

REJOINDER ARTICLE

In defense of *The Economy of Colonial Malaya: A rejoinder to the book review* by Viswanathan Selvaratnam in *Kajian Malaysia* 40(2) 2022: 269–278.

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A refutation of Viswanathan Selvaratnam’s problematic reading of my monograph, *The Economy of Colonial Malaya: Administrators versus Capitalists*, which Routledge published in 2018 as part of its Modern History of Asia series, is required here due to his harsh interrogation of my choice of historical, archival-based methodology of late 19th- and early 20th-century colonial sources. Selvaratnam confronts the entirety of the book – from its historical scope and analysis, the questions it seeks to address, and the very reason for the study’s existence in the first place.

Selvaratnam conceptualises Eurocentrism with the intention of oversimplifying it as a generic pretext against all things colonial. He also holds to the belief that the underlying motive behind criticising Eurocentrism is to disregard and diminish the significance of colonial history and its sources. This approach is limiting and constrictive in its understanding of historical events and their impact. Instead of using it as a colonial critique, as it should have been, he has exploited it carelessly.

To be fair to Selvaratnam, this mindset of his reflects that of Eurocentric critical historians who, in their fight against the shaped modernity of world histories, unknowingly choose the ideological starting point of denialism of Europeanism (Satya 2005, 2051–2055). It is impossible to determine how much of a significant gain has been made in eradicating Eurocentrism in local history through their scholarship, including Selvaratnam’s criticism of my book. I also wonder how he

would contribute towards decolonialism after accentuating how my methodology of using colonial sources embeds the notion of Eurocentrism and Eurocentric discourse and ideology, when in fact I restrict myself to a study of a specific problem of colonial history (Burney 2012, 144). Along with giving Eurocentrism a normative power, Selvaratnam also reveals within his critique that he lacks clarity in several other areas (Dirlik 1999, 29).

THE IRRELEVANCE OF PERSPECTIVE STRETCHING

A major thread running through Selvaratnam's review of *The Economy of Colonial Malaya* is its critique of the book's thematic breadth, which, if I understand correctly, is inadequately extended across the course of British imperial and capitalism's history to be able to expose the Eurocentricity of the colonial story I have addressed (Selvaratnam 2022, 272–276). By claiming that my study lacks an awareness of this necessity, and that it instead endorses a Eurocentric approach, Selvaratnam really exposes more about his own inadequacy in grasping what he believes my book is based on – a “Eurocentric methodological framework” (Selvaratnam 2022, 269). To him, my best course of action should have been to use a global scope of British imperial capitalistic activities and attitude, as well as British complicity with capitalism. This seemingly would have avoided a Eurocentric trap, which he thinks my work has unfortunately found itself in. And that is also specifically because I did not “take into cognizance a major shift in imperial policy” from the 1870s and, therefore, neglected to incorporate imperial ideas and ideologies into my discussions (Selvaratnam 2022, 273).

The Economy of Colonial Malaya was not intended to handle its issue in any of the ways Selvaratnam thinks it should, though. My research centres around the specific case studies of how British officials restricted capital investment in the Federated Malay States (FMS) between 1896 and 1909. As such, it is conceivable that the study's strength is found in its capacity to offer an exhaustive analysis of colonial bureaucracy. The study offers revealing data about the causes behind and conducts of British administrators by thoroughly examining primary materials and delving into the complexities of specific cases of investment proposals. Framing the study within broader historical and economic trends like British imperialism, the growth of urban capital, and the global capitalist system may be able to shed more light on the circumstances of the problem. Yet it could be argued that the study's focus on specific cases enables it to lend a distinct perspective to the topic that does not seem to be necessarily dependent on a broader historical context. In simple terms, while contextualising the study within an expanded historical

backdrop could possibly enhance the study, it was never indispensable to fulfil the study's objectives. Through its focus on micro-level events and experiences, the study's value may lie in its ability to provide a comprehensive and detailed knowledge about specific instances of colonial bureaucracy.

COLONIALISM AND CAPITALISM: NOT A LOVE STORY AT FIRST SIGHT

What *The Economy of Colonial Malaya* really concerns itself with is thus less about the working of colonial capitalism within a structural scaffold laid across a temporal context. Rather, my approach throughout the book is based on a deeper political-economic spatial context. It makes a broad case that colonialism and capitalism interacted differently from what is implied as an untroubled, ideological relationship. In a way, it comments on Blaut's (1989, 291) interest in knowing the commitment of colonialism in accumulating capitalism, which of course presumes that both systems always merged comfortably. In contrast, the book depicts the history of colonial capitalist administration and the existence of bureaucracy in promoting commercial operations in the mining and agricultural sectors from a colonial unit – British Malaya (see Raymond 2019, 315–316 for a different review of the book). It started out from a simple curiosity about colonial restrictions on investment proposals in those sectors that were poised to exploit all four protected Malay states in the FMS. I soon realised what the problem was (Belfield 1902, 1–32).

