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The Babbling Brookes: Economic Change in Sarawak 1841–1941

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The present day economy of Sarawak is characterized by a small but rapidly growing, largely rural population engaged in low productivity, semi-subsistence agriculture; a dependence on the export of a few primary commodities; the relative absence of modern transportation linkages, and a small industrial sector. In many respects, therefore, Sarawak represents a microcosm of the underdeveloped world. Yet for about a hundred years Sarawak was ruled by the white Brooke dynasty and was touted as a true frontier for western expansion and an ideal setting for the exploitation of its natural resources. There was very little development during this period because Brooke rule was inimical to economic progress—the Brookes gave little or no financial assistance to the natives, undertook few developmental initiatives, and expected foreign entrepreneurs and missionaries to provide the rudiments of physical and social infrastructures. The Brookes believed that change, particularly far-reaching or rapid change, would be harmful to the natives. Consequently, when Brooke rule ended, the problems of economic development seemed more intractable while the supposed benefits of 'white' rule appeared less tangible.

This paper will focus on economic change in Sarawak during the period 1841 to 1941 and review the 'Brooke approach' to development. An assessment of Brooke rule is necessary to fill an important gap in the Malaysian development debate and also because of its relevance to other developing regions in Southeast Asia and beyond.

Introduction

Sarawak lies on the northwestern part of the island of Borneo and originally fell within the domain of the Sultan of Brunei. In the first

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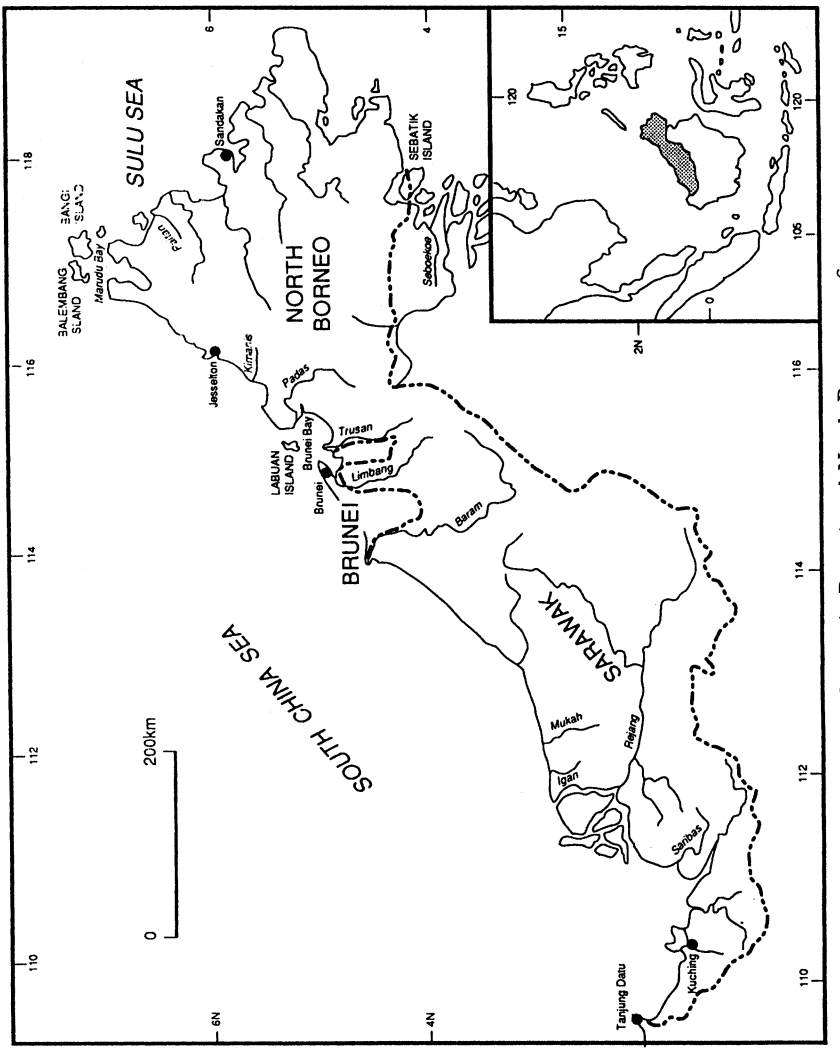
half of the nineteenth century, this territory was of interest to the British government and the English East India Company because of its location along the China trade routes and the fact that it was not recognized as lying within the Dutch sphere of influence (see Map 1). Apart from its attraction as a harbourage on the 'beaten track', it was reputed to have substantial coal deposits just when the demand for coal was growing with the increasing use of steamships.[1] The discovery of antimony ore in the early nineteenth century and its importance in the international economy aroused Brunei's interest and Pengiran Makhota, a Brunei prince and noble, took up residence in the Sarawak River basin in the second decade. He coerced the Land Dayaks[2] to mine the ore, paying them in beads and brass. The ore was sold to the merchants in Singapore and the profits shared between Pengiran Makhota and the Brunei Sultan. The exactions and taxation demands provoked resistance from the local Malays and the Land Dayaks and disrupted trade. Subsequently, Pengiran Makhota was replaced by the Brunei sultan's uncle and Prime Minister, Pengiran Muda Hashim. The fighting continued until the arrival of James Brooke, an English adventurer, in 1839. Brooke, who was influenced by the Rafflesian idea of a strong British presence in the Indonesian archipelago, had sailed to Sarawak after having learned that the Brunei prince was favourably disposed to the British and that the district had valuable antimony ore. He helped Hashim suppress the uprising and in return for this assistance, and a modest annual payment, was bestowed the title Rajah of Sarawak in 1841. He established his capital at Kuching in the Sarawak River basin. After a consolidation of his authority, he rapidly moved to extend the territory under his control, going still further to areas nominally under

[1] For a detailed account of these considerations see John Ingleson, *Expanding the Empire, James Brooke and the Sarawak Lobby, 1839–1868*, Research Paper No. 2 (University of Western Australia: Centre for South and Southeast Asian Studies, 1979), Ch. 1.

[2] The term 'Dayak' is used to identify the original inhabitants of Borneo. It stems from the Kenyah word *daya* which means 'upriver' or 'interior'. Broadly, the Dayak peoples of Sarawak include the Bidayuh (Land Dayak), Iban (Sea Dayak), Kenyah, Kayan, Kedayan, Murut, Penan, Bisayah, Kelabit and other groups. The Dayak peoples are largely shifting cultivators of hill padi, they live in longhouses usually along the rivers and tributaries in the interior and they observe native customary law or *adat*. The indigenous people of Sarawak can therefore by classified into two groups: those who live on the coastal areas—the Malay and the Melanau, and the interior peoples or Dayak.



Map 1. Sarawak, Brunei and North Borneo, 1946.

the authority of Brunei. He tried to establish a British colonial presence in the region but was unsuccessful. Nonetheless, he survived the initial military campaigns against him and the political intrigues principally because of British naval support, his co-option of the local Malay elite and his use of voluntary Iban (Sea Dayak) warriors to quieten opposition. In the 1850s and 1860s the weak Brunei sultanate accepted, in return for further annual payments, major Brooke annexations into the principal Iban occupied districts.

James Brooke died in 1868, leaving an expanded state to his nephew Charles. Charles continued the expansion of Sarawak territory and by 1890 Sarawak occupied the largest area in northwest Borneo. In the meantime, in 1888 Sarawak had acquired protectorate status from the British Government whereby it remained an independent state with absolute rights of self-government but would conduct foreign relations only through the British government. Charles was succeeded by his son Vyner Brooke in 1917. Vyner continued his father's policies until 1941 when Sarawak surrendered to the Japanese. After the Pacific War, political and economic changes in the region resulted in the cession of Sarawak to Britain. It was ruled as a crown colony until 1963 when it became part of the Malaysian Federation.

Political and Economic Framework

Sarawak comprises three broad relief zones, namely an alluvial coastal plain, which is succeeded inland by a belt of undulating country, and finally a sharply rising mountainous interior. The mountains range from 2,500 (762 m) to 4,000 feet (1219 m) in height. Peat and mangrove swamps cover the coastal plain and river valleys which reach out to the sea. The long coastline is washed by the South China Sea, and suffers from exposure to the northeast monsoon. The physical environment has played a very important role in Sarawak's historical development. The heavy and uniform rainfall gave rise to a multiplicity of rivers which in turn set the original pattern of settlement in the territory. Two main groups of rivers drain the country: firstly, the larger rivers which flow from the mountain ranges of the Sarawak–Kalimantan border and secondly, the short but mature coastal rivers with less defined divides in the mid-Sarawak lowlands. The inhabitants of Sarawak identified themselves as people of a certain river and when the Brookes obtained concessions from the Brunei sultanate, these concessions were cessions of rivers, for example, the Batang Lupar and Saribas cessions. The immediate coast and the interior were deemed unsuitable and more

desirable places were to be found inland where there was access to the sea and the upriver hinterland. All political and social behaviour was attuned to the rivers.

The inhabitants adapted their economies and societies to meet a variety of different conditions. Along the swampy coasts, societies like the Melanau developed a way of life based mainly on fishing and the collection of swamp sago. In the interior the dominant form of land use was swidden agriculture, originally of root crops supplemented by forest sago and later the adoption of hill padi. The steep upland forests with their poor soils made permanent cultivation unsustainable and the inhabitants developed a way of life based on shifting agriculture complemented by hunting and gathering. In areas where the soil and the aspect provided better conditions for permanent agriculture wet rice cultivation on well constructed fields also developed. The Malays, who were later arrivals, settled on the coastal areas and took over parts of the immediate hinterland to develop wet rice cultivation along the banks of the lower reaches of some of the major rivers. Yet in other areas, people like the Penan eschewed agriculture altogether, adopting instead a mobile existence based exclusively on hunting and gathering. For the most part, these groups were independent and self-sufficient. However, they were isolated neither from one another nor from the outside world. Trade, war, and occasional inter-marriage linked the various tribes throughout the territory and head hunting was common.

As noted previously, Sarawak fell under the nominal authority of Brunei. The Malays on the coast also evolved their own aristocracy which derived its power in large part from its control of the commerce with Chinese traders. Nonetheless, the Malays' coastal influence was limited to a stranglehold on maritime commerce and occasional forays into the interior to capture slaves and exact tribute.

By the 1840s, Sarawak's importance as a source of antimony ore and a 'trader's paradise' grew and attracted the attentions of both Brunei and British traders. The history of how James Brooke took over Sarawak has been well recounted elsewhere[3] and need not detain

[3] There is a wide range of books and unpublished works that deal with the Brookes. Among them are S. Baring-Gould and C. A. Bampfylde, *A History of Sarawak Under its Two White Rajahs, 1839–1908* (London: Sotheran, 1909; reprinted Singapore: Oxford University Press, 1989); S. Runciman, *The White Rajahs: A History of Sarawak from 1841 to 1946* (Cambridge: Cambridge University Press, 1960); R. Payne, *The White Rajahs of Sarawak* (London: Robert Hale, 1960; reprinted Singapore: Oxford University Press, 1987) and N. Tarling, *Britain, the Brookes and Brunei* (Kuala Lumpur: Oxford University Press, 1971).

