FOREWORD

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OVERSEAS CHINESE IN SOUTHEAST ASIA - A RUSSIAN STUDY

The following is a translation of a monograph by N. A. Simoniya, published by the Institute for International Relations, Moscow, 1959, pages 2-174.

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FOREWORD

N. A. Simoniya's book on the role of the Chinese population in the economic life of the countries of Southeast Asia studies a problem completely undiscussed in Soviet literature. On the basis of considerable factual material unpublished in the Russian language, the author tells of the reasons for emigration, the professional composition of the emigrants, and the geographic location of the Chinese population in the countries of Southeast Asia. The author dwells in detail on the role of the Chinese bourgeoisie and the Chinese laborers in the economic life of the countries of this region.

The book unmasks the imperialist policy of opposition to the national minorities of the countries of Southeast Asia and the sowing of seeds of dissension among them, and also various bourgeois "theories" related to this problem. The work points out the discriminatory policy of the reactionary governments of Thailand, South Vietnam, and the Philippines vis-à-vis the Chinese population of these countries.

The book is intended for a wide circle of readers — scientific workers, graduate students, students, students in schools of the party education system and others interested in the economy of foreign capitalist countries.
INTRODUCTION

One of the most important socio-economic and political problems in the history of the countries of Southeast Asia is the problem of the Chinese population of these countries. The immigration of the Chinese population covers almost two thousand years. Up to 95 percent of all Chinese immigrants abroad at the present time are concentrated in this area.¹

The immigration of the Chinese population has exerted a tremendous influence on the economic development of Southeast Asia. It stimulated the development of the domestic market and capitalist relations. Thanks to the broad masses of Chinese and to a lesser degree Indian coolies, the natural wealth of Southeast Asia was mastered comparatively quickly at the end of the 19th and the beginning of the 20th centuries.

The Chinese immigration had a great influence on the composition of many Southeast Asian countries and in almost all countries — in forming the national bourgeoisie and working class.

The role of the Chinese population in the social and political life of certain countries, particularly Malaya and Thailand, is very important.

Until recently the countries of Southeast Asia (with the exception of Thailand) were under the colonial yoke of the imperialist powers. In 1945 almost 99 percent of the area's population resided in the colonial possessions of European powers in Southeast Asia. At the end of 1957 only a little more than one percent of the population of the countries of Southeast Asia lived in colonies.

But the aspiration of the peoples of Southeast Asia for complete independence ran into the desperate efforts of world imperialism, headed by the US, to maintain their former positions in the economy of the countries of this area. In addition to crude political pressure, direct armed intervention and the organization of SEATO-type militaristic blocs, one of the weapons employed by the imperialists in this struggle is the policy of sepa-

ratism of national minorities, which seems to be none other than a modified form of the old colonial policy of "divide and conquer."

The postwar history of certain Southeast Asian countries numbers dozens of attempts by Western powers, and the US in particular to set one or another national group of the population against the legal government of the given country. One of these national groups which the imperialists in the Southeast Asian countries reckoned on using was the Chinese. For example, there is the frank statement apropos of this by the American scholar L. Unger, made as early as 1944. After pointing out that the US was faced with the following two tasks in the Southeast Asia area, i.e., the expulsion of the Japanese and "wise political and economic preparation" to take over the "leadership of the future Southeast Asia" (!), the author further explains that in performing these tasks, and particularly the second one, the position of the Chinese population of this area will play a determining role.²

Postwar events have shown that the overwhelming mass of Chinese along with the entire population of the countries of this area opposed the aggressive and inflammatory policy of the US and the other imperialist powers.
In order to sow seeds of hostility between the Chinese and Korean population, the imperialists raised a racket about the "menace" which allegedly the Chinese represent for the countries of Southeast Asia.

