

Reply to Professor Lim's Comments on "The Economic Development of British Malaya to 1914, etc."

Professor Lim must have read my article in an entirely different light from that in which it was composed. How otherwise could he have missed the essence of my argument and formed the distorted view of it which is reflected in his comments?¹ He criticizes me principally for failing to produce new historical material, and he chooses his words so as to suggest that I am trying to pass off secondary materials as original work; for example (p. 291),

He starts off by giving the impression that he has much to offer by way of insight into the subject. Later, he admits that he does no original research except by putting other scholars' materials together.

This surely misrepresents my clearly stated objectives. The title of my paper plainly uses the word "historiography" which I believe conveys, as intended, that my article is an essay about the writing of Malayan economic history. My introduction (pp. 262–64) clearly, and I believe honestly, disclaims any attempts at original historical discovery. If I may quote from a central passage.

This present paper is a first attempt at an interrelated economic analysis. Our interest will be in the initiation of, linkages between, and effects of, various forces which promoted economic growth in Malaya — in other words, in economic stimuli and responses. This focus of interest explains why I do not here produce new historical research but unashamedly base my analysis on secondary sources.

Professor Lim further says that I give the impression of being the first scholar to put other scholars' materials together in the economic field and that "This is not being fair to earlier scholars" like Kennedy and Steinberg *et al.* whose works I did not mention. There are many aspects of defence against this charge. Firstly, I still believe that previous writers have not analysed the interactions, or linkages, between the various growth-promoting forces working in Malaya before 1914: neither Kennedy nor Steinberg, *et al.*, for example, have in my judgement written about the economic development of Malaya in the interactive way which I have recommended. Secondly, I did not hesitate to commend the work of Emily Sadka which I believe to be the only previously published work which comes near to the interactive type of economic analysis. Thirdly, in an already long article, there was scarcely room to refer to and discuss all other works touching on the economic history of British Malaya. Finally, there was no need to do so; I should have thought that footnotes 1 to 7 together with the related text on page 263 had unambiguously demonstrated the adequacy for my purpose of the publications to which I did refer directly.

¹Lim Chong Yah, "A Comment on P. J. Drake's 'The Economic Development of British Malaya to 1914: An Essay in Historiography with Some Questions for Historians'", *Journal of Southeast Asian Studies* 10 (1979): 291–92. My own article is to be found in pp. 262–90 of the same issue.

Professor Lim says that Arthur Lewis' *Tropical Development, 1880 to 1913* would be a most valuable reference for a study like mine. I agree (and I feel the same about Frank Swettenham's *British Malaya* and Lewis Fermor's *Report Upon the Mining Industry of Malaya* which for failing to mention Professor Lim also reproves me); but, as I have said, it was not necessary for my purpose to mention every work relevant to tropical development in general or Malaya in particular. Next, Professor Lim suggests that those interested in what I might style "grand themes" of economic development could find my article "lacking analytical economic ballast". I spent four pages on the subject of analytical framework. I plumped for, and then outlined, Hla Myint's "vent-for-surplus" model of the process of economic growth in sparsely populated underdeveloped countries. My article is certainly not lacking an analytical model; it simply uses a model other than the ones mentioned by Professor Lim.

In discussing the related questions of colonial government policy towards the Malay farmers and the farmers' responses to commercial opportunities, I wrote, with reference to the late nineteenth century (i.e., before rubber), that the colonial administrators had not kept the Malays tied to rice cultivation, nor denied them opportunities to grow other crops for cash (p. 284, relying on Sadka). Professor Lim has interpreted this as follows: "He denies that the Colonial Government ever discouraged the Malay padi farmers from taking to rubber growing" (p. 291) and refers to evidence mentioned on pages 175–76 and his *Economic Development of Modern Malaya* (1967) that the Malays were officially discouraged from turning to rubber planting. However, his evidence refers to the years of the Great Depression. So far as the "middle" period (c. 1910–20) is concerned, I quoted Professor Lim not as a dissenter from the view that the Malays did not react to the profit stimulus offered by the then rapidly expanding rubber growing industry but as a dissenter from the opposite opinion that the rapid expansion of smallholdings was proof of a response by the indigenous Malays to new economic opportunities. I wished to highlight Lim's emphasis on the importance of the immigrants (of Malay stock) in expanding the rubber industry. Perhaps it is necessary for me to quote from *Economic Development of Modern Malaya* at length in order to remove this misunderstanding between us (p. 184):