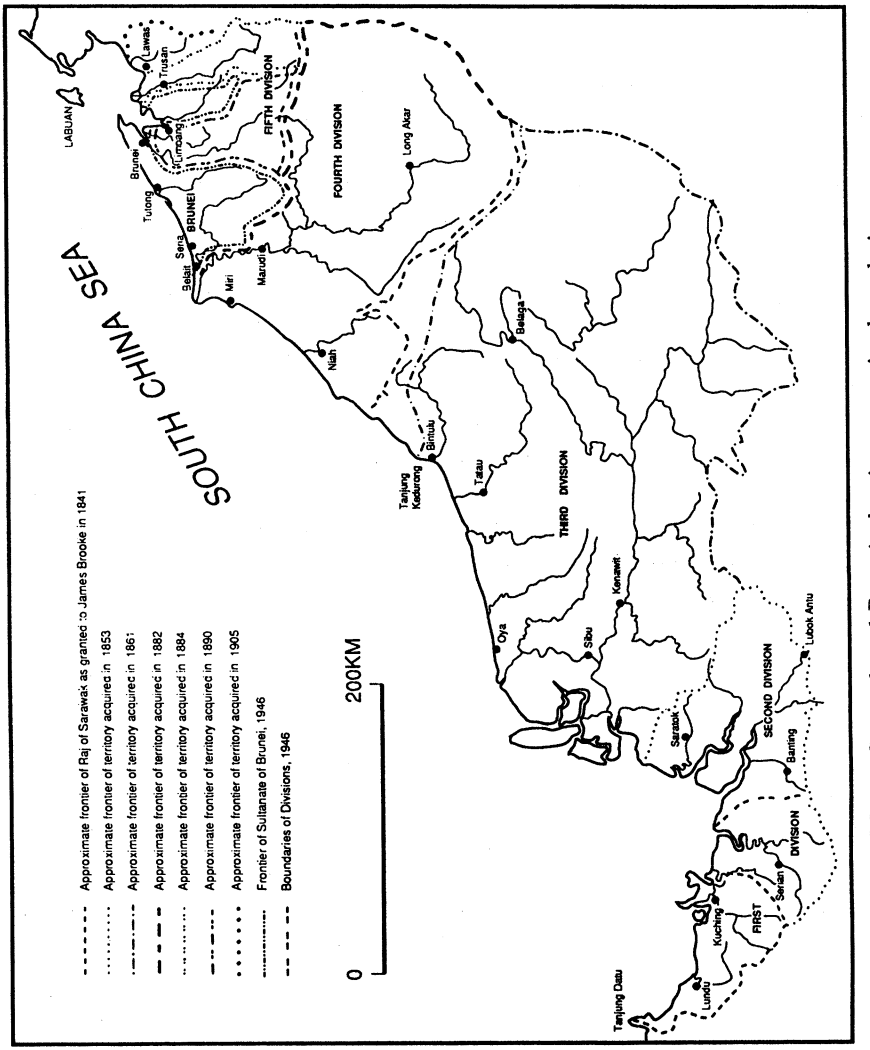
us here. Brooke quickly established his military supremacy and a tenuous political control. This he expanded by introducing his own laws and a code of justice. He secured the assistance of the Royal Navy by opening Kuching as a free port, keeping only for himself a monopoly in the trade of antimony ore. He made the coast safe through bloody expeditions against the inhabitants, his forces comprising Royal navy sailors, reinforced by Malay and Dayak subjects who took advantage of these punitive expeditions to loot and collect heads.[4]

In the extension of Sarawak's territory James and Charles established small forts in tribal territory, from which the rule of force was gradually replaced by the rule of law. These forts were permanent structures built at the river mouths and helped keep the peace so that the Brookes could establish a virtual trading monopoly over their realm. They permitted the stationing of European officers safely to dangerous outlying districts; enabled the control of war fleets by means of a few cannon and at the same time facilitated the collection of duties on riverine trade and of the taxes on the local populace.

For administrative purposes, Sarawak was divided initially into three divisions—the First Division, to extend from Tanjung Datu to the Sadong River; the Second Division, from the Sadong River to the Rejang River; and the Third Division from the Rejang River to Tanjung Kendurong. The Fourth and Fifth Divisions were created in 1885 and 1912 respectively from later cessions[5] (see Map 2). From the time of James Brooke, senior administrators were recruited from Britain. Where the indigenous people were concerned, the Brookes either adopted and reinforced existing chieftaincies (as in the case of the Malays) or created new political authorities as in the case of the Dayaks. There thus arose two parallel systems of administration both obedient to the Rajah's authority. On the one hand, of a hierarchical

[4] Early Brooke Administration was characterized by wars to put down 'rebellions' in the interior. This practice of quelling Iban unrest with punitive expeditions, manned by down-river Iban warriors (which was continued as late as 1935) stimulated and prolonged inter-Iban warfare, headhunting and the related migration syndrome. See Robert Pringle, *Rajahs and Rebels* (London: Macmillan, 1970).

[5] The term 'Division' has been used in conformity with the practice in the written sources. In 1973, two additional Divisions were created out the Third Division—the Sixth Division to cover the Sarikei area, and the Seventh Division to include the Kapit district. All the Divisions were again renamed in 1987 as the Kuching, Samarahan, Sri Aman, Sarikei, Sibu, Kapit, Bintulu, Miri, and Limbang Divisions.



Map 2. Sarawak and Brunei, showing successive boundaries.

ranking of government-appointed indigenous chieftains whose duties were to administer traditional law and levy tax for the Rajah, and on the other hand, of a system of 'district officers', regional residents and so on, recruited in Britain, whose duty was to administer the introduced western systems of justice, land ownership and labour and to intervene in native affairs when it was considered necessary.

Additionally, for administrative convenience, the three major groups in the country, the Malays, the Iban or Sea Dayak and the Chinese were assigned and played roles perceived appropriate to their cultural attributes. The Malay role was political, the Chinese role economic and the Iban role military. Intermingling on a social level among the three main groups was forbidden. Chinese traders were confined to the 'bazaars' in the towns, Malay *kampung* were located in the towns, while the Iban were forbidden to travel outside their districts in the interior without a pass from the Resident. In 1926, every Iban longhouse in the Third Division had to be at least ten family rooms ('doors') in length. This measure was designed to facilitate migration control and administration generally by making it as easy as possible for an official in charge of a vast area to ensure that everyone remained in his appointed place.[6]

ECONOMIC CHANGE IN SARAWAK 1841–1941

What now is the stark truth about Sarawak in the past? My father's [Charles Brooke's] policy was to support the virile Sea Dayak tribes against all other tribes. Frequent expeditions, resulting in indiscriminate slaughter, were sent to subdue the recalcitrant natives. *Corvée* was the inveterate practice and the Malays loathed being ordered to take part in expeditions and to give gratuitous labour. There was no free Press, no means whereby the natives could ventilate their grievances without the haunting fear of incurring the displeasure of local British officers, who acted as 'little tin Gods', and no adequate educational or medical facilities for the mass of the people.

The State revenues were mainly derived from opium, gambling, pawn and spirit farms, head and exemption taxes. The mineral wealth of the State was monopolised. And the small rubber holdings were established at the cost of extinguishing thousands of acres of rice lands—rice being the staple food—with the result that poverty was rife whenever the price of rubber fell.[7]

[6] Pringle *Rajahs and Rebels*, pp. 135–77; Robert Pringle, 'The Brookes of Sarawak: Reformers in Spite of Themselves, *Sarawak Museum Journal*, vol. XIX, nos 38–39 new series (July–Dec. 1971), pp. 65–9.

[7] Vyner Brooke, cited in Payne, *The White Rajahs of Sarawak*, p. 179.

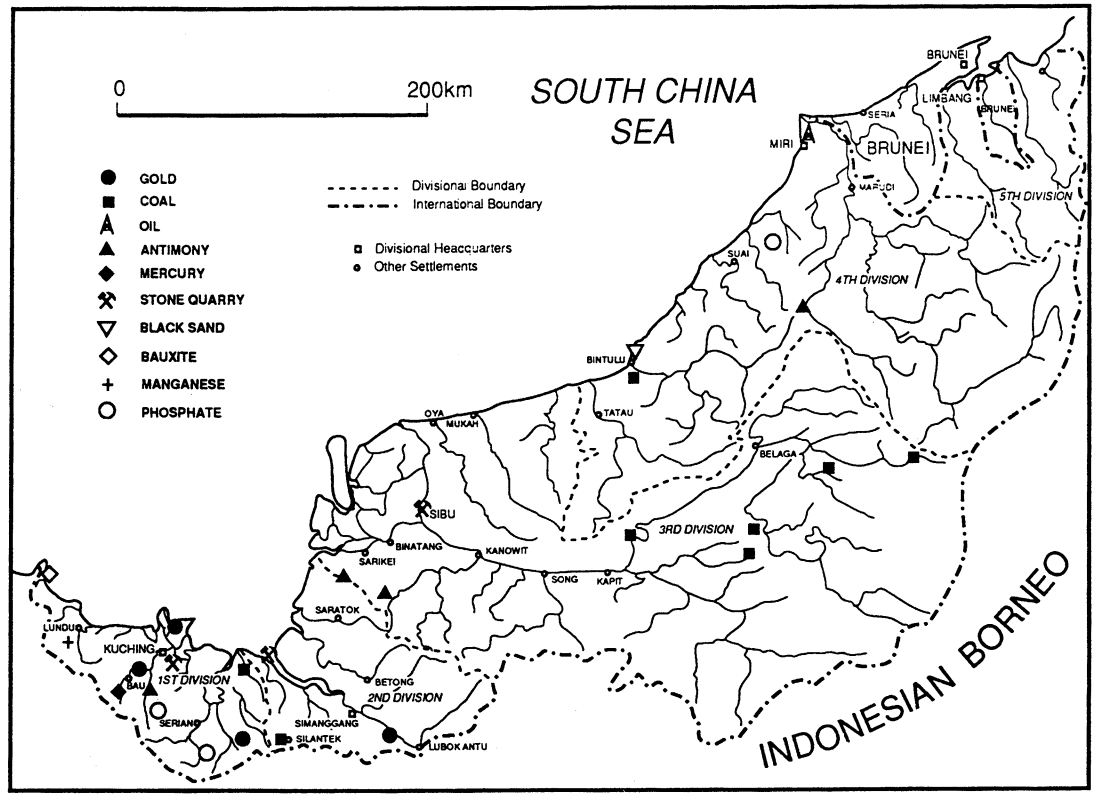
The conventional view is that the Brookes were averse to foreign investment and did not actively encourage commercial enterprise in Sarawak in order that Sarawak could flourish 'on traditional native lines tempered by British idealism'. This view of the Brooke's attitude to economic change is hardly accurate. Indeed, Brooke administration resulted in the opening up of the country to the interests of western capital and the economy was geared to the exploitation of Sarawak's mineral and other natural resources.

The Forces of Expansion

Exploitation of Mineral Resources

From the outset, James Brooke adopted a policy of monopolization of the mineral resources of Sarawak. He reserved for himself a monopoly in the trade of antimony ore and as Governor of Labuan, kept western interests out of Bintulu and obtained for himself exclusive rights to mine coal along the whole of the northwest coast of Borneo.[8] His main rivals were Chinese miners who had been mining gold near Pangkalan Tebang in Sarawak just north of the Indonesian border since the early nineteenth century. Later, they moved to Bau (see Map 3), and through their *kongsi* or co-operative concerns pioneered gold and antimony production there. Initially, Brooke was reluctant to disturb the Chinese miners who had established mining settlements complete with market gardens and shops and built a network of roads in the area. The kongsi had work and profit-sharing arrangements well suited for mining activity on a small scale, enjoyed political autonomy and conducted trade with Sambas in Kalimantan, not Kuching. This autonomous existence was ultimately challenged by James Brooke. Since opium was a government monopoly James levied a 'tax' on the opium bought for consumption by the kongsi. This was in the form of annual payment of 60 *tahil* of gold on the miners based on a given population size. When the quantity of opium recorded as consumed failed to keep up with the expanding population, the Rajah concluded that the Chinese were engaged in opium smuggling. He raised the 'tax', which was opposed by the Chinese and this led to

[8] See Ingleson, *Expanding the Empire*, pp. 45–8.



Map 3. Distribution of the mineral resources of Sarawak.

the Chinese uprising of 1857[9]. This uprising is significant for several reasons. Firstly, it led to the collapse of the Chinese mining industry in Sarawak; it resulted in strengthening Brooke's position and finally it led to the taking over of mineral exploitation in the state by the Borneo Company. The Borneo Company was later to emerge as the most powerful monopolistic concern in Sarawak.

Prior to the establishment of the Borneo Company, James and his ally Henry Wise had mooted the formation of a private company, known as the Eastern Archipelago Company, to exploit Sarawak's riches. James fell out with Wise, the plan came to naught and James became wary of big capital.[10] Subsequently on the advice of a close associate, he changed his mind and gave mining and trading concessions to the Borneo Company, which was characterized by a scale and mode of operations that seldom brought it into conflict with his own ideas. He believed that the successful exploitation of Sarawak's mineral resources required heavy initial outlays and expertise which could only be provided by western capital.

The Company was set up in London in 1856 with a capital of £60,000 and was authorized to 'take over and work Mines, Ores, Veins, or Seams of all descriptions of Minerals in the Island of Borneo and to barter or sell the produce of such working'.[11] Since the gold was being worked by the Chinese, the Company's monopoly over mineral exploitation initially excluded gold[12] and it made regular purchases of mineral ore from the Chinese mining community. After the insurrection, the mining area of Bau came directly under the political control of Kuching and the leaders of the reconstituted kongsi, who had trickled back to Bau, established a working relationship with the Rajah and the Company. The Company soon began to

[9] See Daniel Chew, *Chinese Pioneers on the Sarawak Frontier 1941–1941* (Singapore: Oxford University Press, 1990), pp. 18–29, 37–8.

[10] For an interesting account of James falling out with Henry Wise, see Ingleson, *Expanding the Empire*, pp. 73–84.