The British economic administration between 1896 and 1909 was still largely ineffective since the colonial hierarchy lacked streamlining and effective power delegation, which would have allowed for the selection of who should decide what and when, and through an optimised procedure (Thio 1967, 1–6). By 1909, the Federal Council was established and hence standardising decision-making in general, politically resolving most of the difficulties investors encountered nine years earlier (American University, Washington D.C. 1965, 329). Through its case studies drawn from the colonial records, the book simply raises the question, “What actually happened during these nine years?”. It then uncovers that administrative barriers to capitalism were a far bigger dispute between concerned individuals than previously noted in the literature. This was a serious dilemma to colonialism. Once more arming himself with the “complicity” thesis, Selvaratnam may contend it would have made sense after all, considering the 1909 Federal Constitution that represented the logic of colonialism's commitment to capitalism. He would have missed yet another point, though. The incidents of conflict between administrators

and Western investors, as well as among the latter themselves, from 1896 to 1909 that are detailed in *The Economy of Colonial Malaya* show that colonialism and capitalism were not instantaneously coupled. It was not a tale of true love at first sight. Some tasks had to be completed.

COLONIAL BUREAUCRACY IN ACTION

The British colonial administration made several efforts to encourage British investment in the Malay states through circulars, the creation of colonial societies like the Selangor Club, Selangor Golf Club, Selangor Gymkhana Club, Lake Club, and many others, but these only served as meeting places and had no real impact on the state of affairs (Butcher 1979, 65). Following the establishment of the FMS, the Malay Mail solely served as a platform for industrialists to express their resentment towards British officials who did not promote investment in the Malay states. Selvaratnam neglects to mention that the Federation Scheme, which C.B.H. Mitchell produced in 1895, was the only manual for the federal bureaucratic system at the time the Federation was being formed. The difficulties investors had between 1896 and 1909 are proof that the scheme presented impediments to investors (Raja 2005, 63–75).

Despite the fact that there were more Europeans in the Malay states starting in 1896 and a change in policy to encourage investment, the officials showed no interest in this. Here, Selvaratnam must examine works by Swettenham and historians like Emily Sadka who emphasised such incidents that amply demonstrate the British authorities' disregard for investment in the Malay states. In a speech delivered to the Royal Colonial Institute on 31 March 1896, Swettenham reported that, "Of private European enterprise, except in planting and a few mines, there has been practically none. I think there would have been more if further encouragement had been offered, but some British officials appear to acquire, in the course of service, a habit of looking with suspicion on all their own countrymen who have any official dealing with them" (Swettenham 1983, 193). Swettenham added that excessive red tape often caused subordinates to be slowed down and that the higher class of bureaucrats frequently blocked investments.

Scholars who studied the matter agreed with Swettenham's views. There were numerous occasions when the Governors and Residents clashed, as Emily Sadka correctly noted. Hugh Low and Frank Swettenham were notable Residents during this period, while the two main Governors were Frederick Weld and Cecil Clementi Smith. Weld was portrayed as a person who relied very much on his subordinate

and this was made use by Swettenham (Sadka 1968, 153). Every time a project was approved, Swettenham had to give a detailed report to the governor, and he was also embroiled in bureaucracy. For instance, the Kinta railway extension was approved in 1892 by the late Governor as well as the Secretary of State, but the Acting Governor was against it. There were also cases where the Acting Governor did not support Swettenham's liberal policy towards investors in the state of Perak. To quote Sadka, "Swettenham himself, when Resident of Perak, felt the force of the Governor's authority when he was confronted in 1890 by an Acting Governor unsympathetic to his policy of open-handed expenditure and unreserved support for entrepreneurs in the states. The Kinta railway extension was held up, though it had been approved in principle by the Governor and Colonial Office ... revenue farmers unable to pay their rents were denied relief despite Swettenham's plea for liberal treatment" (Sadka 1968, 154). This suggests that investors might have avoided investing in Malay states due to the local administrations' tendency for illiberal policies. This justified the need for the 1896 Federation and the creation of a unique plan to define the responsibilities of the administrators.

In relation to those, *The Economy of Colonial Malaya* also provides a means of testing what Cain and Hopkins (1993) characterised and generalised as harmonious relations between British capitalists and British colonial officials through their gentlemanly capitalism theory. Both the "gentlemanly capitalism" paradigm and the subsequent critiques have ignored Malaya. This is a significant gap in the historiography because Malaya would become a major economy for the empire. White (1999) has tested Cain and Hopkins in Malaya for the later 20th century, but little has been written about the peninsula's "high imperialism" in the late 19th and early 20th centuries (except for Webster's [1998] analysis of the "forward movement" post-1874). The study attempted to put Cain and Hopkins' theory to test, and it is abundantly evident that it cannot be used in the context of Malayan states. But I do not see why Selvaratnam criticises my work for using historical theory since none of it is employed in my research, which rejects it.