Thus, for example, speaking at a conference on the problems of Southeast Asia, held in August 1952 in Washington, J. Allison, Assistant Secretary of State for Far Eastern Affairs, stated in particular that "in Southeast Asia there live more than 10 million Chinese" who, in his opinion are a "potential fifth column." 3

One of the basic reasons for the anti-Chinese policy of foreign colonizers lies in the growth of contradictions between the interests of foreign monopolies and the local Chinese bourgeoisie as an integral part of the national bourgeoisie of the countries of Southeast Asia. In his book Otkrytie Indii (The Discovery of India), J. Nehru notes that "in Burma there took place a struggle between English, Indian and also to some extent Chinese economic and commercial interests. Therefore, England introduced the policy of encouraging anti-Indian and anti-Chinese sentiments among the Burmese people. For a certain time this policy bore fruit." 4

The favorite argument of the imperialists and their satellites in anti-Chinese propaganda is reference to the past "rule" of Chinese capital in the economy of Southeast Asia, which is "dangerous" for the vital interests of the countries of this area. 5

The Hongkong journal Far Eastern Economic Review affirms, for example, that "the Chinese problem" in Indonesia at the present time is of "far" greater proportion and significance than the Dutch problem. 6

Statements of this type clearly have a provocative nature and serve as an original cover for the unceremonious proprietorship of foreign monopolies in the economy of Southeast Asia.

Suffice it to quote some figures to demonstrate the complete bankruptcy of such statements. In February 1957 in the Indonesian newspaper Harian Rakjat the economic section of the Communist Party of Indonesia published an article convincingly proving that up to this time, as a result of the rule of foreign capital, the country's economy continues to depend on foreign capital to a considerable degree.

The total sum of foreign capital investments in Indonesia, according to approximate calculations, is 2.1 billion dollars of which 1.47 billion dollars (70%) belongs to Dutch capital, and 350 million dollars (more than 16.6%) to American capital. The annual profit of foreign monopolies is 500 million dollars, or 25 percent of the capital invested. In basic fields the imperialists control 95 percent of the production of Indonesia and almost all of her foreign trade. 7

In Malaya, which the bourgeois scholars and journalists love to designate as the most "enlightened" country of this area, in 10 years (1947-1956) English monopolists "earned" 900 million pounds sterling from rubber and tin alone, while English investments in these fields of Malayan production totaled 200 million pounds sterling. 8

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The imperialist separatist policy is also reflected in the "scientific theories" of bourgeois authors. The "theory of plural societies," widely propagated by the imperialists, can serve as a concrete illustration of this.

For example, here is what the Englishman Furnivall,9 one of the main "theoreticians of pluralism," writes. According to his ideas in the "plural societies" of countries of Southeast Asia various groups of the population, e.g., Koreans, Chinese, Indians, and Europeans, coexist in an isolated manner. In the field of economics these groups also fulfill different functions. These separate components are combined into one whole only by colonial rule.

Viewing this society from the political viewpoint, Furnivall states that each isolated racial group represents not an organic whole, but a "crowd of individuals" whose social life is inferior. The inferiority of the individual life of the European, Chinese, or Indians, in his opinion, consists in the fact that they view the social problems (political and economic) of a given country "with the eyes not of a citizen, but of a capitalist."

Let us point out that not only a considerable part of the Chinese and Indian population, but also a considerable number of Europeans in Southeast Asia do not view any problems whatsoever "with the eyes of capitalists" for the very simple reason they are laborers. But let us return to "the plural society." It would seem that having recognized the "incompleteness" of this society, Furnivall should have drawn a conclusion concerning the necessity of transforming it and eliminating the colonial rule which maintains its existence. It turns out that the entire scheme was invented by the author so as "to prove" the impossibility of such a change and elimination of the colonial rule, for according to Furnivall's contention, without the latter "the plural society" will turn into a state of "anarchy." Is it necessary to say that the whole course of the postwar historical development of the countries of Southeast Asia serves as a graphic refutation of this "concept" of Mister Furnivall?

Another bourgeois scholar R. Emerson in the preface to F. King's book The New Malay Nation, written less than 3 months prior to Malayan "Independence Day"10 (31 August 1957), again draws to light the theory of the "plural society." Emerson repeated the idea that "the peoples of Malaya, divided in almost all regards, essentially have in common only the fact that they live in one and the same country."11 True, as distinct from Furnivall, he does not decide to speak about "anarchy" and predicts only "internal disagreements," for example, after Malaya receives her independence.12 The idea that the national integration of Malaya is scarcely possible runs like a red thread through his preface.

