

BOOK REVIEW

The Economy of Colonial Malaya: Administrators versus Capitalists by Sivachandralingam Sundara Raja. London and New York: Routledge, 2018, 274 pp.

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Published online: 31 October 2022

To cite this article: Viswanathan Selvaratnam. 2022. The economy of Colonial Malaya: Administrators versus capitalists (Book review). *Kajian Malaysia* 40(2): 269–279. <https://doi.org/10.21315/km2022.40.2.12>

To link to this article: [hhttps://doi.org/10.21315/km2022.40.2.12](https://doi.org/10.21315/km2022.40.2.12)

Sivachandralingam Sundara Raja’s study *The Economy of Colonial Malaya: Administrators versus Capitalists* was published in 2018 by Routledge, under their “Modern History in Asia Series”. The publication is adapted from a doctoral dissertation that the author pursued in the Department of History, Universiti Malaya. Embedded within a Eurocentric methodological framework, the main objective of the study was to rectify and bridge the gaps in Malaysia’s late 19th and early 20th-century colonial-era historiography, in order to better understand the nation’s imperial economic history.

THE STUDY’S SCOPE AND STRUCTURE

Chapter one outlines the study’s area, scope, methodology and its significance to Malaysian historiography. Sivachandralingam’s objective was to tease out the country’s two important but neglected historical truths that emerged during British rule from 1896 to 1909. They were: (1) a series of “serious adversarial relationship[s]” between “man on the spot” administrators and the capitalist investors, that hampered development in the Federated Malay States (FMS) during their early stages of economic growth; and, (2) the extent to which P. J. Cain and A. G. Hopkins’ theory of “gentlemanly capitalism” or investors who had connections with the “metropole” were able to exert influence on the centralised government of the FMS from 1896 onwards (p. 7). For the author, the neglect of

these truths in subsequent historical studies, has created a lacuna in the nation's colonial historiography.

In chapter two, based on secondary sources with a largely Eurocentric bias, the author reconstructs and articulates the narrative of "law and order" as the main driver for British imperial expansion and economic development of the Malayan Peninsula. It recounts both Britain's Imperial policy and colonial economic activities before 1867 as well as with the imposition of "indirect rule" in 1874, followed through with the formation of FMS in 1896 and the establishment of the Federal Council in 1909.

Chapters three to six detail the "serious adversarial relationship" that arose between the colonial administrators and investors in each Malay state that impeded its initial growth potential. The study's conclusion highlights the characteristics of the policy conflicts within the politico-business relationships in the FMS (1896–1909), reflecting the complexities and impediments of the colonial state's investment review process (p. 158).

METHODOLOGICAL GENRE

Earlier, scholars from the Global South were called to reorient their theoretical frameworks and analytical interpretations to reflect an indigenously-oriented epistemology (Said 1978; Smith 1999). A call to Malaysian historians too was made by the late Shaharil (1982; 2004), from the same academic stable as Sivachandralingm. He emphasised, "Present day students of Malaysian history will be continuously under pressure to write a new history of the past as academic frontiers are progressively pushed further by the growing significance of the social sciences and other related disciplines" (Shaharil 1982, 440). Before Shaharil, the prominent Malaysian social scientist-cum-historian Syed Hussein Alatas called upon scholars from the Global South to move towards a form of post-colonial theory and decolonial thought in their epistemology, research methodology and interpretation (Alatas 1964; 1971; 1977).

The work of both scholars highlighted the biases and limitations of a Malaysian historiography modelled on Eurocentrism and the necessity to reorient their epistemology and methodology. Alatas (1977) and Shaharil Talib (1982; 2004), through the prism of post-colonial theory and decolonial thought, teased out and demonstrated in their scholarship, how imperial Britain's political hegemony and "indirect rule" transformed, adapted and manipulated the captive minds of the Malay rulers and people to serve the interest of colonial capitalism and the accumulation

of capital at the metropolitan centre. Indeed, Alatas's early theorisation of the category of colonial capitalism in his *Myth of the Lazy Native* (1977) has proved to be a central concept in the study of British capitalism in 19th and 20th century Malaya. Yet this central analytical framework has eluded Sivachandralingam's historical scholarship.

ADMINISTRATORS VERSUS CAPITALISTS

Sivachandralingam's study aims to underpin, assess and unravel the linkages between British colonial policies and the "serious adversarial relationship" between the "man on the spot" bureaucrats (comprising Residents, the Resident-Generals and the High Commissioners) and potential individual and corporate capital investors both in the agriculture and mining sectors in each of the FMS (p. 1). Thus, these "serious adversarial relationships" in the FMS, Sivachandralingam says, contributed in the early stages to a hiatus both in the economic development and the formation of a new commercial elite of entrepreneurs (p. 1). He further states that, "From the cases compiled and studied from 1896 to 1909, it is clearly the personalities involved, rather than policy, which determined the balance of power between Kuala Lumpur and Singapore" (p. 164).

