three exceptions are the works of Collin E. R. Abraham, John G. Butcher and J. de V. Allen.⁶² Abraham's work argues that since colonialism aimed at the maximization of profits, political domination and racial control through the manipulation of ethnic and racial groups was a necessary condition for effective economic exploitation. At the same time colonial ideology was said to have "intensified and generalized a whole set of stereotypes, based on ethnic or racial criteria, which inculcated feelings of superiority and inferiority among, and between, groups. This in turn facilitated their being manipulated to serve the interests of the colonial powers."⁶³ Butcher's social history of the Europeans in Malaya also focusses on the social relations between Europeans and Asians, and the tensions between the two groups. Dealing with the period 1904 - 15, he describes a number of examples to illustrate "that Europeans saw themselves as superior to other races" and were fearful of "anything which

⁶² See Abraham, "Race Relations in West Malaysia with Special Reference to Modern Political and Economic Development" (D. Ph. dissertation, Oxford University, 1977) and "Racial and Ethnic Manipulation in Colonial Malaya," *Ethnic and Racial Studies* (Great Britain, Routledge and Kegan Paul) Vol. 6, No. 1, January 1983, Butcher, *The British in Malaya 1880-1941* (Kuala Lumpur, Oxford University Press, 1979) and Allen, "Two Imperialist Studies of Sir Frank Swettenham and Sir Hugh Clifford" *JMBRAS*, Vol. 37, Pt. 1, July 1966.

⁶³ Abraham, "Racial and Ethnic Manipulation", p. 20

... even appear to threaten their superiority.⁶⁴ As the educational and professional gap between Europeans and Asians began to close, he shows how a merit bar in the civil service whereby non-Europeans were excluded from the office, became the main European means of maintaining their superiority.⁶⁵ Unfortunately, Butcher's work does not elaborate on the policies in other fields than the social one; neither has he attempted a comprehensive evaluation of the role that British attitudes towards race played in colonial or imperial ideology. Allen's article, in trying to deal with his two main characters within the dynamics of the imperial movement, deals in part with their views of race which shaped their relationship with the non-Europeans and their historical role in the Peninsula. Allen makes the argument that during Swettenham's and Clifford's time "it was reasonable to attribute racial characteristics to an entire people and to determine their destiny accordingly." It was thus "intellectually quite respectable, even among British circles in Asia, to endow all 'Orientals' or 'natives' with certain uniform characteristics" since distinctions between races then were not held to be "based on avowedly irrational suppositions about the significance of pigmentation, as they are apt to today, but on pseudo-scientific laws."⁶⁶

It is important to note that it was not simply a question of cultural conceptions or the assumption that the oriental races were differently constituted from people of white stock that accounted for the different policies towards different races.⁶⁷ Together with it was the racist notion that the Europeans were a superior people and Orientals, an inferior people. These ideas were not confined to only a few officials who felt more acutely the need to deal with "the fluttered folk and wild," the "new-caught, sullen people, devil and half-child" who made up, for Rudyard Kipling, the white man's burden. Philip Mason has noted in Britain that, "By the end of the nineteenth century, racism had come into the realm of popular writing

⁶⁴Butcher, *op. cit.*, p. 121

⁶⁵*Ibid.*, pp. 72-112

⁶⁶Allen, *op. cit.*, pp. 44-5

⁶⁷By racist I refer to beliefs and acts which are based on the fallacy that discriminatory group relations can be justified on biological grounds. Individuals or people with racist tendencies will often claim that "there is a scientific basis for arranging races hierarchically in terms of psychological and cultural characteristics that are immutable and innate". Thus they make "existing differences appear inviolable as a means of permanently maintaining relations between groups". See Statement of Race and Racial Prejudice, U.N.E.S.C.O., 26, 1967.

and the talk of the streets; it had invaded Government policy;"⁶⁸ in colonial Malaya, it would not be unfair to say that few Europeans were immune from some sort of racism. Although a direct connection between the characteristics the European community ascribed to themselves and the other races it came into contact with and actual colonial policy is less easily established in Malaya than in some other colonies such as South Africa, Kenya and Australia,⁶⁹ there is no doubt that such views formed an important conditioning factor to the colonialism that existed in Malaya.