Malaya does not represent a whole national state (48.4% of the population of the Malayan Federation are Malayans, 37.8% are Chinese and 11.7% are Indians). English imperialism bequeathed to Malaya a definite estrangement among the different national groups of the population.
It is indubitable that final and complete national peace can be achieved only in a society building or having built socialism as for example, is the case with the USSR or the People's Republic of China. (In Southeast Asia itself the Democratic Republic of Vietnam can serve as a notable example of a solution of the national problem.) But even under capitalism under definite conditions "a rather complete (comparatively) approximation of national peace" is possible. In the resolution of the summer conference of the Central Committee of the RSDRP in 1913, written by V. I. Lenin, this is explained in particular. "As far as national peace is possible in a capitalist society based on exploitation, profit, and fights, this is achieved only with the succession of an ultimately democratic, republican system of state ensuring complete equality of all nations and languages, the absence of an obligatory state language, ensuring the population schools with instruction in all local languages, and including in the constitution a basic law declaring invalid any privileges whatsoever for one of the nations and any violations whatsoever of the rights of a national minority."14

The political independence of Malaya is one of the most important prerequisites for fuller (as far as this is possible in a capitalist state) democratization of the country.

In addition there are still many obstacles in the way of this. English troops still trample Malayan land. The Communist Party of Malaya is banned, and its repeated appeals for peaceful negotiations on just democratic conditions for the elimination of the "extraordinary situation" and the cessation of bloodshed are rejected by the government.

The government of the Federation, submissively following the lead of the English imperialists, is pursuing a policy which in no measure corresponds to the real interests of the Malayan people. The 20 June 1958 appeal of the Communist Party of Malaya, delivered on the 10th anniversary of the national liberation struggle of the Malayan people, explained:

"Instead of conducting a policy of equality and mutual assistance among the various nationalities and the creation of a close unity among them, the government under the guise of 'defending Malayan interests' with all its forces is defending the exclusive rights of a small clique and at the same time is taking no steps to improve the living conditions of the Malayan peasantry which constitutes the overwhelming majority of the country's population. Furthermore, it does not recognize the legal rights and interests of the Chinese and Indians residing in Malaya, but even introduces discord and sows suspicion among the different nationalities."15

It is indubitable that while the positions of the imperialists in Malaya, as well as the rest of the countries of Southeast Asia are still powerful, the colonizers have a definite possibility of pursuing their dissentient policy obstructing the unity and cohesion of all nationalities of the countries of this region. But it is also indubitable that sooner or later the intrigues of imperialist powers will be suppressed and all the national partitions overcome.

* * *

- 5 -
This work is based on materials from censuses, annual reports and reference books, works published in the People's Republic of China on problems of the history, geography, and economy of countries of Southeast Asia which have sections on the Chinese population of these countries and also monographs and articles of bourgeois authors.

A common shortcoming of the works of bourgeois authors is that in evaluating the role of the Chinese in Southeast Asia they proceed mainly from the interests of the ruling classes of their country, the interests of "their own," "national" imperialism which they in the end strive to justify and embellish. Here one can take, for example, the work of W. Cator The Economic Positions of the Chinese in the Netherlands Indies, K. Landon's The Chinese in Thailand, G. Skinner's Chinese Society in Thailand, V. Purcell's The Chinese in Malaya and The Chinese in Southeast Asia, etc.16

Thus in defending the Dutch colonizers, W. Cator attempts to prove in his book that they subjected the Chinese coolies in Indonesia to no more cruel exploitation than let us say did the Englishmen in their colonies (although the basic question lies not in the degree of exploitation, but on the exploitation itself.) The American G. Skinner does not spare colors in showing the improper role of English advisors in Thailand and their provocative policy vis a vis the Chinese population of this country. But in his book there is no discussion of US policy toward Thailand which is leading to a worsening of the economic and political situation in the country. He welcomes the stubborn unwillingness of the Thai land government to recognize the People's Republic of China, since, otherwise, in his opinion (and despite practical reality and common sense), obstacles to the assimilation of Chinese living in Thailand and solution of "the Chinese problem" in general will rise.