Sivachandralingam asserts that the complex business relationships between the officials and capital investors in the FMS cannot be analytically subsumed within the theoretical framework of "gentlemanly capitalism;" the reason being the imperial political philosophy of the Victorian era was for local officials to make independent decisions rather than relying heavily on the colonial officials at the metropole (p. 158). Thus, Victorian administrators of the FMS were not compliant to hierarchy. Therefore, the bureaucratic elites on the colonial periphery bestowed onto themselves a de facto self-approved authority (p. 158).

Sivachandralingam's study highlights in each of the Malay states the "serious adversarial relationship" between the Colonial Office, officials at the Federal and State levels and investors and the adverse outcomes investors mainly in the plantation and mining industries faced (p. 4). Basically, they fell victim to the nebulous decentralised power system and were not provided with valid reasons for the rejection of their applications (p. 162). On occasions, the Colonial Office was averse to genuine investors since Colonial Officials were unaware of the local situation as well as the rules and regulations and were thus not sympathetic to the appeals made by both the officials and investors from the respective investing states (p. 160).

Further, the author suggests that the “serious adversarial relationship” was due to the pervasive use of “excessive bureaucracy” by the “man on the spot” (p. 1). This arose because the administrative system lacked (1) a common political ideology and unified thinking; (2) defined roles that led to poor coordination and persistent conflicts; (3) competent officials both at the Malay States and in the Colonial Office; and (4) officers in the Colonial Office who were familiar with the conditions in the Malay States. Further, a failure of officials to adhere to land and mining rules and to Federal Government circulars. Finally, the unsympathetic attitude of British officials towards investors. These bottlenecks were both an obstruction and ambivalence to the nascent elite commercial investors in their initial ventures (p. 1). These impasses prevailed notwithstanding imperial Britain’s deeming coherent policy of investment and capital inflow into the Malay States to be crucial (*ibid.*).

THE STUDY’S LIMITATIONS

For Sivachandralingam, studies on British imperialism based upon P. J. Cain and A. G. Hopkins’ influential theory of “gentlemanly capitalism” are inadequate. This is because it underpins the “social cohesiveness between official and unofficial” and the “significant roles of London-based landed elites and investors, rather than manufacturing interests” as the chief drivers of British imperial expansion overseas (p. 6). Thus, he suggests, “the role of London capital interest in the expansion of British economic interest in Malaya (which was one of the reasons that led to British intervention in the region) has been overemphasised” (p. 7). Further, “There is little evidence to suggest strong links between these gentlemanly administrators and ‘gentlemanly capitalists’ in the FMS.” On the contrary, “These two groups did not always share opinions on a range of business matters” (p. 40). The author states that although his study does not provide a comprehensive critique of the theory of “gentlemanly capitalism” (p. 7), it “contradicts the supposed positive relationship between British administrators and the so-called ‘gentlemanly capitalist’ as implied by P. J. Cain and A. G. Hopkins” (p. 6).

For Sivachandralingam, when studies interpret the specificity of “the realistic course of economic policy execution” (p. 40) on the ground level to any significant extent (p. 6) the data reveals “the de facto control of the key government officials in the FMS on incoming business” (p. 7). Hence, there is a major flaw in the theory of Cain and Hopkins as it neglects the various administrative complexities involving British officials and investors at the ground level (p. 6) including the “prevailing attitudes and perceptions of the British administrators” (p. 40). The constellations of these factors, according to the author, goes on to indicate that in

the Malay States “the theoretical framework which Cain and Hopkins pinpoint as being central to the maintenance of the British imperial role... could not possibly fit” (p. 7).

Here Sivachandralingam can be situated within a broader scholarship on empire. As pointed out by Karuna Mantena in her seminal study *Alibis of Empire: Henry Maine and the Ends of Liberal Imperialism*, there is a tendency by influential critics of Eurocentric theories of imperialism like John Gallagher and Ronald Robinson in their “imperialism of free trade” (1953) to emphasise local tactical developments and the imperial actors at the periphery as the primary agents for propelling imperial expansion, producing a governing pattern within the colonies that was conducive to relentless profit-seeking and capital accumulation (Mantena 2010, 10). Yet as others have argued, the execution of British imperial deeds at the colonial level can be only understood if contextualised within the broader trajectory of the inextricably connected imperial project (Metcalf 2007).