The racism that was practiced by Europeans and the colonial administration in Malaya operated at two levels: the first, relating to the 'inherently inferior qualities' of the non-Europeans (the locals) in contrast to the 'superior qualities' of the Europeans; and the second, relating to the perception of a hierarchy of differing racial qualities amongst the local inhabitants, making different ethnic groups less or more hardworking, honest, intelligent, civilized, disciplined, etc. In an introduction to a volume of short stories written by Hugh Clifford,⁷⁰ Roff has briefly touched on the first aspect and its role in colonial rule.

"One of the principle arguments advanced by ... those entrusted with actually carrying out British policy ... related to the great benefits which, it was profoundly believed, could be and ought to be brought to the benighted peoples of the earth. The 'unregenerate' Malays - a term much favoured by Victorian colonial administrators - clearly qualified for the assistance and blessings of British rule.... It was widely believed, among men of this stamp, that for reasons of enervation by climate and a natural heritage for political corruption, 'Oriental races' were simply incapable of ordering their affairs competently Clifford's own connexion, Frederick Weld, spoke for many of his kind when he wrote in 1880: "I doubt if Asiatics can ever really be taught to govern themselves. Good government seems not to be a plant congenial to the soil"..."

Using the argument that Orientals required 'regeneration' would not only vindicate imperialism, but could also elevate it to a 'civilizing mission'.

⁶⁸Cited in Abraham, "Racial and Ethnic Manipulation", p. 21.

⁶⁹On Australia, see the 3 volume work *Racism: The Australian Experience*, ed. by F. Stevens (Sydney, Australia and New Zealand Book Company, 1971) and C.D. Rowley, *The Destruction of Aboriginal Society*, 3 Vols. (Canberra, Australia National University Press, 1970). On South Africa, see Pierre L. Van den Berghe, *South Africa: A Study in Conflict* (Middletown Wesleyan University Press, 1965) and on Kenya, see Leo Kuper, "Some Aspects of Violent and Non-Violent Political Change in Plural Societies" in Kuper and Smith, ed., *op. cit.*, pp. 169-91.

⁷⁰Hugh Clifford served two terms in the colonial service from 1883 to 1903 and 1907 to 1927, the latter as governor.

⁷¹William R. Roff, *Stories by Sir Hugh Clifford* (Kuala Lumpur, Oxford University Press, 1966) p.xi

Occupation

Rubber Estate Owners
 Mine Owners*
 Electrical Engineer
 Mechanical Engineer
 Bank Officials
 Central Govt. Officials
 Police and Army Officers
 Physicians and Surgeons
 Ministers and Solicitors
 Architects, Surveyors
 and Civil Engineers

Population

Includes Managers
 Vlieland, *op. cit.*

⁷²Swettenham, *op. cit.*

⁷³Emerson, *op. cit.*

the FMS in 1931. This feature of occupational differentiation - the gulf between Europeans sitting at the top of the economy and society and non-Europeans forming its base⁷⁴ - was an important result of the ideology of racism.

In dealing with the local people it was also necessary for the British to make use of the social, cultural and economic differences that existed among them, to ascribe these differences to pre-determined and immutable biological and environmental factors, and to manipulate the 'racial' differences to suit their own ends. Since the Malays were largely a settled peasant class and less easily attracted to work as labourers in the mines and plantations, the idea that the Malays were lazy, thriftless, unambitious and unable to develop the natural resources of the country offered a perfect pretext for British intervention in the Malay States. It also justified subsequent policies that brought in cheap immigrant labour and compelled the Malay to grow padi, stay on the land and be provided with the most rudimentary education. The official yearbook of the main state in the Peninsula in 1892 whose prose could be considered to reflect the conventional wisdom amongst the British thus noted that "They (The Malays) are an indolent, contented, thriftless, unambitious, polite and peaceful race. It seems to be doubtful whether the Malays as a race are susceptible of much improvement in their country The lower classes are content with a bare subsistence, while the well-born Malay is too proud (and often, it must be confessed, too indolent) to work."⁷⁵ W. H. Treacher, the Resident-General in 1903, was more explicit about the cause of the Malay malaise. In a letter to the *Malay Mail*, prior to a Ruler's Conference, he clarified the colonial government's policy in connection with the employment of Malays in the civil service in the following terms: "I do not despair of Malays eventually