COLONIAL SOURCES FOR A STUDY OF THE COLONIAL PROBLEM

Disregarding that *The Economy of Colonial Malaya* is concerned with these intricacies, Selvaratnam flattens the book as a Eurocentric study. So intense is his detestation of Eurocentrism that he doubts not only the book's referentiality but he also goes so far as to question my credibility. Consider for example his following remark: "...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” (Selvaratnam 2022, 276–278). Is it because I have sinned by employing such a wide variety of colonial records to write nothing but a history of actual colonialism on-the-ground?

With that, I now focus more intently on attempting to define what Selvaratnam’s Eurocentrism means and what it actually is, at least in terms of the contrast I would draw between it as a historical discourse and a methodology. As already noted, he has been highly reflexive about the use of colonial sources. In doing so, he likely loses sight of the obvious reason they were employed, which was to analyse how colonial bureaucracy affected colonial economy. Selvaratnam also neglects, from a methodological standpoint, to take note of how these materials have been assembled for that purpose. It is naive to suppose that historical research necessarily ends up being Eurocentric simply because it makes use of colonial sources. Even more so if the subject of the study is colonialism. An article titled “Colonial global economy: Towards a theoretical reorientation of political economy” published in the *Review of International Political Economy* in 2021 is one reference that backs up the premise that historical scholarship does not always end up becoming Eurocentric simply because it uses colonial sources. Bhambra (2021) argues in this paper for the importance of historical colonial connections in both the creation and continuous reproduction of the global political economy. She aims to shift our understanding of the histories that support theories of capitalism to integrate colonial relations, and to tweak the framework of analysis by taking them into account. The major difference is that my work is micro-historical whereas Bhambra’s is macro-historical.

The materials in my book are undoubtedly “colonial” in the sense that they emphasise the British as key players; in this sense, they are, in fact, written from the elite European perspective; nonetheless, the focus of my book is on the consequences of their own (mis)execution of policy on themselves and British industrialists (Milner 1987, 774). An article titled “Colonial legacy in development administration” published in the *Global Encyclopaedia of Public Administration, Public Policy, and Governance* by Frank Ohemeng is one recent publication that explores the use of colonial sources to build a history of colonial administration. The author argues how the colonial past has left an indelible impression on Africa’s institutional and economic growth, and how modernity theory became the focus point for growth and development, which underdeveloped countries should learn to mimic. Ohemeng (2020) demonstrates how colonial sources can be used to build a history of colonial administration. My book is more evidently a study of colonial administration and its consequences for a colonial society, not the colonised.

Precisely for those reasons, my book does not introspect itself. Neither does it attempt to provide an explicit disclaimer of, and rely on, the cultural and intellectual implication of its archival methodology and colonial sources. It exploits these for their own sake, more specifically for a microscopic examination of “colonial conversations” to bring out the intricacies of a prevailing administrative bureaucracy that triggered a constitutional amendment in 1909. Indeed, this book’s forensic approach to research, which made considerable use of the colonial archives, allowed it to reach the most granular and specialised levels of British administration. I painstakingly examined relevant case studies, and the results show that the standardisation of a colonial policy-making process from 1909 onwards was predicated on a more serious basis than previously thought. The book nevertheless shows that the situation was far more complex in reality than Cain and Hopkins (1993) or Webster (1998) maintain. The colonial administration in Malaya had, at least prior to the 1909 reform, been a poor facilitator of capitalist development. The inconsistent bureaucratic attitude and the crucial role of individuals in decision-making during a time when administrative conventions were not well-established are two especially fresh insights contained in *The Economy of Colonial Malaya*. I submit that there was an impractical degree of metropolitan control over the expansion of commercial capital. It reveals, instead, the de facto control of key government officials in the FMS on incoming business ventures.

The study not only reveals the extent to which local administrators expressed disinterest towards investors who had connections with the “metropole”, but also shows their disregard for investment policies issued by the Colonial Office in London. Selvaratnam, by contrast, favours a theory of colonialism and capitalism’s complicity. He relies on Nesamalar Nadarajah’s (2000) observation on Johor, where it appears that the Colonial Office and High Commissioner colluded in granting concessions to unsuitable British and foreign investors there. Other states could not be compared in the same way, which is the premise of my book. Sinclair (1967, 352) clearly stated that “Colonial Office, far from being manipulated by investors, was unresponsive to their needs, and treated them with a coolness which did [sic] not always stop short of contempt”. Selvaratnam ought to be aware that Nadarajah’s work does not have a one-size-fits-all approach.