A more complex position is that of the English scholar V. Purcell who frequently severely criticizes individual measures of the English colonizers in Malaya. This especially applies to his works and articles in the fifties. In particular, he was prominent as one of the supporters of granting independence to Malaya and equal civil rights to the Chinese population. But it would be incorrect to draw from this the conclusion that Purcell is entirely against the policy of British imperialism and the exploitation of the Malay people by English monopolies. In several words his credo could be expressed as follows: union of the large Chinese bourgeoisie with the Malayan feudal aristocracy and bourgeoisie which would permit English imperialism to continue quietly to plunder the Malayan people even after the granting of Malayan independence.

* * *

The author believes it necessary to make some preliminary remarks concerning a number of geographic names and terms which are used in this book, so that henceforth he will not have to refer to this matter.
1. The term "Southeast Asia" has received wide acceptance and was firmly established in Soviet and foreign scientific-political literature after World War II. The following countries are usually included in the region of Southeast Asia (and this is done in the present book): Burma, British Borneo, Vietnam, Indonesia, Cambodia, Laos, Malay (including Singapore), Thailand, and the Philippines. In Chinese literature in addition to the name "Tung-nan-ya" generally accepted at the present time (literally — "Southeast Asia") the term "Wan-yang" (literally - "the countries of the South Seas") has been used for a long time. Some Soviet and foreign authors also included India and Ceylon in this region, although more frequently they regard these countries as belonging to South Asia.

2. Prior to World War II the concept "Malaya" embraced the territory of four federated principalities (Perak, Selangor, Negri Sembilan, and Pahang), five non-federated principalities (Perlis, Kelantan, Trengganu, Johore, and Kedah), and the so-called "straits colonies" — Straits Settlements (Singapore, Penang, Malacca, and the provinces Wellesley and Labuan). In 1946 English colonizers created the Malayan Union, which lasted until the middle of 1948 and was changed then to the Federation of Malaya. The latter included all the above-named principalities, as well as Penang, Malacca, and Province Wellesley. Singapore was designated an independent colony.

According to the Constitution of 31 August 1957, the new Federation of Malaya consists of nine feudal principalities and two states — Penang and Malacca. Singapore remains a colony of England and on 27 May 1958 was granted the notorious "internal self-government."

3. Up to 1939 Thailand was named "Siam." After 1939 it was renamed Thailand ("Thai"). In 1945 the country again began to be called Siam, and from May 1949 to the present — Thailand.

4. During the period of Dutch rule in Indonesia the country was called Netherlands Indies, Dutch Indies, or Dutch: Indonesia, and all the Indonesian islands, with the exception of Java and Madura, constituted the Outer Possessions (now the Outer Provinces).

5. Up to World War II Cambodia, Laos and Vietnam comprised the colony of French Indo-China. The territory of Vietnam was divided into Tonkin (now Bac Ky), Annam (now Trung Ky), and Cochinchina (now Nam Ky). Bac Ky and part of Trung Ky north of the 17th parallel, constitute the Democratic Republic of Vietnam. Nam Ky and the Southern part of Trung Ky make up South Vietnam. The present book reviews the position of the Chinese population in South Vietnam only.

6. Almost all the Chinese population in the countries of Southeast Asia are united into various organizations and associations. The majority of the latter are constructed on the "dialect principle," that is, their members belong to a specific dialect group of the Chinese population. The population of Chinese national origin in Southeast Asia basically belongs to three large dialect groups. a) "Hakka" dialect group (in Chinese "K'o-chia"; in English literature one also encounters "Akheh"). It consists of emigrants from the eastern part of the Province of Kwangtung (region of Mei Hsien); b) "Cantonese" dialect group (in Chinese "Kwang-fu"), Emigrants from the southern part of
Kwangtung and some regions of Kwangsi (chiefly from the vicinity of Kwang-chou, Foo-shan, Wu-chou and also from Hong Kong and Macao); c) "Fukien" group. It may be divided into the "Hokkien" subgroup — emigrants from the eastern part of Kwangtung (Ch'ao-chou and Swatow) and the southern part of Fukien (Chang-chou, Hsia-men, Ch'uan-chou); the "Hainan" subgroup — emigrants from the island of Hainan; "Fu-chou" subgroup — emigrants from the vicinity of Fu-chou; "Fujiaoc" or "Ch'ao-chou" subgroup (English transcription "Khoklo" or "Teochiu") — emigrants from the vicinity of Ch'ao-chou, Swatow and others.