⁷⁴Even when Europeans and non-Europeans performed substantially the same job, distinction was made in their salaries to ensure a higher standard of living for the former and to maintain a distance between the two and uphold the dominant position of the European. Loh, *op. cit.*, has pointed out that a European male teacher with a university degree or its equivalent was paid during the 1930's a starting salary of M\$400 per month with annual increments of \$20 per year to a maximum of \$800 in sixteen years. A 'local' with a degree from a recognised British university would receive a starting salary of \$180 with annual increments of \$16 per year to a maximum of \$350 in 17 years. See, pp. 114-5.

Butcher in his discussion of the colour bar in the civil service has mentioned how with few exceptions, non-Europeans even though possessing superior qualifications, were not appointed to a position higher than that held by the most junior European in the department.

When the colour bar surfaced as a public issue, the leader of the protest in the Straits Settlements, Dr. Lim Boon Kheng spoke in the following terms of the government's policies: "however worthy my posterity may be, they will never be allowed to be more than the most subordinate servants, clerks, and so on, under men who think their skins are the sole sign of authority over us before all others. It is a lie" See Butcher, *op. cit.*, p. 111.

⁷⁵*Perak Handbook and Civil Service List, 1892* (Taiping. 1892) pp. 9-10.

ing valuable public servants in the higher grades of the Civil Service, whose characteristics, the result of centuries of tropical environment cannot be changed in a decade, or even in two or three decades."⁷⁶

And, as late as 1926, these views remained unchanged; if anything else appears to have been reinforced as can be seen from this description by the author of the official handbook to the country. "Judged by European standards the Malay has doubtless much to learn in respect to the value of concentrated effort and firmness of purpose ... to keep a Malay at work on any object or the interest of it must be made clear to him. If this is done and the work appeals to him, he will carry it out with good humour, intelligence, industry and courage which are not very much inferior to those of other races."⁷⁷ This particular description ended by pointing out that "the Malay when employed as a motor car driver, in which profession he proves more satisfactory than, most cases."

These charges made of the 'racial' inadequacies of the Malay were to a great extent counter-balanced by the admiration which many British officers professed for certain 'Malay qualities' such as 'loyalty', 'generousness', 'honour' and 'generosity' which were said to render the Malays "an extraordinarily attractive people" and which appear to have been based on the paternalistic sentiments of some British. How much of this was a genuine nostalgia the British felt in confronting a feudal society which resembled the one which they had lost "in some era long before the Industrial Revolution" and how much was due to the sense of dominant position that these 'qualities' seemed to pander to is not clear.⁷⁸ Suffice it to say that though that whatever racial quality was evoked by the British for the purpose - 'noble savage', 'unregenerate', 'primitive', 'rustic' - they were unable to justify the 'intercessor' and 'protector' role that the British used to disguise their imperialist designs in the Malay States.⁷⁹ When juxtaposed with their own strongly-held view of the superiority of the white man, this provided the ultimate racist justification for British rule and domina-

⁷⁶ Loh, *op. cit.*, p. 21.

⁷⁷ R.L. German, *Handbook to British Malaya 1926* (London, 1926) p. 34.

⁷⁸ Both these points are made by Butcher, *op. cit.*, pp. 52-55.