[11] Henry Longhurst, *The Borneo Story. The First Hundred years of the Borneo Company Limited* (London: Newman Neame, 1956), p. 18. See also Ludvig Verner Helms, *Pioneering in the Far East and Journeys to California in 1849 and to the White Sea in 1878* (London: W. H. Allen and Co., 1882), pp. 129–34, and Spenser St John, *Rajah Brooke: The Englishman as Ruler of an Eastern State* (London: T. Fisher Unwin, 1899), p. 211.

[12] In 1879, the Borneo Company was given the monopoly of using quartz machinery and prospecting for gold for a period of fifteen years. H.H. The Rajah's: Order Book 1863–1890, p. 211 (Sarawak Archives).

wield power and by 1884 had bought out the largest and last of the Chinese syndicates. In 1898, the Company introduced an innovative method of extracting gold ore by the cyanide process. With its superior technology and capital, and by virtue of its special relationship with the Brookes, the Company took over gold mining in Sarawak. Prior to 1895, the Company paid no royalty on gold under the terms of its 1879 prospecting rights. A royalty of five percent per annum was only levied from 1896. Between 1899 and 1921 inclusive, the gold output from the Bau and later, Bidi mines totalled 983,255 Troy ounces. It was valued at Sarawak $25,995,222 and yielded a royalty of $1,466,462. Incidentally this output represented eighty-one percent of the recorded gold production of Sarawak from 1865 to 1954 and was obtained during a period of twenty-two years.[13] The Company only surrendered its monopoly rights over minerals in Sarawak in 1921 when most of the minerals were worked out and it was no longer profitable to work the mines.[14] Incidentally, when the gold-mining industry was revived in the 1930s by Chinese miners, they had more stringent conditions imposed on them. They were required to take out mining leases, had to pay a royalty of ten percent, and were not allowed to take out exclusive prospecting licences. Land grants for mining were also small.[15] The earlier arrivals were thus discriminated against once more.

Antimony and cinnabar were the Company's two other important mineral monopolies. Most of the antimony in Sarawak was located in the same mineralized belt of country that included the gold workings at Jambusan and Buso while cinnabar (mercury sulphide) was worked at Tegora, Gading and Gambang (see Map 3). The antimony was largely worked out by the early twentieth century while cinnabar/quicksilver was abandoned at the end of the nineteenth century. The profits that accrued to the Borneo Company were enormous. In the case of antimony, between 1870 and 1916, the Company's antimony exports were valued at $1,905,031. Where

[13] See G. E. Wilford, *The Geology and Mining Resources of the Kuching-Ludu Area, West Sarawak, including the Bau Mining District*, Memoir No. 3 (Kuching: Geological Survey Department, British Territories in Borneo, 1955), pp. 101–2. See also N. A. Lucas, 'The production of Gold in Sarawak', *Sarawak Gazette*, 1 Feb. 1949; 'Mining in Upper Sarawak', *Sarawak Gazette*, 1 April 1922.

[14] Lucas, 'The Production of Gold in Sarawak'.

[15] See, for example, *Sarawak Gazette*, 1 Nov. 1932; G. E. Wilford, 'The Bau Goldfield', *Sarawak Gazette*, 30 April 1962.

cinnabar/quicksilver was concerned, between 1870 and 1899, the Company exported quicksilver with a total aggregate value of $1,159,966.[16] In return for these concessions, the Company paid the Brookes royalty amounting to £1,000 (approximately $8,000) for the cinnabar and £2,000 (approximately $6,000) for the antimony annually.[17] Sarawak also became the leading exporter of antimony and quicksilver to the European market during the period under discussion.

As indicated in Table 1, the percentage value of mineral exports to the total exports of Sarawak produced between 1878 to 1908 varied from 9 percent to 21 percent. Thus where minerals were concerned, Sarawak's economy was transformed by men and capital from abroad. In the initial pioneering phase, Chinese capital and enterprise dominated, but after Brooke's position became politically more secure, western capital in the form of the Borneo Company moved in and monopolized the mineral resources of the country.

Coal was another mineral of importance to the Sarawak economy. As noted previously, James Brooke had obtained for himself exclusive rights to mine coal along the whole of the northwest coast of Borneo. These reserves were to be exploited during Charles Brooke's administration. Charles authorized coal exploration in Silantek and along the Sadong river in 1892. Initial surveys showed that there were substantial reserves and he sought to attract investors from Singapore by offering a free return trip on the government steamer for 'anyone who was genuinely interested in the coal' and these reserves could 'be worked by an individual or company on a payment of ten cents a ton brought to grass'.[18] Subsequently, towards the end of 1872, Charles endeavoured to float a limited liability company, known as the Lingga Coal Mining Company, with himself as chairman and the board based in Kuching. The Company was prepared to issue a scrip for 1500 shares at $100 each. Unfortunately for Charles, there were no takers. He then turned to an old ally—the Borneo Company, to work the coal at Simunjan on the Sadong river. By 1874, sufficient supplies of coal were being mined to supply the government's own coastal vessels and steam launches. In addition, the Borneo Company and

[16] E. Parnell, 'Sarawak—Its Resources and Trade', *Sarawak Gazette*, 1 June 1923.
[17] Longhurst, *The Borneo Story*, p. 57.
[18] *Sarawak Gazette*, 16 Sept. 1872.

TABLE 1
Sarawak Mineral Production

Year	Value of Sarawak produce exported	Value of mineral exports	Percentage of mineral exports to export of Sarawak produce	Mineral royalties paid to the Sarawak Government	Remarks (Mineral exports in their order of value; the most valuable export is shown first)
1868	N.A.	38,001	—	N.A.	Antimony, quicksilver, gold, diamonds
1878	809,325	83,086	10	13,333	Antimony, quicksilver, gold, diamonds
1888	1,322,325	118,915	09	8,889	Antimony, coal, quicksilver, gold
1898	3,089,017	323,230	10	10,177	Coal, antimony, gold, quicksilver
1908	5,732,723	1,177,255	21	77,367	Gold, coal, antimony, quicksilver
1918	9,211,459	N.A.	—	98,109	Gold, oil, coal
1928	53,302,340	39,302,340	74	770,835	Oil
1938	23,244,666	12,482,134	54	387,636	Oil, gold, silver
1948	166,023,615	111,820,069	67	67,320*	Oil, gold, antimony

All values given in Sarawak/Straits dollars, fixed at 2s. 4d. sterling since 1906.
N.A. = not available.
*Estimated oil royalty and mining rents and fees; most of the oil exported in 1948 was produced in Brunei.

Source: *Handbook of the State of Sarawak 1949*, p. 125.

the Sarawak government also contracted to supply the Peninsular and Oriental Steam Navigation Company at Singapore. Chinese labour was recruited from Singapore to work the mines.[19] The actual profit made by the Sadong Mine for the period 1881 to 1899 is shown in Table 2. By the 1880s, coal had become the second most important mineral export and by the 1890s had surpassed antimony to become the leading mineral export (see Table 1).

[19] Longhurst, *The Borneo Story*, p. 59.

TABLE 2
Sadong Coal Mine Account, 1881–1899

Year	Dr. Excess of Expenditure over Revenue $&c.	Cr. Excess of Revenue over Expenditure $&c.
1881	4,030.57	—
1882	8,059.38	—
1883	24.85	—
1884	—	909.89
1885	—	4,377.93
1886	—	5,147.51
1887	—	6,273.55
1888	11,805.98	—
1889	5,505.08	—
1890	—	4,049.05
1891	4,418.68	—
1892	—	5,527.55
1893	510.17	—
1894	—	8,217.66
1895	5,082.40	—
1896	—	4,760.35
1897	—	41,789.80
1898	—	44,337.19
1899	—	991.59
Total for 19 years	39,437.11	126,382.07
Surplus of Revenue	—	86,944.96

Source: *Sarawak Gazette*, 2 July 1900.

Apart from the Sadong mines, coal was also mined on the island of Muara just inside Brunei Bay. Here it was worked by the firm of C.C. Cowie and Sons (Cowie was to figure later in the history of North Borneo [Sabah]) who had obtained sole concession rights from the Sultan of Brunei. In 1888, the Sarawak government purchased Cowie's concession which was transferred to the Rajah, who subsequently renamed the island Brooketon.[20] While most of Sadong's coal was used locally or exported to Singapore, Brooketon produced bunker coal for the steamers.

During its period of existence from 1873 to 1931, 876,345 tons of coal were produced at the Sadong mine, while 582,412 tons were mined at Brooketon (1888–1924). These production figures are exclusive of coal consumed on the mines (which in some years

[20] Charles paid £25,000 for the concession, *Annual Report Sarawak 1951*, p. 26.

amounted to 5,000 tons for each mine). Thus, between 1874 and 1931 (when the last mine closed down), a total of 1,458,757 tons of coal was sold by the Sarawak government. While most of the coal produced was consumed locally, approximately one-fifth (302,899 tons) was sold in markets outside the country, mostly in Singapore, Manila and Hong Kong.[21] For a government that reputedly discouraged commercial enterprise, the Brookes did remarkably well in monopolizing both the production and distribution of coal.

It is in petroleum exploitation, however, that the magnitude of foreign investment in Sarawak is to be fully appreciated. Oil, oozing from seepages in the ground, had long been known to the inhabitants of the Miri district. The oil, known locally as *minyak tanah* (earth oil) was used with resin to caulk boats and with open wicks for lighting fires. The earliest reference to oil in Sarawak is in a report dated July 1882 by Claude Champion de Crespigny, then Resident of Baram district. Subsequently Charles Hose, a Brooke official who succeeded de Crespigny to the Residency, investigated occurrences of oil both in Miri and other areas of the Baram district. In 1907, he obtained permission from Charles to enter into negotiations with the Anglo-Saxon Petroleum Company (one of the Royal Dutch/Shell group of Companies). After its own investigations, the Anglo-Saxon Petroleum Company obtained a concession to explore for petroleum and other mineral products in the area for a term of seventy-five years and undertook to pay a royalty of 1 s. for every ton extracted.[22] Since the concession impinged on the Borneo Company's monopoly rights, the Borneo Company 'passed over its rights . . . in return for a marketing concession and on the understanding that any mineral deposits be disclosed to the Borneo Company Limited'.[23] In 1921, Sarawak Oilfields Limited was incorporated in Kuching to take over the oil interest previously administered by the Anglo-Saxon Petroleum Company Limited.[24]

[21] *Ibid.*

[22] Agreement Book, Vol. 3, January 1902–July 1909, pp. 210–11. One of the clauses in the concession stipulated that a certain amount of oil was to be stored for the use of the British navy. See Charles Hose, *Fifty Years of Romance and Research or a Jungle-Wallah at Large* (London: Hutchinson & Co., 1927), p. 235. Hose was offered a considerable sum of money for his services, but refused this in return for a royalty on the production which gave him a source of revenue for many years. G. C. Harper, 'The Miri Field 1910–1972', *Sarawak Museum Journal*, vol. X, nos 17–18 new series (July–Dec. 1961), p. 23.

[23] Longhurst, *The Borneo Story*, p. 113. See also Stephanie Jones, *Two Centuries of Overseas Trading: The Origins and Growth of the Inchcape Group* (London: Macmillan, 1986), pp. 203–4.

[24] Sarawak Oilfields was also a subsidiary of Royal Dutch Shell, *Sarawak Gazette*, 1 Oct. 1921.

At the time of the 'spudding-in' of well no. 1 in 1910 the Miri kampung consisted of about twenty scattered houses and two Chinese shops. Its trade was mostly in *jelutong* (wild rubber), brassware and preserved fish. The only shipping connection between this area and Singapore was a fortnightly service along the coast via Kuching. In 1910, the kampung was overpowered by the arrival of Chinese construction workers and their British supervisors who arrived there to erect oil installations. The oil company put its stamp on the town from the very start. Two decades later, Miri was transformed into a 'foreign' enclave with oil derricks, refineries, electric stations, machine shops, telephone wireless and sawmills. A refinery was built at Lutong, midway between the Baram and Miri rivers. In fact, Miri was virtually owned and run by the Sarawak Oilfields Limited and its autonomous operation was minimally disruptive to the Brookes in Kuching. It employed largely Chinese coolie labour and the Chinese predominate in Miri to this day. To quote a Brooke official stationed at Miri:

> on the whole, the oil company management, and the six Europeans who were principal representatives of the Government in Miri, worked in fairly close co-operation. Tension was, of course, inevitable from time to time in a place where every shop and every piece of land, except small portions reserved for the needs of the government, were held at the will of 'the Company'; where the roads were made and maintained by 'the Company'; where the European club was owned and managed by 'the Company' and where 'the Company' supplied much of the transport, most of the engineering skill, and all the cold storage. It is indeed surprising that quarrels were not more frequent. Their absence was due partly to the goodwill and good sense of the men responsible for running 'the Company' at the time; and to the fact that 'the Company' was well aware that it held a concession on ridiculously favourable terms, that the Rajah was, in theory at any rate, an independent sovereign, omnipotent in his own domain, and that, should be become exasperated by continual strife and purport to cancel the 'rights' of 'the Company' there might be little redress beyond an abortive question or two in the House of Commons. Some of the minor European employees of 'the Company' openly resented the authority of the government. In particular they objected to any police control over the driving of 'Company vehicles' on 'Company roads' which were roads built by 'the Company' but used by the public. Sometimes these arguments were conducted on such lines that they led to the logical conclusion that the police were impotent to take any action if they found one 'Company man' cutting the throat of another 'Company man' on 'Company property.'[25]

[25] K. H. Digby, *Lawyer in the Wilderness*, Data paper no. 114, Southeast Asia Program (Ithaca, New York: Cornell University, 1980), pp. 5–6.