In order not to clutter up the text with these numerous names, all Chinese organizations based on the dialect principle (with the exception of secret societies and trade guilds), are designated in this book under the general term: "dialect associations."

The problem of the Chinese population in Southeast Asia includes a whole complex of historical, economic, political, cultural, and other aspects. The present work in no sense pretends to be a well-rounded treatment of these questions. It deals with only one of them, specifically: the question of the role of the Chinese population in the economics of the countries of Southeast Asia.
CHAPTER I

The Historical Roots of Chinese Emigration and the General Characteristics of the Chinese Population in the Countries of Southeast Asia

The Causes of Chinese Emigration

The first contacts of China with the countries of the Indo-Chinese peninsula date as early as the second century BC. At this time regular trade relations were established between China and Tonkin, which was at that time a vassal territory of the Chinese empire (although more or less considerable river trade had existed earlier between the two countries). More than 1,000 years after this time Vietnam became part of the Chinese empire. Even after being finally liberated from the direct rule of the Chinese emperors in 1428, Vietnam remained a vassal dependent of China up to its seizure by French colonizers.

As early as the third century AD the first Chinese colonists — merchants and artisans — began to settle in Vietnam. Many centuries of close ties between the two countries conditioned a deep and mutual cultural influence on the two neighboring peoples; the Chinese language and script, which were employed as the state language and script of Vietnam, exerted a powerful influence on the formation of the Vietnam language. The Vietnamese adopted the construction art, printing, and various trades and learned how to produce silk and paper. The Chinese plough and other iron agricultural implements were distributed in Vietnam. In turn, rice — the basic productive crop of China — was brought from Vietnam at the end of the first century AD. From the Vietnamese the Chinese population also first learned of betel and how to extract sugar from sugarcane.

After Vietnam the Chinese population penetrated Cambodia. The first official Chinese ambassadors Chu En and Kan Tai arrived in the powerful state of Funan (the former name of Cambodia) in 226 AD, and remained there about 5 years. Other Chinese ambassadors replaced them, and after the ambassadors Buddhist monks and merchants arrived.

Beginning roughly with the second century BC, Chinese merchants and pilgrims along the Salween, Irrawaddy, and Chindwin rivers began to penetrate into Burma also. But they began to settle here much later.

Originally the tie between China and the countries of the Indo-China Peninsula was established exclusively by land. From the beginning of the second century AD relations were also begun with the countries of the Malay Archipelago. Because merchant shipbuilding in China was only started at the beginning of the fifth century, the first Chinese travellers had to use the services of foreign ships. Thus, for example, the pilgrim Fa Haien, who visited Java in 414, arrived there on a Indian ship.
In the fifth century, despite incessant feudal disturbances and civil wars, the Sung dynasty ruling in the south of China (420-477) established relations with Java in particular.\(^8\)

In the Tang epoch (618-906), during the period of the flourishing of the Chinese empire and the further development of its productive forces, diplomatic and trade relations were expanded between China and the countries of the South Seas. The beginning of the colonization of the P'eng-hu Ch'un-tao Islands (the Pescadores) and Taiwan dates mainly from this period (Seventh Century). As early as the end of the Tang period the first Chinese colonizers appeared in Indonesia, in particular on the northern coast of Java.\(^9\)

The period of the Sung dynasty (960-1279) was characterized by a considerable development of shipbuilding and the establishment of regular trade relations between China and the countries of the Malay Peninsula, the Malay Archipelago, and the Philippines. This circumstance created favorable conditions for increasing the number of emigrants from China. Having been subjected to harsh feudal-landowner oppression and having been ravaged by constant wars, the Chinese peasants and artisans frequently abandoned their country and settled in the countries of the Southern Seas.