⁷⁹ An outstanding British effort at this was by Winstedt. Describing the situation which led to British intervention in the Malay States, he has written: "... in the middle of the nineteenth century, the Chinese tin-miner aimed a blow with his pick at the mousedeer, and the history of the warring native states for the next quarter of a century is the record of the Malay ruler's struggle to deal with this vigorous interloper; a failure that led at last to active interference by the British." See his, *Malaya* (London, 1923) p. 146. By portraying British intervention as necessary to prevent the Malays from being savaged by the Chinese, Winstedt was obviously playing the racial line.

If the Malay was to be left lazy, content and undisturbed in his padi fields (even if against their own will as in the case of Malays who aspired to grow rubber, to work in government jobs or to obtain English schooling) then it was a stroke of good fortune for the British that the Indian seemed endowed with *coolie* qualities. A planter providing information to would-be planters in 1894 in Selangor recommended Tamils in the following terms which characterised most British attitudes towards the Indians.

"... as general all-round estate coolies I believe the people of this nationality, as imported direct from India, to be second to none in the world and I would advise the intending planter to secure as many of them as he can possibly find work for. Quiet, amenable to discipline, very quick to pick and adapt themselves to any kind of work, they are ... the best of servants to a just master A Tamil likes a hard master; they even have a saying that 'the master who never gets angry doesn't give good pay.'"⁸⁰

Swettenham, the colonial official *par excellence* in Malayà, held even more disparaging views of the Indians. According to him "The Hindu, the Tamil, the native of Southern India, is ... a poor thing; oily in body, cringing in demeanour, and maddening in speech. But for all that he is very useful, whether as a labourer on a plantation, a cattle keeper and a cart driver, a washerman, or a barber."⁸¹

As with the Malays, whatever redeeming 'racial qualities' the British saw in the Indians, coincided with the needs of the economic role the British assigned to this group. Thus, the main terms used to describe the Indians - 'docile' 'well-behaved', 'quiet' - carried the connotation that the Indian was racially the most amenable to the lowly paid and regimented life of estate and menial government work.⁸² British views of the race qualities of the Chinese were shaped in part by the comparative economic independence the Chinese had obtained for themselves which the British found it difficult to deny. Whilst the British (often grudgingly) conceded to 'Chinese

⁸⁰R.J. Jackson, *op. cit.*, p. 106.

⁸¹Frank Swettenham, *The Real Malay* (London, John Lane, 1900) pp. 39-40.

⁸²Abraham has argued that the colonial image that "Indian immigrants were primarily content to be labourers attached to Europeans concerns and were supposedly 'protected' by the colonial government, not only generated an ideology of their inferiority (amongst the Indians but also made them despised by the Chinese)". Similarly, "whereas colonial ideology created a feeling of inferiority in the minds of the Malays, in order to facilitate the mass immigration of aliens to perform needed economic roles, the adoption of this ideology by the aliens resulted as a 'self-fulfilling prophecy' in the Malays further believing in their own inferiority". See his "Racial and Ethnic Manipulation", pp. 26 and 28.

qualities' of 'thrift', 'self-reliance' and 'industriousness',⁸³ other 'qualities' were held in contempt. Clifford had this to say of the Chinese labourers coming into Malaya : "... I do not hesitate to assert that both morally and intellectually they are among the lowest of our human stock, and I challenge anyone who has personal acquaintance with them to show that as a body they can excite any feelings kinder than that of pity in the European administrator."⁸⁴ Other Chinese vices were 'trickery' 'indecentry' and 'disloyalty' which were contrasted with Anglo-Saxon (and sometimes Malay) virtuousness and honour, and made to appear as if they were the reasons for Chinese success in the economic field.