TABLE 3
Oil Production in Sarawak, 1911–1924

Year	Production in tons
1911	260
1915	66,846
1920	141,492
1924	589,953

Source: Compiled from the *Sarawak Gazette*, 16 March 1917; 1 April 1921; 1 June 1923; 3 January 1928.

The first shipment of oil from Miri was about some 500 tons in 1913 and it was taken in drums by lighters out to tankers lying offshore since no deep harbour facilities were available. Subsequently, submarine oil pipelines were laid to an anchorage some 2.5–3 miles offshore and tankers were loaded there. By the second decade of the twentieth century, oil had become the second most important mineral export in terms of value. It then moved to the first place (see Table 1). As indicated in Table 3, total output of crude oil skyrocketed in the decade immediately following the First World War. In terms of barrel production (1 barrel = 42 gallons), from about a daily average of 90 barrels, 2,200 barrels per day were produced at the Miri oilfields by 1920. By 1926, production was maintained at 2,000 barrels per day. This was principally because supply outstripped demand on the international market and as oil prices dropped, the Company decided to restrict production. The peak production was 15,000 barrels per day in 1929 (approximately 5.5 million barrels for the year). After that, production steadily declined. By 1941, production averaged 3,000 barrels per day and in September 1941 all production was shut down and equipment immobilized.[26]

In terms of export values, in 1914, oil revenues totalled $377,537 and rose to $11,472,193 in 1940.[27] Sarawak oilfields delivered substantial royalties which comprised more than fifty percent of Sarawak's revenue in the period 1928–1948 (see Table 1). Charles Brooke's letters reveal that this enterprise was close to his heart. He concerned himself with the construction of port facilities, obtained permission

[26] F. W. Rowe, 'Extracts from a Report on British Borneo Petroleum Production, Resources and Industry', *Sarawak Gazette*, 31 July 1958; Harper, 'The Miri Field', p. 28.

[27] Rowe, 'Extracts from a Report on British North Borneo Petroleum Production, Resources and Industry'; Parnell, 'Sarawak—Its Resources and Trade'.

for pipe and telephone lines through Brunei territory and even negotiated the rental for these.[28] The Borneo Company also reaped enormous profits as the marketing agent for Sarawak Oilfields. European capital had responded aptly to the lure of profits in oil and overseas investors monopolized all oil operations. The impetus to change in Miri had come from the outside and in the largely 'foreign' society that emerged, Europeans ruled and coolies obeyed.

Agriculture

The winds of change blew more slowly in the agricultural sector than in mineral exploitation. Yet the final outcome, the paramountcy of western interests, was also evident in this sector. On the eve of Brooke rule, there were two important areas on the Sarawak coast. One was the Kuching hinterland with its valuable mineral deposits of gold and antimony ore. James Brooke wrested control of this area from the Brunei nobles and the Chinese miners as discussed above. The second area was the sago-producing Melanau settlements, notably Mukah and Oya, along the coast of the Third Division. By the 1850s, the trade in sago, like that in gold and antimony, was enhanced by the development of Singapore. Chinese traders established sago-processing mills in Kuching and Kuching Malay traders collected some of the raw sago formerly taken from Mukah and Oya to Singapore and carried it directly to Kuching for processing. In the late 1850s, the trade was severely affected by troubles in the producing districts and James Brooke 'quelled the rebellion' and took over these districts in 1861.[29] With official encouragement, the ubiquitous Borneo Company then moved in, established sago processing factories and began to corner the trade in sago. The Company advanced money to 'numerous independent families' to grow sago trees and supply its mills where the sago flour was refined for export to the English market.[30] By virtue of its monopoly in the marketing of sago, the Company practically displaced the Chinese middlemen who had built up the trade in sago.

Compared to other countries, there was no sharp division between subsistence and commercial agriculture in Sarawak. Much of this

[28] See Colin Crisswell, *Rajah Charles Brooke, Monarch of All He Surveyed* (Kuala Lumpur: Oxford University Press, 1978), p. 216.

[29] See Pringle, *Rajahs and Rebels*, pp. 117–25.

[30] See Longhurst, *The Borneo Story*, pp. 60–1.

stemmed from Charles Brooke's philosophy of converting the indigenous people from shifting cultivators into 'settled' peasant proprietors. This would serve administrative interests and also boost the revenues of the country that had been severely depleted in the preceding decade. Additionally, he was keen to promote Chinese immigration into Sarawak to open up new tracts of agricultural land for commercial farming.

The first crop to take off as a result of this policy was, of course, sago. Sarawak became the leading exporter of sago and by the late 1880s produced more than half world output. Exports rose from 8,700 tons in 1887 to 14,330 tons in 1897. Ten years later exports had risen to 20,400 tons.[31] This expansion in production led to marked changes in the social and economic life of the Melanau community. By 1900, the Melanaus had virtually abandoned their former subsistence or semi-subsistence economy for one based on a single export commodity—sago. A Chinese trading community had appeared on their rivers, many of them 'under advances to merchants' in Kuching, and they gradually came to play an important role in the sago trade.[32] The Borneo Company of course controlled the long distance trade in sago.

Two other crops that followed in the wake of sago were gambier and pepper. Records indicate that Chinese agriculturalists had planted pepper and gambier in west Sarawak prior to the 1870s. However it was Charles Brooke's liberal land and labour policies that provided the impetus for their expansion in the 1880s and 1890s. In January 1876, a proclamation was issued, offering gambier and pepper planters 99 year leaseholds at nominal rentals and even guaranteeing free shipping from Singapore for *towkays* and coolies. Charles also waived export duty on pepper and gambier for the following twelve years for those who brought their own capital to Sarawak. There was also a stimulation of cultivation conditions that aimed to prevent speculation in land.[33] A second reason for the expansion of pepper and gambier cultivation can be traced to the monopolistic policies of the Borneo Company. As noted previously, when the Com-

[31] Baring-Gould and Bampfylde, *A History of Sarawak under its Two White Rajahs*, p. 431. See also St. John, *Rajah Brooke: The Englishman as Ruler of an Eastern State*, pp. 211–12.

[32] *Sarawak Gazette*, 1 August 1923.

[33] Order of 3 January 1876, cited by H. F. Porter, *Land Administration in Sarawak* (Kuching: Government Printing Office, 1967), pp. 38–9.

pany took over gold and antimony mining, it displaced many of the Chinese miners who then turned to pepper and gambier cultivation, some of them being financed by the Kuching merchants. Thirdly when gambier began to fetch high prices in the 1890s, the Company acquired a 20,000 acre concession, known as the Poak concession, near Bau and Buso. The Company then leased plots of land and advanced money to Chinese agriculturalists to plant pepper and gambier at the ratio of one acre of pepper to ten acres of gambier. (The gambier leaves were used as manure for the pepper vines). The Company also recruited Chinese labour from Singapore to work its own plantations and by the turn of the century, controlled both mining and cash-cropping in the Bau district.[34] Sarawak became the second largest pepper producer after Indonesia and pepper production almost doubled between 1890 and 1900 (Gambier soon declined in importance). At the turn of the century, rubber began to replace pepper but not entirely and it remained an important secondary crop.

Increasing land alienation for commercial farming meant that legislation was needed both to protect native land rights and at the same time to foster commercial enterprise. In this matter, Brooke policy towards the natives of Sarawak was one of curious contrasts. On the one hand, the Brookes professed a strong respect for native rights and on the other they attempted to mould the natives to suit their perceptions (essentially western) of what was correct policy.

The first legislation to control the use of land was that made by the Rajah in Council in June 1863. By this law, and subsequent land orders in 1920 and 1931, the Rajah asserted his personal ownership over the whole of his domain, reserved the mineral rights to the state and provided for road and river bank reserves. Brooke legislation also provided for grants of land on payment of fees or for agricultural leases to be taken out for a term of 99 years. In 1933, the land settlement order was introduced to provide for the gradual survey and registration of title to land following the Torrens System. In the same year, a distinction was introduced

[34] See Longhurst, *The Borneo Story,* p. 65; see also W. H. Treacher, 'British Borneo: Sketches of Brunei, Sarawak, Labuan and North Borneo', *Journal of the Straits Branch of the Asiatic Society*, no. 21 (June 1890), pp. 25–8. Baring-Gould and Bampfylde, *A History of Sarawak*, pp. 431–6; Chew, *Chinese Pioneers*, pp. 44–7.

between native areas and mixed zones with Chinese and other 'non-native farms' being restricted to the latter.[35] Native rights to land, while recognized, were technically rights to the use or lease of state lands. This legislation substantially weakened the indigene's ability to resist land expropriation during the rubber boom and especially after the Second World War, when pressure on interior land intensified. The land laws were also intended to discourage the practice of swidden agriculture and the administration tended to ignore rights to fallow farming land and hunting territories. The full impact of land legislation on the native economy and society was only felt when commercial rubber cultivation rose in conjunction with exogenous market signals and initiatives taken by indigenous Chinese and European planters.

With rubber, Sarawak was drawn more completely into the orbit of the international economy. Although the first two or three seedlings were planted in Kuching in the last decade of the nineteenth century, rubber did not catch on with European investors until after the turn of the century. Two persons are credited with its expansion in Sarawak. The first was Ernest Hose (nephew of the bishop and brother of Charles Hose who had played a vital role in the development of the petroleum industry) and the second was Rajah Charles Brooke. The former pioneered plantation rubber cultivation while the latter fostered smallholding cultivation among the indigenes and the Chinese.

Ernest Hose, who planted gambier and pepper for the Borneo Company at its Poak concession, persuaded the Company to experiment with rubber and in 1902 started the Dahan Rubber Estate (2,500 acres). In 1907, he planted the Sungei Tengah Estate. Both these estates were in the Poak concession in the First Division. Subsequently, the Borneo Company started a third estate at Lawas in the Fifth Division which was managed by a former Company employee. These three Borneo Company estates were later transferred to subsidiaries, the Sarawak Planting Company and Sarawak Rubber Estates Limited. Another plantation owner was Harold Hart Everett, also a former Borneo Company employee who had previously owned a *cutch* factory, then moved on to *jelutong* (wild

[35] For more detailed treatments of the land laws, see Porter, *Land Administration in Sarawak*, and Evelyne Hong, *Natives of Sarawak: Survival in Sarawak's Vanishing Forests* (Penang: Institut Masyarakat, 1987).

rubber) and after 1915 started two small rubber estates at Bongkissam to the south of Santubong.[36] Thus the earliest, and for a long time the only large-scale rubber plantations in Sarawak, belonged to either the Borneo Company or former Company employees, investors who were familiar with Sarawak and already had interests in the country. The Borneo Company naturally controlled the marketing of rubber.

In line with his philosophy, Charles Brooke promoted the smallholding cultivation of rubber. He had experimented with various crops such as coffee and tea and established experimental rubber plantations at Segu and Satap. Some seeds from these plantations were sent to Sibu, where a new Chinese settlement was taking shape, while others were distributed among Chinese community leaders in Kuching and Matang for sale to other Chinese smallholders. In addition to seed distribution, liberal planting regulations were promulgated and land could be held under casual permit. Quit rent was waived and in lieu of rent a duty of five percent *ad valorem* was imposed on rubber exports on or after January 1920.[37] By 1925, a large number of holdings were held under the unsurveyed Occupation Tickets which were provided for in the order of 1920 and which were legally replaceable by a lease after survey.[38]

But the great expansion in rubber took place among the indigenous smallholder producers in Sarawak. The Malays in the southwest of the country quickly seized the profitable opportunities in the expanding rubber sector. They set up their rubber gardens with padi farms in between and adjusted their time schedules to include work in the gardens. The coastal Melanaus also switched to rubber and the Dayak communities followed suit. For all these communities a combination of subsistence agriculture with new cash crops posed no major difficulties as maintenance requirements were light and most of the tapping was done in the early morning. Most gardens were operated on a family basis, and only occasionally did a garden offer work for hired labourers, who were remunerated on the principle of

[36] See E. Hose, 'Notes from the Old Days', *Sarawak Museum Journal*, vol X, nos 17–18 new series (July–Dec, 1961), pp. 108–10; R. E. Tremeer, 'The Early History of Rubber Planting in Sarawak, 1880–1910', *Sarawak Gazette*, 21 March 1964.