It must be pointed out that the overwhelming majority of immigrants were emigrants from three southern Chinese provinces — Kwantung, Fukien and Kwangsi (especially the first two). This is explained in particular by the geographic proximity and climatic similarity of the countries of Southeast Asia with the southern seaboard of China, and also the fact that the earliest contacts of the Chinese population with the outer world were established mainly through trade posts of Kwantung and Fukien. The character of the activity of the population of the aforementioned provinces should be considered. The terrain of these areas is mountainous and hilly. Its cultivation presented tremendous difficulties.\(^10\) Therefore the population preferred to occupy themselves in fishing and hunting and to a lesser degree, agriculture.\(^11\) As a result of this it was easier for the inhabitants of those localities to uproot from their villages and to cross the sea.

The first significant Chinese settlements on the islands of the Malay archipelago date from the 13th century. One of the earliest settlements was San-fo-ts'i (Palembang on the island of Sumatra),\(^12\) which numbered several thousand Chinese and was one of the important ports of call for junk from China and ships from India. There was an especially large number of Chinese settlements on the coast of Java. When the well-known Chinese captain Cheng Ho and his fleet arrived in Java at the beginning of the 15th century, he discovered Chinese settlements there in Tuban, Surabaja, and Gresik.\(^13\) In the 13th century these were the main centers of the trade activity of the Chinese.\(^14\) Somewhat later the settlements in Yorton situated in the present district of Podureng (southern Surabaja, on the Brantas River) and in the principalities of Banten and Jakarta (Western Java) acquired great trade significance. Lively maritime trade, the main objects of which were rice, pepper, sugar, etc., went on between these centers. In addition to trade the Chinese immigrants were also occupied with agriculture. It is known, for
example, that in the 16th century they owned pepper plantations and rice fields in the principality of Bantam. Besides Java and Sumatra there were also Chinese trading settlements on the western shore of Borneo. These were Sambas, Pontianak, and Sukadana, as well as a rather large Chinese community in Bunei (Brunei).\(^\text{15}\)

The settling of the Malaccan Peninsula by Chinese immigrants began somewhat later than the Malay archipelago. Prior to the 15th century there were no significant settlements here. In 1349 the Chinese merchant and traveller Wang Ta-yuan, in describing Tumasik (the island of Singapore), mentioned only\(^\text{16}\) that there were Chinese settlers there and did not cite more detailed information. The frequent trips of Cheng Ho into the South Seas area during which he destroyed many pirates aided in activating the Chinese merchants and the intensive settlement of the Malaccan peninsula, the Philippines, and other countries of Southeast Asia. The latter was accelerated by the circumstance that in the period of the Ming dynasty (1368–1644), particularly in the 15th and 16th centuries, the process of the dispossession of land and pauperization of the peasantry, provoked by the concentration of land in the hands of private owners was intensified.\(^\text{17}\)

One must also not leave out such a factor as natural calamities. Thus, for example, during the period 1390 to 1626 famine raged 18 times (once in every 15 years). In Fukien province matters were even worse. During the period 1529 to 1615 there were 29 droughts (once in each 3/4 years), and during the period 1416 to 1635 the population suffered from famine 20 times (once every 11 years).\(^\text{18}\)

After the downfall of the Ming empire in China the Manchurian dynasty of Ch'ing came to power. However it took the Manchurians decades to finally conquer the country Cheng Ch'eng-kung (known in foreign literature under the name Koxinga), in particular, displayed persistent opposition to the Manchurians. He blockaded the southeastern shore of China, forced out the Dutch from their previously held island of Taiwan, and created a state embracing the province of Fukien, the island of Taiwan, and a number of other islands. After the death of Cheng Ch'eng-kung in 1662 his son led the insurgents. But the Manchurians decided to break the opposition of the insurgents. They turned the shore of Kwangtung, Fukien and Chekiang into a dead zone, within the limits of which crops and devastated villages were destroyed.\(^\text{19}\)