In summary, British economic policy towards the different races in Malaya was not one which herded Chinese and Indians to work in mines and plantations and compelled Malays to work in rice fields. That might have been possible in another day or age as happened with African slave labour in the Caribbeans and America in the late eighteenth century. In the more enlightened and *laissez-faire* Victorian society from where the colonial officials came, crude policies seeking to impose an ethnic division of labour could have been morally and politically difficult to sustain. But putting together the different parts of British policy and practice towards the various races in Malaya, it is difficult to avoid the conclusion that the British knew that some sort of rough division of labour amongst the races was being structured under their rule and that various policies they pursued

⁸³These views are well-reflected in the account by the planter; "why there isn't in the whole world a better worker than the (Chinese). You can't give him too much to do. He will take on double shifts for a few extra cents, and he has a head worth fifty Tamils and a score of Chinese.... As for health, why you can feed him on stale cat-meat washed down with draughts of cholera and enteric germs, and you can breed mosquitoes to sing him to sleep - he will never mind a hair. Give him a pipe of opium occasionally, so that he can dream of the girl he left behind him, and you may forecast your output to an ounce." Quoted in Sandhu, *op. cit.*, p.

⁸⁴ Chan Hon Chan, *op. cit.*, p. 105.

reinforced or helped set up tendencies towards racial separation, whatever good intentions lay behind them.⁸⁵

It should be reiterated here that the ethnic differentiation of labour, like any other major social phenomena, is a complex subject whose full understanding requires the analysis of a wide range of internal and external factors. The fact that the relative importance of each of these factors and their interaction varies according to the historical period under study further complicates the analysis. What I have done should not imply that I am insensitive to these other factors⁸⁶ or their changing historical context. However, in trying to determine the causes of phenomena, one of the first tasks is to distinguish between primary and secondary causes, and this is what I hope has been accomplished by the focus on colonial policy. The emphasis on the British and their role should also not mean that I see the Malays, Chinese and Indians as an undifferentiated mass manipulated by the colonial master without any means of control over their own destinies. It was because many of the colonial subject people refused to bend to the stereotypes the British had in mind that helped produce the growing social

⁸⁵At the same time I want to avoid the impression that the British were completely unified in their policies. Although the great majority (and most important) of officials, adhered to an ideology of *Pax Britannica*, which disregarded the consequences of the racial divisions taking place in Malayan society there was the occasional far-sighted official who was concerned and tried to do something.

Two such officials in education were J. Driver, Inspector of Schools for the FMS in 1901, who proposed Malay education as a means of integrating the different ethnic groups and David Bishop, Inspector of Schools for Selangor, who, in 1916, argued that English education should be made available, especially to urban Malays, to enable them to compete with other races. Their arguments which were rejected, are worthwhile reproducing. Driver: "The policy of keeping the children of alien immigrants aliens for the next generation is surely not the best, and is not the policy usually followed in any country, even when foreign immigrants are numerous. It would be doubly undesirable here, where every effort should be made, in view of the abnormally small child population to break down the language barrier as far as possible and make, at least, the new generation regard this as their homeland." (Loh, *op. cit.*, p. 38).

Bishop: "I am in favour of giving the Malays generally an education, but in the case of town Malays, to whom agricultural pursuits are not open, something ought to be done where possible, to place them on a more equal footing with those of other nationalities, and to give them the chance to qualify at a reasonable age for posts in the Government service or in various business or professions, now almost entirely held by Tamil and Chinese.

I gladly welcome this evidence of a desire on the part of the Malays to compete on more equal terms with Asiatics of alien nationality; and such a desire should be fostered in every way. Compulsory education in the Vernacular, however desirable and necessary that may be, is undoubtedly a serious handicap to the Malays. Chinese and Tamil children may begin their English education as early as they please. The Malay boys must wait until they have completed or almost completed their Malay school course." (Loh, *op. cit.*, p. 54).

⁸⁶Some of the internal factors regarded as pertinent to explaining the economic retardation of the Malays have already been subject to considerable discussion. See e.g. the Parkinson-Wilder debate in *Modern Asian Studies* (Cambridge, Cambridge University Press) 1967, 1, No. 1 (pp. 31-46); 1968, 2, No. 2 (pp. 155-64) and 2, No. 3 (pp. 267-72).

economic diversity within each community evident at the time of the country's independence.