CAPITALISM AND EMPIRE

A major omission in Sivachandralingam’s study is not to take into cognizance a major shift in imperial policy. The Victorian era from the 1870s ushered in a new age of imperialism which radically undermined John Stuart Mill’s model of a liberal imperialist benevolent despotism (Mantena 2010). Imperial Britain henceforth pursued a policy of an “effective occupation” of her colonies to offset her declining industrial power to safeguard or stimulate capital investment under the most favourable conditions (Evans 2016, 641 & 654; Fieldhouse 1967, 189). When Joseph Chamberlain was Colonial Secretary from 1895 to 1903, his imperial strategy was “almost a religion” (Bogdanor 2010) and he thus, “saw himself as the architect of an efficient and modernised empire” (Chamberlain 1970, 37).

As Sivachandralingam’s archival research points out, Chamberlain’s stated policy from 1896 was “to encourage more commercial enterprise in the Malay States” (p. 30). The policy was reinforced by the Colonial Secretary of the Straits Settlements F. A. Swettenham in a memo to C. P. Lucas, the Assistant Under Secretary, stating that “the duty of the Colonial Office and the Resident-General is to promote the agricultural wealth of the peninsula and to stimulate and multiply its product. To this end every great care should be taken not to discourage intending planters” (p. 30).

Influential Eurocentric studies by scholars like Gallagher and Robison (1953) have fragmented the study of imperial historiography, mainly to underplay or even

dismiss the wider imperial connectivity and the processes of hegemonic power highlighted by world-systems analysis. In particular they have underplayed the vital role that imperial thought, intellectual ideas and ideology served in shaping the development of the British Empire, including the colonial administrators on the ground level (Mehta 1999).

According to Mantena (2010), “Indirect rule came to function as an ideology in a more classic sense, as a way to conceal and justify the consolidation of imperial power” (p. 10). Thus, the significance of Imperial Britain’s concealed hegemonic policy of “indirect rule” that was sustained for over a century to aggressively exploit the economy of the Malay Peninsula for the accumulation of capital at the metropolitan centre. The sustainability of this policy was facilitated through the collusion of imperial administrators both at the metropolitan centre and in the periphery of the Malay Peninsula.

The author, through a micro-historical aperture, and in consultation with the various metropolitan archival sources “that tell only half the story” (as pointed out by West [1961]) as well as with a plethora of “critically unfettered” (Shaharil 2004) secondary sources, has laboured to “provide insights into the real problems faced by local and foreign capitalists and the extent to which the Colonial Office and the relevant personalities were involved in either hindering or encouraging the free movement of capital in these states” (p. 4).

For any historian to reconstruct the working of economic imperialism-cum-colonial capitalism’s history can be a daunting and elusive task. British imperial and colonial history were inextricably intertwined with the broader historical processes of colonial capitalism, appropriation of surplus value and accumulation at the metropolitan centre (Lowe 2015; Ince 2018). Indeed, to reconstruct an engaging and meaningful narrative of the working of imperialism-cum-colonial capitalism, the study cannot be siloed and narrowly focused within the colonial periphery but instead warrants a broader contextualisation both of the “men on the spot” and the “aspiring capitalist investors.”

Sivachandralingam’s disregard for this important debate elides and eludes his historical analysis and interpretation of imperialisms and colonial capitalism’s pervasive hegemonic dominance and its broader imperial ties within which its policies were formulated and legitimised. Thus, as Mantena (2010) argues, “The mainstream of British imperial historiography has tended to contest the notion that the British Empire had any sort of ideological unit, even going so far as to question whether the Empire as such ever existed as a coherent unit. Imperial historians have especially underplayed (even dismissed) the role of ideas and ideology in shaping

the structure and pattern of the British Empire” (p. 9–10). This was underpinned by colonial administrators who saw themselves as part of an altruistic project as well as taking up the “sacred responsibility” to bring government to the benighted heathen (Dalrymple 2007). Here the author avoids a key question: What roles did Western capitalist societies play in the FMS to propagate among the “man on the spot” the imperial hegemonic ideology and colonial capitalism?