Severe repressions against the population and its unwillingness to submit to the rule of the conquerors caused a wave of emigration unprecedented in scale from the southern regions of China to the countries of Southeast Asia. Thus, in the summer of 1679 a flotilla of 220 junks left one of the southern ports of China. Several thousand Chinese patriots who had fought the Manchurians emigrated in them. But en route many junks perished, and only about 3,000 people reached the shores of Vietnam safely. One group of emigrants, led by captain Yen Yen-ti, settled on the shore of one of the eastern branches of the Hékon (near the town of Hito). Another group of emigrants settled northeast of Saigon and founded the town of Bien-hoa. The following year still another group of emigrants, under the leadership of the energetic
17-year old Chinese named Ho Chiu, arrived in Cambodia from Kwangtung. The emigrants were well received by the rulers of Cambodia and subsequently settled in the region of Ha-tien.\textsuperscript{20}

Desiring to stop completely the exodus of the population from China,\textsuperscript{21} the Manchurian emperors enacted a strict prohibition on emigration. They saw it as their role in the country and wanted to avert the concentration beyond their boundaries of a large number of anti-Manchurian emigrants. Because at the beginning of the 18th century there were quite a number of Chinese immigrants, in 1712 the Emperor K'ang Hsi issued a decree forbidding them to return to their native land on pain of death.\textsuperscript{22} In 1717 K'ang Hsi permitted emigrants who were abroad to return to China, but only those who had left the country prior to his accession (i.e., prior to 1662) received the pardon. But in 1728 the Emperor Yong Zheng forbade the emigrants who had left the country without trade licenses to return home.\textsuperscript{23} The ban on emigration and return to China existed formally until 13 September 1895.\textsuperscript{24}

Censuring and banning emigration, the Chinese emperors naturally did not wish to display any concern for the interests and safety of their subjects beyond the boundaries of the empire. This circumstance presented an opportunity to European colonizers who had settled in the region of Southeast Asia to inflict lawlessness and arbitrary rule on the Chinese population of the countries of this area. The Spanish colonizers assumed a particularly harsh and inhuman position vis-à-vis the Chinese colonists in the Philippines. In 1603 having accused the colonists of imaginary preparations for an armed seizure of the Philippines, they inflicted a bloody slaughter, during which about 25,000 Chinese immigrants perished. In 1639 the Spaniards destroyed 22,000 Chinese\textsuperscript{25} emigrants who had staged an uprising against the oppressors. The brutal annihilation of the Chinese population and the repressions against it continued in subsequent periods.

At the beginning of the 18th century the Dutch administration of the East Indies Company on Java resorted to such methods. Wishing to be rid of the competition of the Chinese immigrants in foreign trade, the administration began to adopt discriminatory measures toward them. Mass arrests and exiles on Ceylon in 1740 of "suspicious" persons of Chinese origin forced the latter to flee from Batavia to the inner regions of Java. And once more, as had happened in the Philippines in its time, the Dutch governor general organized a pogrom during which in Batavia alone more than 600 Chinese homes were plundered and burned and thousands of Chinese immigrants killed.\textsuperscript{26}

The new stage in Chinese emigration is related to the epoch of developed capitalism and imperialism. Emigration underwent not only quantitative changes, assuming tremendous proportions, but also qualitative changes. New factors influencing emigration appeared. Up to the time it had been caused mainly by political factors (wars, uprisings, revolts), and economic factors (relative over-population, severe calamities, etc.) played a considerably lesser role. Emigration had a haphazard, changeable character and was on a comparatively small scale. The situation began to change after the first Opium War 1839-1842, i.e., after a volley of English cannons "which forced the Heavenly Empire to come into contact with the earthly world."\textsuperscript{27} The political causes of emigration began to give way to the economic factors, and the latter became the ruling ones.
The import of foreign manufactured goods had a ruinous effect first of all on the position of Chinese spinners and weavers. "Chinese industry, based on manual labor, was not able to compete with machines. The Imperturba-ble Middle Empire experienced a social crisis. Taxes stopped coming in; the state was on the verge of bankruptcy; masses of the population were pauper-ized; they became indignant, refused to obey, and beat and killed the Emperor's mandarins and Buddhists monks." 28 The feudal economy of China, under the influence of the widespread invasion of foreign capital then beginning, progressively took on a semifeudal, semicolonial character.