[37] James Brooke to F. C. Johnson, June 1848, cited by N. Tarling, *The Burthen, the Risk and the Glory: A Biography of James Brooke* (Kuala Lumpur: Oxford University Press, 1982), p. 115. See also Tremeer, 'The Early History of Rubber Planting in Sarawak 1880–1910'.

[38] *Sarawak Gazette*, 16 Aug. 1909; and 1 Oct. 1909; Porter, *Land Administration in Sarawak*, p. 47. *Annual Report Sarawak 1951*, p.29.

equal payment for the owner and farm hands. By 1935, it was estimated that the 'members of the pagan tribes, the great majority of them Ibans, owned more than one-half the rubber smallholdings in Sarawak'.[39] Rubber became the premier agricultural export and exports soared between 1916 and 1941 as shown in Figure 1. Rubber also became the most important revenue earner by 1940 as indicated in Table 4.

With the introduction of new products, major changes took place in the range, quantity and value of the commodities exported from Sarawak during the period 1870–1940. Quicksilver and antimony, for instance, vanished from the list and new and important commodities were added to it in the shape of rubber, petroleum and timber. Forest produce lost its former prominence principally because the indigenes no longer relied to the same extent on this commodity for their livelihood.

Whatever might have been the exact magnitude of profits, the signs of increasing affluence among the indigenous people and the Chinese were evident in the trade figures. There were increases in the importation of cigarettes and tobacco, silk, woollen and cotton clothing and *sarongs*, gold-leaf, jewellery and silverware and imported furniture. Practically every port having direct foreign communication showed increases in the value of imports.[40]

When rubber prices fell in the twenties and thirties, the true nature of Brooke policy towards the smallholders was exposed. It is generally believed that Charles was against plantation rubber production (the Borneo Company notwithstanding) because he, like his uncle James, perhaps 'distrusted the power of men possessed of vast capital'. Indeed, there are cases of foreign-financed applications being refused by him. Nonetheless, an editorial in the *Sarawak Gazette*, the official government organ, tells a different story:

> As the soil of Sarawak is well known for its great fertility and the climate and temperature of the country are so uniform, varying but little at any season of the year, being thus most favourable for the operations of planters, it is a matter of some surprise to us that European capital has not as yet been employed in the promotion of planting enterprise here . . . The influx of capital [western] to work a paying concern not only would benefit those who are employing their money profitably but means wages with increased prosperity for natives, hence gain to traders in the bazaar, and increased trade causing a rise in the revenues of the country . . .

[39] Pringle, *Rajahs and Rebels*, pp. 205–5; *Sarawak Administration Report 1935*, p. vi.
[40] See, for example, *Annual Report, Department of Trade and Customs, 1926*, pp. 1–3.

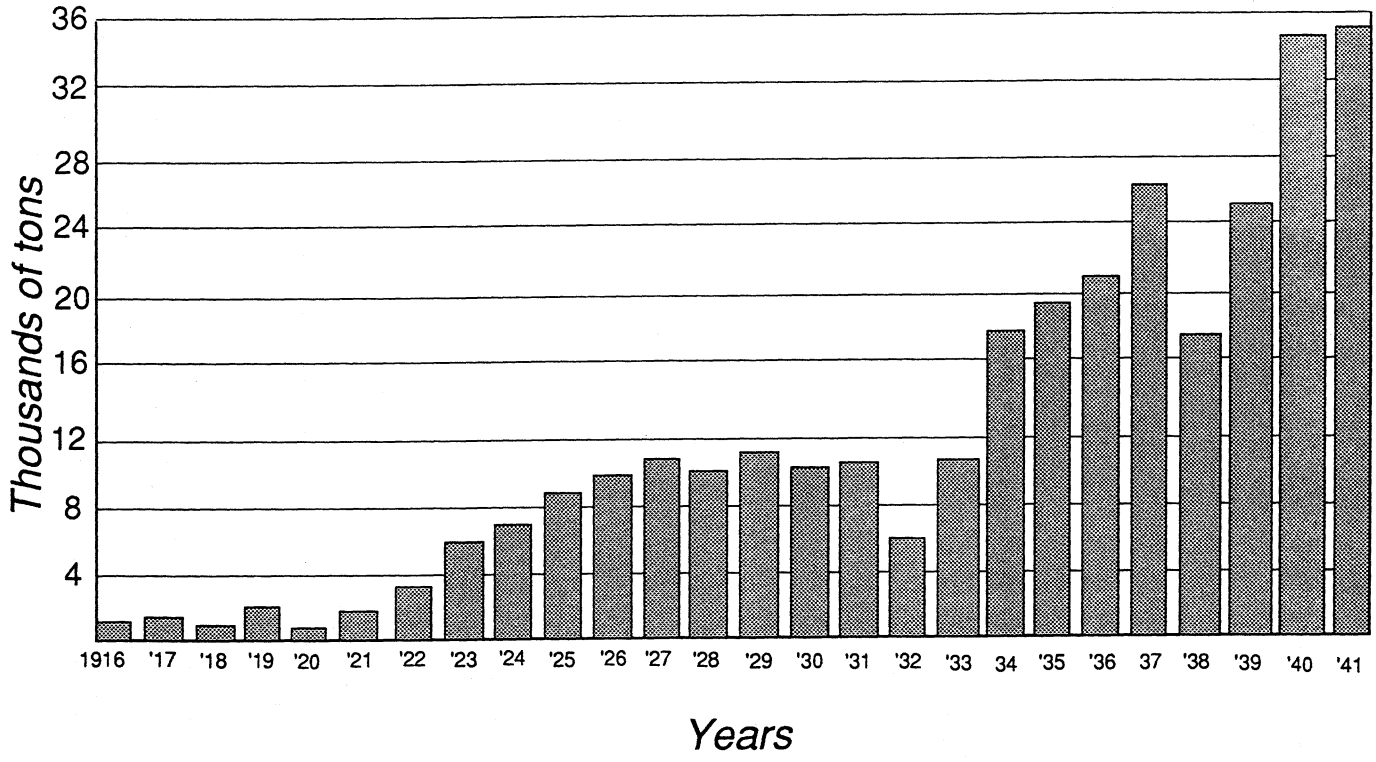


Figure 1: Sarawak – Net Exports of Rubber 1916–1941
Source: *McFadzean's Report on Sarawak: Details of economy welfare, and development,* encl. in CO.938 1/6 # 16817.

TABLE 4
Sarawak Exports: 1870 and 1940

Main Exports	Value (in Straits dollars) 1870	1940
Betelnuts	—	1,141
Beeswax	13,931	716
Birdsnests edible	40,498	19,209
Canes	599	18
Copra		70,629
Cutch		475,778
Damar	1,832	88,680
Fish, dried and salted	16,054	79,551
Gutta Jangkar		113,476
Gutta Jelutong, raw		54,086
Gutta Jelutong, refined		700,340
Gutta Jelutong, pressed		20,783
Gutta Percha	826,903	32,342
Nipah sugar		16
Oil – Vegetable		473
Oil – Crude Petroleum		—
Oil – Refined Petroleum		11,472,193
Pepper	1,681	362,569
Prawns, dried		669
Rattans	151	12,237
Rubber, Plantation		26,167,140
Sago	144,950	2,184,997
Timber	153	89,840
Treasure	236,395	
Tobacco, India Rubber, Vegetable Tallow, Gambier, Camphor, Indigo, Cocoanuts and Oil, Mangrove Bark	48,924	
Antimony ore, Quicksilver, Cinnabar, Gold, Diamonds, Pearls	99,489	
Opium, Salt, Cloth, Sugar, Crockeryware, Iron, Brassware, Rice and Paddy, Bezoar stones, Sundries	62,681	
Total Value of all Exports	$1,494,241	$45,770,407

Source: *Annual Report Sarawak 1951*, p. 5.

The facilities and advantages which are offered by the Sarawak Government to planters are such as would not be obtained in many other countries. The state gives free passages to coolies immigrating from Singapore, and admits the requisites of *bona-fide* planters at a greatly reduced excise tariff. Land also is cheap and plentiful and labour suitable for felling and clearing, roadmaking . . . may be drawn in any quantity from the . . . Dayaks . . . '[41]

[41] Editorial, *Sarawak Gazette*, 1 Dec. 1887.

Again, according to a senior Brooke official:

> It has been, and is still constantly said, that the Rajahs of Sarawak have been adverse to the opening up of the Country by European capital. Such a statement is absolutely untrue, and has doubtless originated from those, who, in the past have been disappointed in their hopes to exploit the country to the detriment of the inhabitants, and the Government, and in fact, everyone but themselves and their shareholders.[42]

As E. H. Digby recounts, the Brooke administration was very generous to foreign investors: '. . . the Nissa Shokai estate . . . had its own police station, kindly garrisoned by the Government with one lance corporal and four constables presumably to keep the labourers in order . . . '[43]

In the light of the above statements it is not surprising that the Brooke administration was prepared to subordinate the welfare of the smallholders in Sarawak to the interests of the big western rubber companies in Southeast Asia as evidenced by its policy on rubber restriction.

In the international rubber stakes, Sarawak was a very small rubber producer. It was also predominantly a smallholder producer,[44] was labour intensive and the relationship between input and output was very favourable. Yet because Sarawak was integrated into the world economy, its insignificant rubber status notwithstanding, the Brooke administration elected to participate in the Stevenson Restriction Scheme (1922–28). As one official stated, ' . . . it is an established fact that these native gardens cannot produce anything approaching the maximum allowed under the Straits and F.M.S. Restriction Ordinance, on the lines of which this Government agreed to co-operate.'[45] Government intervention, in favour of metropolitan-based plantation interests, was also evident when Sarawak decided to participate in the International Rubber Regulation Agreement despite the fact that Sarawak's interests as a smallholder rubber producer were

[42] Parnell, 'Sarawak—Its Resources and Trade', *Sarawak Gazette*, 1 June 1923.

[43] Digby, *Lawyer in the Wilderness* , p. 33.

[44] The detailed rubber census undertaken in 1938 showed that all 'natives' including Muslims and pagans, owned 76,940 rubber holdings, totalling 101,000 acres while non-natives (Chinese and Europeans) owned 17,910 holdings, totalling 127,000 acres. Only 5 per cent of Sarawak's total rubber acreage was held by large estates. Sarawak, *Report on the Rubber Survey and Assessment* (Kuching: Government Printing Office, 1938), Appendix D, cited in Pringle, *Rajahs and Rebels*, p. 338.

[45] *Annual Report, Department of Trade and Customs, 1926*, p.3.

not served. According to one source, Vyner Brooke agreed to join the Scheme after strong representation from the Borneo Company (which through its subsidiaries Sarawak Rubber Estates Limited and Sarawak Planting Company contributed the bulk of estate rubber production and also had rubber interests in other parts of Southeast Asia) at the behest of the International Rubber Regulation Committee.[46]

Under the subsequent five-year programme which allocated to each signatory country a quota which could gradually be expanded each year, Sarawak's quota for 1934 was 24,000 tons with a graduated rise to 32,000 tons by 1938.[47] New planting was forbidden and only such replanting as would offset the depreciation of mature trees was allowed. Although exports fell short of the quota in 1934, production increased by sixty percent from 1933. Subsequently, there was restriction in production through two measures. Firstly, a 'tapping holiday' scheme which restricted the number of days when rubber could be tapped and a coupon system (established in 1938) which limited the quantity of rubber which could be sold by an individual smallholder. Additionally, the Brooke administration restricted Chinese male immigration which was intended as a further limit on rubber output.[48]

The Rubber Regulation Scheme involved a four-year assessment of all smallholdings and according to a Brooke official: 'ex-planters from Malaya . . . [were] recruited at princely salaries to cope with the more populous area but assessment of the scattered gardens up-river was left to the District Officers . . . They [native producers] all did very badly when the allocation of 'shares' came to be made.'[49]

Under such conditions, a deterrent to tapping was the informant network, which the Brooke administration employed, giving rewards to persons who were willing to report on violations.[50] This, and policing regulations led to the imposition of fines and arrests and the *Sarawak Gazette* for the years 1934–38 is studded with reports of convictions. Generally, there was dissatisfaction with the limitations

[46] T. C. Martine, 'History of Borneo Company Limited' from 'Notes written to me when in Singapore (Changi Gaol) 1943–44'. Some of the Residents and District Officers were opposed to participation in the scheme. See Digby, *Lawyer in the Wilderness*, p. 32.