Finally, it is necessary not to diminish British responsibility for the creation of ethnic differentiation of labour prematurely not only because no concrete historical evidence to the contrary has yet been produced but also because the British had it within their means to pursue alternative policies which could have narrowed the economic and social differences amongst the Malays. It is undeniable that British control of the apparatus of government administration was total and quite undisturbed until the outbreak of the Second World War and the emergency. If they had so desired, the British could have used the tremendous leverage provided by their command of the modern state apparatus to effect different types of changes. The extent to which this is not fanciful is shown by the ability of the post-colonial government to alter significantly the occupational and social structure of the Malays, especially since embarking on the New Economic Policy aimed principally at "accelerating the process of restructuring Malay society to correct economic imbalance, so as to reduce and eventually eliminate the differentiation of race with economic function".⁸⁷ While it is unfortunately true that the implementation of the New Economic Policy has generated much social friction rather than brought about the social integration of the various races, no one can deny its results in terms of the Malay position in the economy and society, especially in the upper reaches of the modern sector.

In 1970, seventeen in every 100 Malays lived in urban areas; by 1985 the figure would have increased to thirty.⁸⁸ In 1957 the Malays were largely confined to the agricultural sector with sixty three in every 100 workers employed there. By 1975 the number had dipped to fifty-eight and between 1975 and 1985, an even more dramatic decrease would have taken place, leaving only thirty-five in every 100 Malays in agriculture. Meanwhile the Malay industrial proletariat has grown greatly in terms of number. Between 1970 and 1980 the number of Malay production workers more than doubled from 266,000 to 641,000 and by 1980, the Malay ethnic group contributed

⁸⁷Government of Malaysia, *Mid Term Review of the Second Malaysia Plan* (Kuala Lumpur, Government Printing Office 1973) p. 1. Although the policy can be considered as being in the aftermath of the racial riots of July 1969, it gained specificity and began to be widely implemented only after 1973. For some discussion of the origins of the New Economic Policy, see Donald R. Snodgrass, *Inequality and Economic Development in Malaysia* (Kuala Lumpur, Oxford University Press, 1980) pp. 51-61.

⁸⁸The figures here and below have been obtained from the Government of Malaysia—published Five Year Plans. See especially *Mid-Term Review of the Third Malaysia Plan 1976-1980* (Kuala Lumpur, Government Printing Office, 1979)

the largest proportion of production workers amongst all ethnic groups.⁸⁹ (1.4 million workers in all, with Malays contributing 45.4%. Chinese, 42.6% and Indians and others, 12.0%). If Malay production workers continue to increase in number in the 80's at the same rate as in the 70's, they will outnumber production workers from all other ethnic groups put together by 1985.

In the field of education, the results of restructuring through state policy have been no less spectacular. A recent study has shown how state interference with the criteria adopted for admission into degree courses conducted at the five local universities has substantially enlarged Malay representation as well as increased very markedly Malay enrolment rates in the science and technology courses.⁹⁰ The study concludes that "the state's success in restructuring Malaysian society via spawning the development of a Malay class of professional managers, executives, public administrators and other high income earning categories has been impressive."⁹¹ This overwhelming evidence of the success of social and economic engineering efforts by the post-colonial state in a rather different direction from that pursued by the colonial state within a short period of less than 30 years (the British were in the Federated Malay States for some eighty years) is a reminder of the great reach of the modern state, be it colonial or post-colonial, and its power to shape, for better or for worse, the major patterns of economy and society.

⁸⁹See Lim Teck Ghee "The Growth of the Worker Class and Its Implications for Social Relations" in S. Husin Ali, ed., *Ethnicity, Class and Development, Malaysia* (Kuala Lumpur, Malaysian Social Science Association, 1984)p.39

⁹⁰Toh Kim Woon, "Education as a Vehicle for Reducing Economic Inequality in Malaysia" in Syed Husin Ali, *op. cit.*, pp. 224-64

⁹¹*Ibid.*, p. 238.