Within the broader context of the Malay Peninsula, this interconnected and intertwined imperial relationship between the metropole and periphery is succinctly articulated and demonstrated in Nadarajah’s (2000) excellent and detailed study of “Johore and the Origins of British Control, 1895–1914”, a study that very literally overlaps with the period of Sivachandralingam’s study and emerges from the same department of history. Nadarajah’s study, though primarily based on colonial archival data, through her closer and unfettered critical inquiry demonstrates that with the ascendancy of Chamberlain as the Colonial Secretary and with his assertive expansionist imperial economic policy, the Colonial Office and the British High Commissioner in Singapore coerced the Sultan of Johore to wade into the granting of concessions to both unacceptable British and foreign investors. Indeed, Britain’s policy was to make the Sultan favour British investors aligned to influential metropole interests and of sound social and financial standing. Further, through strongarm tactics Imperial Britain not only secured Johore’s huge untapped agricultural reserves and the construction and management of the railways but also kept the state intact for eventual British official entry to develop it on a similar economic model and terms to the one pursued in the FMS by British entrepreneurs.

Therefore, the major problem with Sivachandralingam’s study is the failure to contextualise the historical narrative within the broader constellation of imperial historiography and in particular to crystallise the storyline within the emergence of the New Age of Victorian imperialism that pursued a policy of “effective occupation” of colonies to safeguard or stimulate capital investment under most favourable conditions. In his unravelling of the series of “serious adversarial relationships” between the “administrators and capitalists” the author was not able to distil the crucial ingredients that were inextricably linked and intertwined to the metropolitan centre.

In other words, the author fails to separate and articulate the different components that precipitated the adversarial relationship between the “administrators and capitalists” in the late Victorian era. How, for example, did they encroach on the execution of Chamberlain’s overall British imperial policy of economic exploitation and capital accumulation? As pointed out earlier, the “serious adversarial relationships” is not solely anchored as local developments but were also propelled

by imperial expansion and capital accumulation. The study highlights each of the “serious adversarial relationships” but fails to unravel through a penetrating analysis of archival records the reasons for the antagonism.

RESEARCH METHODOLOGY

Sivachandralingam’s research is primarily based upon the collection of an array of data excavated from official colonial archival sources. The archival material rooted in colonial archives is ingrained with limitations as pointed out by the anthropologist-cum-historian Michel-Rolph Trouillot (1995) nearly two decades ago in his seminal study *Silencing the Past: Power and the Production of History*. Trouillot points out in his study that colonial archival sources tend to obscure or elide the colonial and imperial character (ibid.). The Australian historian W. J. West writing as early as 1961 in the *Journal of Southeast Asian History* stated that “We must be grateful for the facts which such Europeans collected, but look elsewhere for their significance before they can be used to help the writing of colonial history” as “colonial history from these records tell us only half the story” as many of the files are with-held or edited (West 1961, 76 & 81).

Shaharil (2004) called upon his fellow academics “to engage in an unfettered critical enquiry into what is wrong with the knowledge structure that have evolved and presented to us such an arid understanding of our histories.” He goes on further to raise several very pertinent and relevant points to practising Malaysian historians who have been moulded and embedded within the American-Eurocentric historical framework. In addition, he articulates and raises several questions, among the broader and more pertinent ones being, “...what accounts for the silences and lacunae in our history? Asking such questions is more than a mere corrective. It is a significant act of engagement that is the starting-point for the creation of new historiographical possibilities... Secondly, we need to interrogate the historical records, especially the existing documents, through a much more sophisticated understanding of both the spatial and temporal logics of the contemporary world order—the confluence of geography and history...” (p. 7).

Sivachandralingam’s Eurocentric historical methodology and theoretical interpretation has fallen into a similar narrative mould as that of British imperial historians such as Gallagher and Robinson. However, a well-honed, discerning and reflective Malaysian historian needs to evaluate the archival contents, understand their structural underpinnings and proceed to reconstruct the puzzle from the accumulation of the scattered sources, events and intellectual thought of the time. Only then can he or she establish a conceptual framework for

the history of colonial Malaya. Otherwise, there will be a fundamental ignorance of our inglorious past, especially the pernicious cultural imperialism, that was fuelled and structured by the ideology of empire-building, colonial capitalism and the hierarchical structural silos of class and race (see Stenson 1980).

CONCLUSION

History is a many-sided phenomenon and therefore a critical intervention to the country's predominantly inherited Eurocentric historiography and its assumptions are vital. The distinguished Indian historian Romila Thapar (2002) points out that "In the final analysis history is an intellectual enterprise and does have an intellectual dimension in its understanding of the past." Thus, historians do not write history; they curate it by sifting through and grappling with a plurality of narratives and perspectives that are inherently intertwined and inseparable from one another. The net result is to widen the understanding of the country's colonial historiography.

Sivachandralingam's study would have been all the richer if only he had contextualised his study within the broader history of the late 19th and early 20th-century British imperialism, the development of metropolitan capital and the world capitalist system. With this he could have, as Trouillot pointed out, challenged and unravelled the historical roots and working of colonial capitalism in the Malay States.

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