[47] *Sarawak Gazette*, 1 June 1934.

[48] See Chew, *Chinese Pioneers*, pp. 173–4.

[49] Digby, *Lawyer in the Wilderness*, p. 32; see also *Sarawak Gazette*, 2 May 1938.

[50] *Sarawak Gazette*, 2 May 1938.

imposed by the coupon system and it even sparked off a demonstration by Chinese smallholders at Batu Kawa in February 1938 and exacerbated 'Iban troubles'. The situation was only eased by the gradual recovery of rubber prices and renewed demand for rubber after the outbreak of the Second World War in 1939.[51] Thus, although Brooke policy on the one hand ostensibly fostered smallholding cultivation, on the other, it subordinated the interests of the smallholders to the interests of western capital.

As rubber grew in importance in the Sarawak economy, there was a corresponding decline in rice cultivation. Prior to Brooke rule, Sarawak was largely self-sufficient in food crops. With increasing Chinese labour immigration into the country, Sarawak began to rely on imported rice. Charles Brooke sought to redress the situation by encouraging Chinese agricultural immigration and colonization in the Lower Rejang area. Additionally, when many of the inhabitants turned to rubber planting, they were enjoined to devote an equal amount of land to food crops. Nonetheless, Sarawak continued to depend heavily on imported food supplies. Rice shortages during the First World War led to the government putting pressure on Chinese (Foochow) immigrants to increase rice production. However, both the Chinese and the Dayaks only turned to padi when rubber prices fell and quickly reverted to rubber when rubber prices recovered. Some of the reasons advanced for Sarawak's deficiency in rice were: firstly, soil, topographical and economic limitations; secondly, rice could be obtained more cheaply from abroad and lastly, although the Brookes encouraged rice cultivation, no attempts were made to improve either the conditions of padi lands (through the provision of drainage and/or irrigation facilities) or traditional methods of cultivating padi. Up to the time of the Second World War, Sarawak was importing sixty percent of its rice requirements. The case of the padi sector was yet another example of the administration's neglect of native welfare and interests.

Forest Produce and Timber

From the outset, western capital interests were given special concessions to exploit Sarawak's forest resources. For centuries prior to

[51] See Robert Reece, *The Name of Brooke: The End of White Rajah Rule in Sarawak* (Kuala Lumpur: Oxford University Press, 1982), pp. 54–7.

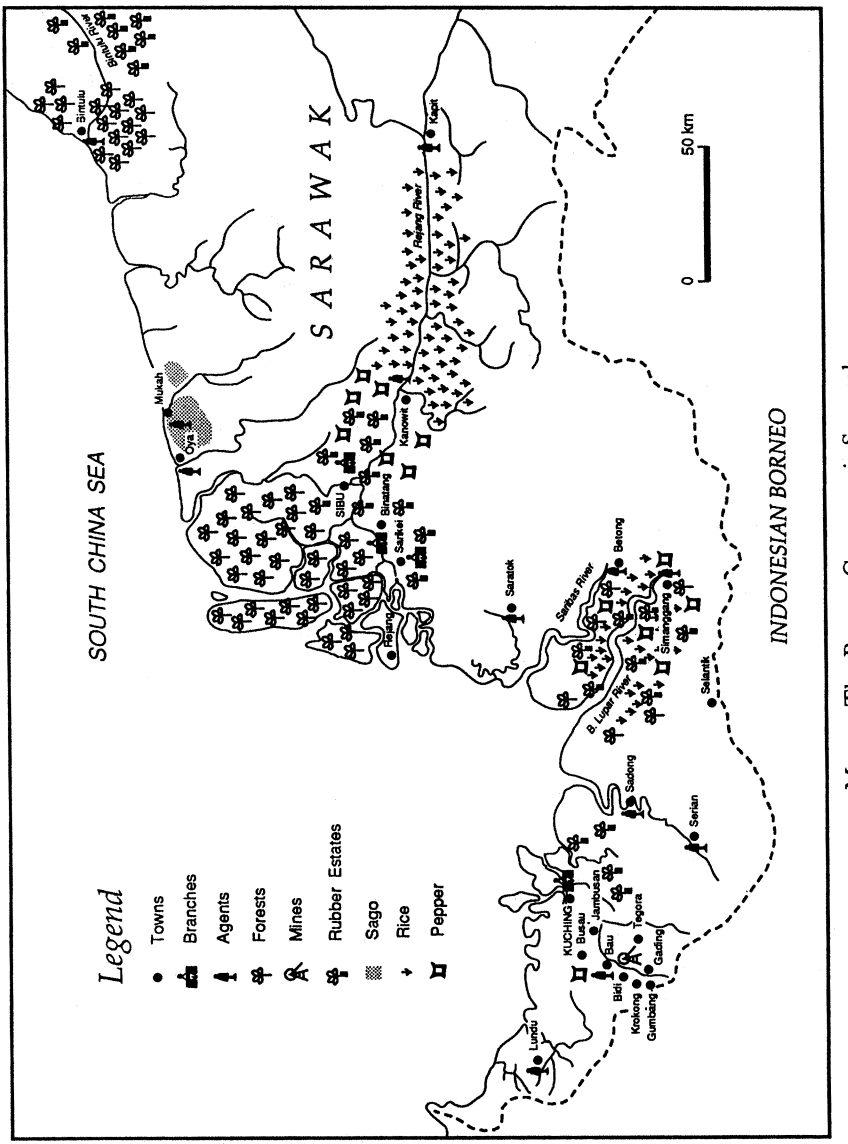
Brooke rule, there had been a small barter trade in minor forest produce with China: rhinoceros horns, bezoar stones, damar, camphor from the Borneo camphor tree, and these were taken by Chinese traders in exchange for beads, iron, crockery and pottery. The advent of Brooke rule and the rapid growth of Singapore resulted in the building up of an export trade in various minor kinds of forest produce. In the 1870s, world demand for jungle gums and resins for industrial purposes rose rapidly and the Borneo Company moved in to corner the market. Charles Brooke was keen to see the development of industries which would locally process Sarawak's natural products such as cutch (wood oil) and jelutong (wild rubber) following the example of sago processing. Although the Chinese traders had been dealing in these products, he granted monopoly rights to several western companies to collect and process forest produce. One of the earliest concerns was a French company formed in 1894 to collect and export the dried leaves of the gutta tree.[52] The cutch monopoly was given to a former Borneo Company employee in 1897.[53] When this venture closed down, a long-term monopoly concession was awarded to the Island Trading Company, one of whose shareholders was Charles Hose (of the Miri Oilfieds fame).[54] Charles Brooke also granted monopoly rights to the Anglo-American financed United Malaysian Rubber Company (UMRC) in 1909 to process jelutong at a large factory sited on 200 acres at Tanjung Batu (later known as Goebilt) on the Sarawak river.[55] The Borneo Company was the first and largest timber logger in Sarawak. It commenced operations at Rejang in 1886 (see Map 4) and after several failures imported elephants from Siam, complete with mahouts to fell timber for export to Britain, India and China. After the Second World War the European market for hardwoods and semi-hardwoods declined and the Company sold off its concession to Chinese entrepreneurs. Through

[52] *Sarawak Gazette*, 1 April 1895. Another was a tuba factory to process tuba root. This factory closed down in 1931. *Sarawak Gazette*, 1 Feb. 1932.

[53] See E., Hose, 'Sarawak in the 1890s', *Sarawak Gazette*, 30 June 1955.

[54] *Sarawak Gazette*, 30 Sept. 1961; see also C. Hose, *The Field Book of a Jungle Wallah* (London: H. F. & G. Witherby, 1929; reprinted Singapore: Oxford University Press, 1986), pp. 159–62. Charles Hose was to obtain another concession for a second venture in 1921. *Sarawak Gazette*, 1 April 1921.

[55] The principal shareholders were two American millionaires, Geolat and Vanderbilt, see *Sarawak Gazette*, 16 Jan. 1914; 1 July 1921, 1 June 1923 and 'Sarawak Chronology'. When this Company failed in 1915, its concession was taken up by another company, Gouddy and Company and subsequently was taken by a third Company, Chicle Development Company in 1936. *Sarawak Gazette*, 30 Sept. 1961.



Map 4. The Borneo Company is Sarawak.

a subsidiary, it then began to extract softwoods, like ramin, which went principally to Australia.[56] There were other timber concessions, including one to Sarawak oilfields and by 1914, there were sixteen sawmills in operation in Sarawak.[57]

The value of timber exports rose from an insignificant $153 in 1870 to $89,840 in 1940 (see Table 4 above). Some of the minor forest products also recorded increases. Sarawak's exports of forest produce for various years is shown in Table 5. After the ending of Brooke rule, timber became an even more important commodity and is today one of Sarawak's leading exports.

As in mineral exploitation, European capital interests dominated and controlled the extraction of minor forest produce and timber. The Brookes believed that these industries could only be worked efficiently by the application of superior technology from the west. It was also fortuitous that the exploitation of these resources did not entail the establishment of vast plantations and corporate management; they were located in the interior areas and were minimally disruptive to the Kuching administration. Sarawak's natural resources could therefore be exploited to boost the Brooke administration's revenues without jeopardising the political integrity of the country.

Population and Labour

Brooke policy towards foreign Asian migration into Sarawak offers persuasive evidence of official commitment to opening up the country. Like some other colonies in Southeast Asia, Sarawak was lacking an available indigenous or local proletariat and had to import Chinese and Indian labour to work for the state and the capitalist sector. In 1857, for example, the population of Brooke territory was estimated at 150,000 and twenty years later it had risen to 222,000.[58]

Initially, the state relied on *corvée* and prison labour to carry out various government projects. While the Malays and Dayaks were often 'called out' to serve on expeditions and to build paths and roads,[59] the prisoners worked on a variety of projects. These

[56] See Longhurst, *The Borneo Story*, pp. 54, 65, 93, 109–110. See also B. E. Smythies, 'History of Forestry in Sarawak', *Sarawak Gazette*, 30 Sept. 1961.

[57] Smythies, 'History of Forestry in Sarawak'.

[58] See Pringle, *Rajahs and Rebels*, p. 106 and *Sarawak Gazette*, 30 April 1880.

[59] The Malays preferred to pay an annual tax sum known as the 'exemption tax' because it freed them from unpaid government service.

TABLE 5
Sarawak: Exports of Forest Produce

(a) Timber

Year	Logs Hoppus tons	Sawn Cubic tons	Total timber equivalent Hoppus tons	Value £
1920	?	3,910	7,820	3,140
1930	?	?		12,170
1940	—	2,500	5,000	3,960
1950	26,500	19,000	64,400	348,440
1960	195,693	165,970	527,633	5,087,510

Note: 1 sawn ton is reckoned as 2 hoppus tons.

(b) Minor Forest Produce

	GUTTAS										Rattans				Cutch	
	Gutta percha		India rubber		Gutta jangkar		Gutta jelutong		Damar		No 1, 2 & c		Malacca canes		(mangrove)	
Year	Tons	£	Tons	£	Tons	£	Tons	£	Tons	£	Tons	£	Nos.	£	Tons	£
1870	—	96,470	—	4,450	—	—	—	—	—	210	—	90	—	—	—	—
1900	476	91,970	208	41,040	—	—	24	270	298	1,950	2,458	32,670	—	—	—	—
1910	101	21,780	155	39,670	387	14,820	6,363	117,090	125	1,720	1,238	10,830	—	—	—	—
1920	24	16,320	—	130	71	5,310	5,227	233,820	679	42,490	1,054	12,080	271,300	2,460	3,640	56,300
1930	1	110	—	—	113	5,180	3,893	101,430	470	8,200	446	3,100	580,000	2,360	2,520	55,840
1940	12	3,770	2	10	173	13,240	1,429	90,440	1,292	3,700	190	1,420	200	—	2,510	55,510
1950	42	25,040	—	—	48	5,990	1,554	209,530	1,506	58,500	988	24,220	570,100	8,510	1,770	134,550
1960	83	17,150	—	—	18	2,110	262	93,430	2,202	86,780	—	—	268	13,990	120	6,530

Other produce included illipe nuts, nipah sugar, beeswax, gaharu wood, laka wood, mangrove bark, nipa salt.