... the absence of Malay immigration statistics has been partly responsible for laymen and scholars alike in later years taking it for granted that all the Malay rubber small-holdings in Malaya were owned and operated by indigenous Malays, and for the general belief that with the impact of the rubber industry, the indigenous Malays had converted their rice fields into rubber small-holdings, thus accounting for the existence of all the Malay rubber small-holdings in Malaya. These popular beliefs are based on half-truths arising from the blanket classification of Malays (and also other Malayan races) as a homogeneous aggregate for most purposes.

On the question of international influences on the development of British Malaya I had not intended to suggest that earlier authors had never taken international economic developments into consideration. Certainly Professor Lim, Professor Wong Lin Ken, and others have, in their studies of various aspects of the Malayan economy, dealt with international influences. But I think it is still true that most existing studies about the pre-1914 Malayan economy have been too narrow in focus and have not paid enough regard to all international influences, a notable example being the late nineteenth-century fall in value of silver against gold which had far-reaching consequences on the pattern of international trade and investment.

Lim says (p. 291):

His story on the economic development of colonial Malaya up to 1914 is interestingly given and is quite convincing. One, however, begins to doubt his story or interpretation when one comes to reading the last part of his article, for he says that "some parts of the story may be built on fragile foundations and could do with more searching investigations".

This last quotation, however, is taken out of context; when read in context, the words, as intended, suggest the desirability of reevaluation and further research on some aspects which have gained general acceptance (and may well be true) without, as yet, substantial historical support. This leads to the list of questions posed at the end of my article which Lim says are ". . . no doubt easier asked than answered". Of course; but the growth of knowledge depends very much on asking the right questions, and I sought to raise questions which economic historians might find challenging, interesting, and fruitful to answer.

As an example of a question "easier asked than answered", Professor Lim refers to my desire for balance of payments accounts for pre-1905 periods and asks (p. 292),

Are there reliable statistics for this construction or reconstruction? One must remember that there are no national income figures on Malaya until after the Second World War, as a result of the pioneering work of the late Dr. Federic [sic] Benham.

I find this a curious comment in two respects. Firstly, a broadly accurate and illuminating balance of payments account may be constructed from relatively few statistics. For instance, reasonable balance of trade estimates coupled with data about fluctuations in bank reserves may be used to deduce the residual net capital movement. (This latter figure may then be subdivided to some extent by noting any identifiable components among the capital flows.) Secondly, Lim's reference to the absence of national income figures is pointless; as Professor Lim must know, the balance of payments is a monetary phenomenon and national income figures are not needed to construct balance of payments tables (the fact that the trade balance is a component of both national income and the balance of payments accounts is a red herring).

I have left almost until last the following most curious statement by Professor Lim (p. 291),

Without doubt he tries to show the impartiality of British rule to local British economic interests. Without supporting authority, I doubt he is convincing here.

Professor Lim here makes a wholly unwarranted imputation. Nowhere did I say, nor did I imply, anything about the attitude of the British rulers to British economic interests. Had I wished to state a view on this issue, I should not have feared to express it in clear and forthright prose.

Professor Lim's final point is that the Great Depression of the 1930s was not mentioned by me: hardly surprising in view of the fact that my article, by design, stopped at 1914. Professor Lim's desire to carry the story forward to include the 1930s is unobjectionable but would require at least another long article.