EUROCENTRISM AND SELVARATNAM’S EUROCENTRISM

Selvaratnam believes adamantly that my book should be about colonial critique, which would have been far-fetched given the goals of my book. This is where I am convinced his assessment of my book (and his advice for how it ought to be) is premised on his own, superficial understanding of Eurocentrism. He overthinks the

Eurocentricity of colonial sources in his (mis)conceptualisation of it as historical wrongdoings per se that should be held accountable through critical instruments. The review also sometimes gives the impression that he would enjoy it if colonial sources were completely abandoned. Despite Selvaratnam's embracing the idea, I argue that he refuses to show sensitivity towards the sociological and political constituents of Eurocentrism as a cultural phenomenon that historically qualify it as a form of intellectual thought.

Eurocentrism is a worldview that revolves around Western civilisation and its morals and beliefs, often at the expense of other cultures and perspectives, and how it has constructed societal structures and power relations between diverse groups. It therefore carries an essential dual aspect. To qualify as Eurocentric, a Western apparatus – in our case, colonial sources – must be open to falsifiability with respect to a narrative it frames of non-Western histories and cultures. It operates effectively as a critique in relational terms, primarily stressing the non-Westerners' epistemological battle for autonomy from the Westerners' knowledge system. Here, we have the Occidentals and Orientals, those who were "othering" and those who were "othered", imperialists and the colonised, north and south, oppressor and oppressed, First World and Third World, all of whom are pitted against one another along the lines of power hierarchy. For example, Said (1978) criticises Western portrayals of Eastern civilisations, arguing that they are built on a power hierarchy that favours Western knowledge systems over non-Western ones. *The Economy of Colonial Malaya*, in contrast, never produces into its discussion such a duality. To be sure, none of its objectives have been achieved at the expense of, or by implicating, the agency of the natives or subalterns or other marginalised groups of the Malay states. Without realising this, Selvaratnam over-scrutinises it as a Eurocentric problem when the book is merely a study of a European problem. His whole rejectionist approach to colonial archival methodology, then, points to an even greater problem of denialism for a convenient decentering of Anglo-American epistemology from local knowledge.

To further draw attention to the alleged shortcoming of my book, Selvaratnam compliments Shaharil Talib for inviting Malaysian historians to adopt indigenous epistemology in his inaugural lecture on 10 December 2004. Even if Shaharil Talib's cause is admirable, I cannot help but draw attention to some contradictions in his works, such as the *History of Kelantan, 1890–1940* (1995), which was based primarily on colonial documents like CO 273 and the *Annual Report of Kelantan, 1900–1939*. Does this imply that Shaharil Talib's book is Eurocentric, or does it reflect a historically American-Eurocentric framework? Of course, Shaharil Talib would have brought up the necessity to address what causes the indigenous silences and omissions in history in "A revolt in Malaysian historiography" (1982)

and *After its own image: The Trengganu experience 1881–1941* (1984). Shaharil Talib, however, is no longer with us to review his work, clarify the inconsistencies in his research with what he emphasised in his presentation, and respond to the problems he asked in his inaugural lecture.

THE ECONOMY OF COLONIAL MALAYA AS A HISTORICAL STUDY

I believe my work has contributed to the historiography of colonial Malayan economy and has broadened knowledge of the area's colonial past. To quote Drake (1979, 289), "More needs to be known, for example, about relationships (legitimate and otherwise) between foreign developers, Malay princes, and landowners, and the colonial and metropolitan governments. It is also important to identify the nature, size and sources of any capital inflow before 1905". Drake listed the only books that had addressed capital inflow in the Malay states up to that point as Sinclair's "Hobson and Lenin in Johore" (1967), J. de V. Allen's "Johore 1901–1914" (1972), L.R. Robert's "The Duff syndicate in Kelantan, 1900–1902" (1972), and Sharom Ahmat's "The structure of the economy of Kedah, 1879–1905" (1970). Shaharil Talib's publication, *After its Own Image, the Trengganu Experience, 1881–1941* (1984) is the only work that has been published on the subject to date. It looks at how the ruling class in Terengganu responded to the accelerated inflow of foreign capital and the resulting social division within Terengganu society. The gap in Malaysian economic history has been filled by my work, which has done exactly what Drake suggested.

Overall, Selvaratnam critiqued my book for something it was never meant to be. In his haste, he glosses over the book's principal goal and erroneously suggests that examining colonialism and its administrators through colonial contents is a Eurocentric approach. The study of colonialism, as a historic occurrence, fits within the domain of historical studies, and historians should not be chastised for doing so. Selvaratnam must be repeatedly reminded of what Khoo Kay Kim pointed out in his introduction to Shaharil Talib's book: "History is a living subject and historians are continuously experimenting with approaches and forms. Scholars have discussed endlessly the methodology of historiography and any number of questions can be asked about the past" (Khoo 1995, viii).

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