Source: B. E. Smythies, 'History of Forestry in Sarawak', *Sarawak Gazette*, 30 September, 1961, p. 174.

included road-building, in the coolie sheds, stables, on government steamers, at the Brooke *Astana*, at the estates, government wharf, surveying and cart transport. They were paid at the rate of fifteen cents a day and detailed accounts of prisoners available and where they worked were kept by the Inspector of Police and Prisons.[60] The Public Works Department in particular repeatedly complained of the shortage of workers to carry out various projects and requested Tamil labour.[61]

The two main groups that fulfilled the growing labour needs comprised Chinese and Indian (Tamil) workers. There was a division of duties, with Chinese labour principally involved in mining and on the oilfields while Tamil labour predominated on the government plantations and the Public Works and Survey Department.

The Borneo Company was the chief employer of Chinese labour. Another major employer was the government-owned Sadong and Brooketon Collieries. Both the Sarawak government and the Company recruited labourers from Singapore through the official agency of the Chinese Protectorate in Singapore. Allegations of poor working conditions (which often resulted in illness and death) and

[60] *Sarawak Gazette*, 1 Feb. 1898. In 1901, a detailed statement of the total number of prisoners employed from year to year for the period 1890 to 1891 (see below), revealed that on an average between 43 to 95 prisoners were employed daily by the Public Works Department.

Prisoners employed annually by Public Works Department, Kuching 1890–1901

Year	No. Prisoners Employed Annually	Daily Average
1890	23,529	75
1891	20,856	67
1892	27,419	88
1893	29,785	95
1894	26,039	83
1895	22,999	73
1896	17,021	54
1897	22,538	72
1898	19,805	63
1899	16,089	51
1900	18,063	58
1901	13,373	43

Source: *Annual Report, Public Works and Survey Department, 1901*, in *Sarawak Gazette*, 1 May 1902, p. 95.

[61] *Annual Report, Public Works and Survey Department 1902*, in *Sarawak Gazette*, 2 Sept. 1903.

slavery in Sarawak led to the Chinese Protectorate threatening to boycott Sarawak and subsequently there was an improvement in medical facilities in both Singapore and Sarawak and the construction of coolie depots in Kuching to receive the workers. This arrangement with the Protectorate was not very satisfactory and Charles Brooke appointed the Agency House of A. L. Johnston and Company to recruit labourers for Sarawak. The latter arrangement lasted until October 1899 when Paterson, Simons and Company began to act as agents for the Sarawak government.[62] In an agreement between Charles Brooke and the Straits and Singapore Steamship Company dated 1882, Chinese labourers were allowed free passage to Sarawak from Singapore.[63] The workers were poorly paid, lived under poor and dangerous conditions and were not allowed to take industrial action.[64] If a strike did occur the leaders were imprisoned (with hard labour) or deported. Other coercive measures against workers to prevent them from absconding via the land border to Kalimantan (all departures by sea were regulated), was the requirement of a pass from government officers in Chinese-employed areas and these passes had to be shown to Dayak chiefs through whose villages the Chinese passed. If the workers did not possess valid passes, they were apprehended and taken as prisoners to Kuching.[65]

In the second decade of the twentieth century, Sarawak Oilfields became a major employer of Chinese labour. Since Singapore could not cope with the increased demand for labour, the Company (Sarawak Oilfields) had to turn to Hong Kong for its labour supply.[66] The large number of Chinese in Miri resulted in the town becoming virtually a 'Chinese' town. Here too, the Oil Company relied upon

[62] Letter of Rajah Charles Brooke, 14 Feb. 1895, p. 231, [Sarawak Archives].

[63] *Sarawak Gazette*, June 1882; see also *Sarawak Gazette*, 1 Dec. 1887.

[64] In 1886, the Chinese workers were given advances of between $25.60 and $30.00 and earned on an average between $8.00 and $10.00 per month. *Sarawak Gazette*, 2 Nov. 1886. H. Longhurst recounts the dangerous conditions under which Chinese labourers worked: '[At the Tegora quicksilver mine] . . . the workers were liable to the unpleasant experience known as 'salivation', a loosening of the teeth, and they had all their mouths bound up tightly under the chin. They had learnt by hard experience, for only a year or two previously Helms, on a visit of inspection to the same mine had had the manager inform him that a Chinaman wished to see him. 'What does he want?' he asked. 'Oh, he's got all his teeth in a bit of paper', said the manager . . . '.*The Borneo Story*, p. 58.

[65] Order dated 27 June 1876, cited in *Sarawak Gazette*, 1 Feb. 1894.

[66] *Sarawak Gazette*, 1 April 1919.

sympathetic Malays and Dayaks to round up absconding labourers.[67] The Oilfields also employed Malay and Dayak workers who were mainly involved in collecting and delivering timber for various construction projects associated with drilling.[68]

Tamil labour was primarily recruited to work on government experimental agricultural stations (where some Javanese labour was also employed) and in the Public Works and Survey Department. In 1897 Charles established an Indian Immigration Department and appointed an Indian Immigration Agent. A 'large and roomy house' was selected as a coolie depot in Kling Street in Kuching and during the first six months of 1897, 202 adults and 36 children migrated to Sarawak. Their initial contracts were for two years, and the majority chose to stay on in Sarawak upon expiry of their contracts, either continuing employment at the government plantations or moving to Kuching to work with the Public Works Department. Indians were also employed in the oilfields. They were hired in Singapore and given free passage to Sarawak.[69]

The Indian workers also worked under poor conditions on the pioneering estates and the Public Works Department. It was only in 1928 that a Labour Department was established, ostensibly 'to give a guarantee to the governments of countries whence labourers arrive and to labourers themselves that their interests are being satisfied'.[70] Steps were also taken in that year to recruit more Indian labour. The Protector of Labour was responsible for the welfare of both Indian and Chinese labour and often relied on other Brooke officials to inspect the conditions of labour on the foreign plantations.[71] By 1935, the

[67] *Sarawak Gazette*, 2 March 1914; 16 Jan. 1915. The workers on the oilfields received an average daily wage ranging from 45 cents to 80 cents depending on job description. See Daniel Chew, *Chinese Pioneers*, p. 196.

[68] See *Sarawak Gazette*, 16 Jan. 1912; 16 March 1917.

[69] 'Report on the Indian Immigration Department, December 1897' in *Sarawak Gazette*, 1 Feb. 1898; see also *Sarawak Gazette*, 1 June 1900.

[70] *Sarawak Gazette*, 3 Jan. 1928; the Indian workers earned less than the Chinese counterparts (Indian females were at the bottom of the rung) as shown below.

Wages of Indian labour 1900

1. if engaged by the month:	2. if employed by the day
men – $7.50	men – 0.25 cents
women – $6.00	women – 0.22 cents

Sarawak gazette , 1 June 1900

[71] See Digby, *Lawyer in the Wilderness*, p. 33. In 1929, a Secretariat for Chinese Affairs was established, manned by Chinese-speaking English officials, to take over matters involving the Chinese community. See Chew, *Chinese Pioneers*, pp. 204–5.

foreign labour force comprised 4,530 Chinese, 788 Javanese and 166 Indians out of a total labour force of 8,881.[72]

In summary, therefore, the Brookes, like the British in Malaya, looked to China and India to meet the labour needs of Sarawak and also believed that the bulk of the workers represented a transient population (excluding the Chinese agricultural colonists). This policy led to the expansion of the non-indigenous population which was mainly concentrated in the towns.[73] The towns, incidentally, reflected the 'administration convenience uppermost' policy of the Brookes. The centre of the town or settlement was a fort, originally designed to control river traffic but symbolizing the Rajah's authority. Near the fort and usually parallel to the all important river there was a row of Chinese shophouses. At either end of this fort-bazaar nucleus were located the Malay kampung areas. There was never a longhouse within it and the Dayaks had to live upriver in the interior. Naturally, there were few opportunities for mixing among the various ethnic groups. Ethnicity was thus emphasized during the period of Brooke rule.

[72] The comparative wage payments for the different occupations were:

A.	Government Labourers:-		
	• Skilled		$16 – $55 p.m.
	• Unskilled		$10 – $18 p.m.
B.	Agricultural Estates:-		
	• Rubber -	Skilled	$20 – $25 p.m.
		Unskilled	$15 – $20 p.m.
	• Pepper -	General	$10 – $15 p.m.
	• Coconut -	General	$12 – $16 p.m.
C.	Miscellaneous:-		
	• Cutch -	Skilled	$19 – $90 p.m.
		Unskilled	$13 – $19 p.m.
	• Oil -	Skilled	$30 – $60 p.m.
		Unskilled	$18 – $30 p.m.
	• Gold -	General	$20 – $35 p.m.
	• Sago -	General	$15 p.m.
	• Shop Assistants		$12 – $25 p.m.

Sarawak Administration Report, 1935, p.29.

[73] The 1947 census classified the inhabitants of Sarawak as follows:

Malays	97,469
Melanaus	35,560
Sea Dayaks or Iban	190,326
Bidayuh or Land Dayaks	42,195
Other Indigenous	29,867
Chinese	145,158
Other Non-Indigenous	
Asians (incl. Indians)	5,119
Europeans	691

Transport and Communications

When the colonial government took over Sarawak, land communications were practically non-existent. The only roads that existed were local networks radiating from the towns but the main centres of population were not connected by roads and freight and passenger communications between them were dependent on river and sea transport. Furthermore, with the exception of Kuching district, the town roads were unsurfaced earth roads. In the interior areas, there were a few well-defined jungle paths. Unlike other 'colonial powers', the Brookes did not give priority to transport facilities and are therefore to be remembered more for what was left undone than for what was transformed in this sector.

The Brookes administered Sarawak on the basis of the river systems and forts were established on the river mouths where officials were stationed. These forts symbolized Brooke authority and also enabled the officials to control river traffic, whether of commerce or of people. Consequently, the main settlements in Sarawak were all centred on the rivers, conformed to Brooke planning policies and exhibited striking similarities.

Land transport was little developed for a number of reasons. A consistently wet swampy environment downstream inhibited movement by land while the dense tropical forest was difficult to penetrate. The Dayaks built *batang* (literally tree stem) paths to facilitate movement in the interior areas. In the rainy season, the paths were inaccessible and therefore travelling had to be done in the dry season. In the major towns, the government built short roads connecting various points, and the most distinguishing feature was that they were not connected to each other. As a matter of fact, it was felt that road construction was an unnecessary expenditure, particularly since most crops were planted/located near rivers (for example, sago). Large companies like the Borneo Company and Sarawak Oilfields built their own roads to serve their concessions, but these were short, local roads.

Under the Third Rajah there was a change in policy on road and bridle path construction. Henceforth, roads were to be built to connect with navigable rivers and thus improve access in the country. This policy was of course largely influenced by Dayak 'unrest' between 1931 and 1934 and government realization that the old system of administering the Dayaks by means of regular visits to the *ulu* (interior) from stations on the coast or at mouths of rivers was no

longer effective. It now became imperative to set up government stations in the interior and this entailed the construction of bridle paths and roads to provide access there. Another reason was, of course, to facilitate the implementation of the International Rubber Regulation Agreement. A third motive was to open up more land for Chinese agriculturalists and promote colonization along the roads. Funding was of course, a key determinant to the success of this policy and Vyner Brooke's reluctance to expend funds in this direction meant that no blueprint for road development materialized. As a matter of fact, the only road that resulted from this policy was the Kuching to Serian road, which by 1940 totalled forty miles.[74]

The only railroad in the country was built during Charles Brooke's time to open up the hinterland near Kuching. Although by 1917, a survey had been completed to the twenty-seventh milestone, the Sarawak government railway only ever ran as far as the tenth mile. Tracklaying commenced in 1911 and the railway was opened officially to traffic during 1915. Mainly Indian and Chinese labour was employed on the construction of the line and the fare charged was two cents to the mile. The building of a road parallel to the railway sounded its death knell. Furthermore, the railway had relied on coal from the Sadong colliery and the shutting down of the colliery in 1931 also affected its future. It was officially closed to regular traffic in January 1931 and during its lifetime as a railroad government losses totalled $1,063,760. Subsequently, it was used to transport stone from the quarries at the seventh mile to Kuching.[75]

Sea communications were crucial to Sarawak's trade and from the outset, James Brooke ran his own ship, the *Royalist*, on the Kuching–Singapore run together with another ship, the *Swift*. The early cargoes were antimony ore, gold and jungle produce. The Borneo Company brought in another steamer, *Sir James Brooke*, to handle its trade. By 1870, these ships were the main freight and passenger carriers plying between Singapore and Kuching. Charles Brooke then persuaded the Borneo Company to form a shipping company to cope with the increasing trade and even offered to sell the company his *Royalist*. This offer was accepted and in August 1875, the Singapore and Sarawak Steamship Company was inaugurated. The principal shareholder and

[74] See *Sarawak Gazette*, 1 July 1922; 12 April 1951; *Sarawak Administration Report, 1935*, p. 30; See also Digby, *Lawyer in the Wilderness*, p. 13.