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The Asian Studies Association of Australia (ASAA) convened its Second National Conference at the University of New South Wales, Sydney, from the 15th to the 19th of May 1978. The Malaysia programme for the Conference, organized under the aegis of the Malaysia Society of ASAA, included papers in five thematic sections: (1) Malaysian historical and social analysis, (2) Malay economic and social development since independence, (3) history of the Malaysian Chinese community, (4) issues in Malaysian education, (5) Malaysia and ASEAN. Readers may be interested to note the following papers from the ASAA Malaysia programme which have since been published:

Malaysian Historical and Social Analysis:

- L.F. Brakel (University of Hamburg), "Problems of Dichtung and Wahrheit: Islamic Historiography in Malay", *Archipel* (1981).
- John Butcher (Griffith University), "Towards the History of Malaysian Society: Kuala Lumpur District, 1885–1912", *Journal Of Southeast Asian Studies* 10, no. 1 (Mar. 1979).
- P.J. Drake (University of New England), "The Economic Development of British Malaya to 1914: An Essay in Historiography with Some Questions for Historians", *Journal of Southeast Asian Studies* 10, no. 2 (Sept. 1979).
- Khoo Kay Kim (University of Malaya), "Recent Malaysian Historiography", *Journal of Southeast Asian Studies* 10, no. 2 (Sept. 1979).
- Virginia Matheson (Australian National University), "Concepts Of Malay Ethos in Indigenous Malay Writings", *Journal of Southeast Asian Studies* 10, no. 2 (Sept. 1979).
- Wong Lin Ken (University of Singapore), "Twentieth Century Malayan Economic History: A Select Bibliographic Survey", *Journal of Southeast Asian Studies* 10, no. 1 (Mar. 1979).
- Malay Economic and Social Development Since Independence* Abdullah bin Sepien (Rubber Research Institute of Malaysia), "Malay and Chinese Rubber Smallholders: An Inter-Ethnic Group Comparison", *Journal of Southeast Asian Studies* (forthcoming).
- Rosemary Barnard (University of Newcastle), "The Modernization of Agriculture in a Kedah Village, 1967–1978", *Review of Indonesian and Malayan Affairs* 13, no. 2 (1979).

Peter J. Rimmer (Australian National University) and George C. H. Cho (Canberra College of Advanced Education), "Urbanization of the Malays Since Independence: Evidence from West Malaysia", *Journal of Southeast Asian Studies* (forthcoming).

History of the Malayan Chinese Community

Cheah Boon Kheng (Universiti Sains Malaysia), "Malayan Chinese and the Citizenship Issue", *Review of Indonesian and Malayan Affairs* 12, no. 2 (1978).

Christine Inglis (University of Sydney), "Chinese Schools in Malaya During the Colonial Period", *Kabar Seberang*, no. 7 (1980).

Stephen Leong (University of Malaya), "The Malayan Overseas Chinese and the Sino-Japanese War, 1937-1941", *Journal of Southeast Asian Studies* 10, no. 2 (Sept. 1979).

K.G. Tregonning (Hale School, W.A.), "Tan Cheng Lock: A Malayan Nationalist", *Journal of Southeast Asian Studies* 10, no. 1 (Mar. 1979).

Issues in Malaysian Education

Margaret Clark (Victoria University of Wellington), "The Politics of Education in Malaysia and Singapore", *Kabar Seberang* (forthcoming).

Lenore Manderson (University of Sydney), "Women and Work: Continuities of the Past and Present", *Kabar Seberang*, no. 5/6 (1980).

———, "The Development and Direction of Female Education in Peninsular Malaysia", *Journal of the Malaysian Branch, Royal Asiatic Society* 51, pt. 2 (Dec. 1978).

Tham Seong Chee (University of Singapore), "Issues in Malaysian Education: Past, Present, and Future", *Journal of Southeast Asian Studies* 10, no. 2 (Sept. 1979).

Malaysia and ASEAN

H.W. Arndt (Australian National University), "Malaysia and ASEAN Economic Cooperation", *UMBC Economic Review* 14, no. 1 (1979).

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