[75] See A. Moy Thomas, 'The Sarawak Government Railway' *Sarawak Gazette*, 31 Oct. 1959 and letter to the Editor dated 14 Oct. 1960 in *Sarawak Gazette*, 31 Oct. 1960; see also *Sarawak Gazette*, 17 May 1915.

manager was the Borneo Company. Despite the fact that this line had a monopoly of the sago carrying trade and transported labour from Singapore to Kuching, it maintained irregular schedules. Subsequently the government disposed of all its shares which were taken up by the Borneo Company and leading merchants in Kuching and Singapore. The Company purchased the *Rajah Brooke* (1) in 1890 and maintained a fortnightly service to Singapore. There were representations for a weekly service and the *Sarawak Gazette* in the 1890s is studded with complaints of irregular service. In 1896, the *Rajah Brooke* ran aground at Pulau Tinggi and was a write-off. This naturally disrupted trade and the Company was accused, amongst other things, of having a monopoly of trade and transit. After 1902, competition from a Chinese shipping firm led to more regular schedules. However, it was not until 1919 when the Sarawak Steamship was formed that Sarawak had regular and frequent communications with Singapore. This Company, which had large Chinese interests, was managed by Edward Parnell, who was a senior Brooke official (on loan to the Company) and a personal friend of Vyner Brooke. The Borneo Company, which had sold off its interests, managed the wharves and acted as Lloyds Agents in Sarawak, and maintained an active interest in insurance, shipping and general trading. The Sarawak Steamship Company was taken over by the Straits Steamship Company in July 1931 and this resulted in more services which included direct weekly services between Kuching and Singapore, direct weekly services between the Rejang river ports (Miri and Baram) and Singapore and less frequent coastal services.[76]

The impact of poor land and sea communications was disproportionately felt in Sarawak by the lower classes. Because of the actual time-lapse caused, there was an increase in the number of times goods and services had to be handled between producer and consumer, each single step being paid for at a comparatively high rate. Additionally, the actual number of people engaged in the provision of these services comprised a disproportionately high percentage of the 'labour factor'. The overheads resulting from poor communications were thus enormous, especially for the rural population. Finally, the facilities that were provided served the export industries and stimulated the growth of export commodities. Transport links which served to integrate the

[76] See K. Tregonning, 'A History of the Straits Steamship Company—Sarawak', *Sarawak Gazette*, 28 Feb. 1965; see also *Sarawak Gazette*, 1 Feb. 1897; 1 Sept. 1899.

domestic/native economy were generally assigned a lower order of priority or simply ignored.

Finance

There was no legal distinction between the Rajah's personal purse and the Sarawak Treasury and although the Brookes did not amass a large fortune, they were very comfortably off. They made frequent trips to England, and Charles bought a house near Cirencester where he initially spent about two winter months each year, hunting and living the life of a country gentleman.[77] His two older sons went to Winchester. His desire to absorb the Brunei sultanate led him to undertake costly wars that severely strained Sarawak's finances. He always believed that his rule was for the greater benefit of the people and must have turned in his grave when Vyner pronounced that 'the 'good old days' . . . were good only for the British residents and not for the natives'.[78]

James Brooke attempted to finance Sarawak by purchasing native produce through his agents and using the proceeds to run the administration. He also made antimony and opium state monopolies. In 1846, revenue from these two monopolies amounted to £2,500 while revenue from trade totalled £500. Because of widespread criticism of his trading monopoly, James transferred it to the Borneo Company and subsequently Sarawak's revenues depended on the antimony and opium monopolies and light taxation.[79] In later years the taxation base was broadened to include further monopolies. Until the early twentieth century the Borneo Company acted as banker to the Rajah and Sarawak and arranged for the minting of coinage for the country.

When Charles Brooke became Rajah in 1868, Sarawak had a public debt of over £15,000, which was not far off a year's revenue at that time. By dint of careful scrutiny of all accounts and by adopting a parsimonious attitude to expenditure Charles managed to wipe out the public debt by 1905. He viewed each Division as a political unit and expected it to be financially independent. Even the poorest was expected to pay its own way and submit at least

[77] Charles' wife divided her time between a house near Genoa and another at Ascot, near the races. See Payne, *The White Rajahs*, p. 136.

[78] Vyner Brooke, cited in Payne, *The White Rajahs* p. 179.

[79] *Handbook of Sarawak 1949*, p. 92.

a modest profit each year to the central treasury. Generally, with a Division, each river had a separate account. Travelling officials were expected to rely on the 'hospitality' of the people as no travel allowances were paid.

The principal sources of revenue were the annual sale of spirit, opium and gambling farms and a shop tax, all of which fell principally on the Chinese. Additionally there were light import duties on a few items such as salt, a small inheritance tax, fines and court fees, and a head or door tax. Generally, the Malays paid $2 annually for each adult male while the Dayaks paid $3 annually per family. These door and head taxes were more than a mere source of revenue. They symbolized the political responsibilities of these two groups within the Brooke Raj. Those who did not pay taxes were expected to perform public services, for example, repairing footpaths or constructing and repairing government buildings. By paying 'exemption tax' they were freed from the obligation to serve on expeditions and from all other unpaid government service. Chinese merchants were expected to carry government mail and freight free of charge. The government also took a traditional percentage of the birds' nests gathered by the Dayaks.[80]

The revenue farms contributed substantially to Sarawak's revenues. In 1873, for example, revenue farms brought in $63,184 (out of a total state revenue of $162,774.50); ten years later the farms contributed $127,605.92 (out of a total state revenue of $271,117.96) and by 1896, these farms were bringing in $205,674.74 out of a total state revenue of $573,1221.41.[81]

The increasing commercialization of the economy is reflected in the export earnings. From a modest $304,764, export revenues rose to $45,770,407 in 1940 as indicated in Table 6. The chief exports by 1940 were primary products—rubber, timber and petroleum, and the incitement to change originally came from the outside. Sarawak's relative geographical isolation and the Brooke tradition made the economy conducive to monopolization and this led to dualism in agriculture, commerce and mining.

[80] See Pringle, *Rajah and Rebels*, pp. 161–4; Crisswell, *Rajah Charles Brooke*, pp. 118–19.

[81] Chew, *Chinese Pioneers*, Table 10.1, p. 213. In 1925, income from the revenue farms amounted to $1,307,488. *Ibid.*, p. 214.

TABLE 6
Sarawak Exports and Revenue 1855–1940

Year	Value of Exports (dollars)	Revenue (dollars)
1855	304,764	not available
1860	400,226	not available
1870	1,494,241	122,842
1880	1,193,195	229,718
1890	1,700,142	413,123
1900	6,865,861	915,966
1910	8,152,293	1,407,360
1920	18,067,121	2,646,265
1930	23,020,456	5,562,035
1940	45,770,407	7,463,314

All values given in Sarawak/Straits dollars, fixed at 2s.4d. sterling.
Source: *Annual Report Sarawak, 1951*, p. 6.

The Good Old Days That never Were

During the period of Brooke administration, the local economy developed into a comprehensive structure, embracing commercial agriculture as well as subsistence farming and both large-scale and small-scale mining. The new initiatives were taken primarily by foreign investors and the indigenous people responded to these changes by entering the market economy. Social structures too changed as enclaves with immigrant labour and population emerged in towns such as Kuching, Miri and Sibu. Sarawak's most renowned monopoly, the Borneo Company, was unassailable during this period. Finally, there was a massive drain of profits from the region both by the Brookes and the foreign investors.

Despite the fact that Sarawak consistently (with the exception of 1887 and 1938) recorded a surplus, as shown in Table 7, economy was the watchword of the Brookes. In 1880, a Singapore newspaper had observed with wonder that the Brooke administration spent less than one dollar per year per head of population compared with between $6 and $19.46 in the various Malay states under British control.[82] Throughout Brooke rule, there was little improvement in the quality of life of the inhabitants. The two obvious deficiencies were in the areas of medicine and education.

[82] Reprinted in *Sarawak Gazette*, 30 April 1880. The figure was based on the 1877 'census' which estimated Sarawak's population to be 222,000 and the government's expenditure of $197,150 in 1878.

TABLE 7
Sarawak-Revenue and Expenditure 1877–1940

Year	Revenue $	Expenditure $	Surplus $	Deficit $
1877	185,552	169,769	15,783	—
1887	350,813	366,541	—	15,728
1897	564,789	504,101	60,688	—
1907	1,441,195	1,359,273	81,922	—
1917	1,705,292	1,395,746	309,546	—
1927	6,243,066	5,764,318	478,748	—
—	—	—	—	—
1933	3,558,580	3,549,074	9,506	—
1934	4,820,546	3,828,872	991,674	—
1935	5,087,244	4,222,702	864 542	—
1936	5,494,069	4,406,230	1,087,839	—
1937	4,801,236	4,104,082	697,154	—
1938	4,261,899	4,272,140	—	10,241
1939	4,762,532	4,200,269	562,263	—
1940	7,463,314	5,018,006	2,445,308	—

Source: *Handbook of Sarawak 1949*, p. 92.

During James' time, there was no trained government medical staff. The nearest doctor was at Labuan. Eventually he and the Borneo Company shared the costs of a doctor. Brooke officials in the outstations dispensed a limited range of panaceas for minor complaints, the most popular being castor oil.[83] Charles made no concerted effort to improve medical facilities. Epidemics of smallpox and cholera continued to take a heavy toll of lives in Sarawak. At the end of the century, there was no trained government medical staff beyond Kuching nor did the Rajah feel any urgent need for any. In 1903, only a year after the most infamous cholera epidemic killed more than a thousand people in the Second Division alone, he informed the Anglican Bishop that he saw no reason to station a medical mission in the district.[84]

As late as 1925, 115 people died in an outbreak of smallpox in Kuching, out of a total reported number of 805. In 1927, there were three medical officers in Sarawak, namely a Private Medical Officer

[83] For an interesting account of outstation life, see A. B. Ward, *Rajah's Servant*, Cornell University Southeast Asia Program, Data Paper No. 61 (Ithaca, New York: Cornell University Press, 1966).

[84] He said, 'I don't see what work he could find as a medical man alone—I don't think he would get a dozen patients a year in a healthy region such as Simanggang'. Charles Brooke to Bishop Hose [G. E. Hose], 15 July 1903, [Sarawak Archives].

and a pathologist in Kuching and a divisional medical officer in the Third Division. The Fourth Division was under the charge of the medical officer of the Sarawak Oilfields. Government dressers (male nurses) ran small dispensaries in the other towns.[85] Medical facilities remained inadequate at the end of the Brooke period and in 1941 there were only two hospitals [at Kuching and Sibu] with at most 300 beds.[86]

The Brookes also did not emerge well in the matter of education. In 1902 Charles Brooke established a rudimentary state-wide system of schools, for Malays in the Malay language and for Chinese in Mandarin. The education of the Ibans (Sea Dayaks) was left entirely to the Roman Catholic and SPG (Church of England) missions which received small government grants in aid. In 1913, after sixty years of effort in the Second Division, SPG schools there had an enrolment of only thirty-three students.[87] A Department of Education was established in 1924 but was abolished in 1933 during the slump. Interestingly, in the same year, work started on building the Sylvia Cinema.[88]

The history of what was left undone could fill volumes. Suffice it to say that after clearing its public debt, the Brookes were said to be salting away 'up to one million dollars annually in the 1920s, had a net surplus of revenue over expenditure of almost $4.3 million in 1925–38 (see Table 7) and reserves of $11 million in London in 1942, not including the $2.5 million given by Vyner to the British War effort by February 1941 and the $2 million he took himself in exchange for the 1941 Constitution'.[89] Indeed, 'those days were good only for [the Brookes], the British residents and not for the natives.'

[85] The number did not record the total incidence or the death rate of the disease, as the epidemic was particularly difficult to deal with. 'Memorandum by the Principal Officer of Sarawak covering the Period 1922–1926' Supplement to the *Sarawak Gazette*, 1 Nov. 1927, pp. xiii–xiv.

[86] *Annual Report Sarawak 1947*, pp. 51–2. 55–8.

[87] Pringle, 'The Brookes of Sarawak', pp. 71–2.

[88] 'Chronology' in the *Sarawak Gazette*, 31 July 1961.

[89] Reece, *The Name of Brooke*, pp. 47, 75–6, 122; N. Tarling, 'Britain and Sarawak in the Twentieth Century' *Journal of the Malayan Branch of the Royal Asiatic Society*, vol. XLIII, no 2, 1970, pp. 42–44. See also Table 7.