The unification of Chinese agriculture with the world marked was not accompanied by any significant development of capitalistic relationships within it, since the imperialist powers retained in every way possible the old feudal forms of exploitation. Exploitation by the Chinese landowners and bureaucrats was aggravated by imperialist exploitation. Such a double yoke inevitably led to the destruction of the productive forces in the agriculture of the country with the result that millions of Chinese peasants and artisans were forcefully removed from production. At this time as a result of exceptionally underdeveloped industrial capacities, Chinese cities were in no condition to absorb this "surplus" rural population to any serious extent. An objective necessity for emigration arose. In distinction from preceding periods emigration was now caused more by profound and continuously active economic factors and assumed a permanent character.

The economic factors which stimulated emigration from China were distinguished in principle from those factors active in highly developed capitalist countries. Under capitalism, as Marx pointed out in 1857, "Surplus population is created not as a result of unsufficient productive forces, but on the contrary, it is the very growth of productive forces which demands a reduction of population and the removal of the surplus through starva- tion or emigration." 29 In China, on the other hand, compulsory emigration was stimulated, according to the words of Marx, by the pressure of surplus population upon the productive forces. 30 The subordination of the country's economy by the imperialist powers did not weaken, but in fact strengthened this tendency, giving the country's economy a semifeudal, semicolonial charac-ter.

In this period there appeared one of the most important prerequisites of the emigrant — the demand for immigrant labor for the mastery of the natural resources of the Southeast Asian countries (basically this refers to Malaya, Indonesia, and British Borneo, partially to Vietnam and Thailand). The industrial revolution was basically complete in the capitalist countries of Europe. The world market had also been created. 31 The industry of the countries of the West, based earlier on raw materials from the mother country, became to an increasing extent dependent in the world market. The receipt of raw materials from colonies assumed a decisive role. In this connection the European colonizers began to force the development of (plantation) agriculture and mining. The serious obstacle posed by the lack of a labor force was over-come by encouraging the arrival of immigrants from China and India. Along
with free emigration from China the practice of contract or bound labor was widely developed and justly received the name "sold into foreign slavery." Among the Chinese population.

Mass emigration from China also made possible the development of steamship lines. In 1875 about 95 percent of the emigrants from Amoy Cone of the most important points for the departure of emigrants) were taken away by steamship.

The causes of the mass emigration of the Chinese population to the countries of Southeast Asia in succeeding decades were rooted in the conditions of life of the broad mass of the Chinese peasantry. Agriculture approached ruin from year to year. In the 60-year period 1873-1933 the sown area in China (without the Northeast) increased only one percent. In the same time span the rural population increased more than 30 percent.

The peasantry was exhausted under the burden of requisitions, taxes, and plundering caused by the armies of the military clique [who were constantly] fighting among themselves. The process of progressively taking the land away from the Chinese peasantry was completed. The number of peasant landowners in China decreased from 49 percent in 1912 to 42 percent in 1947, and the number of semi-lease holders and lease holders increased during this period from 2 to 5 percent.

The position of the Chinese laborers was especially difficult in the period of the rule of the venal clique of Chiang Kai-Shek. Even by the underestimated figures of the Red Cross, in 1928 there were 27 million starving people in China and in 1929 this number reached 57 million. About 50 million people suffered under the threat of death by starvation in 1947.

With the victory of the people's revolution in 1949, the situation began to change radically.

By 1952 the revolutionary period had come to an end and the pre-war level of production had been reattained. An agrarian reform was carried out in the country, and since 1953 China has entered upon a period of planned socialist construction. The standard of living of the Chinese population began to rise without interruption, and at the same time the objective cause of emigration disappeared forever.

The Size of the Chinese Population in the Countries of Southeast Asia

Before reviewing the problem of the number, activity, and distribution of the Chinese population in the countries of Southeast Asia, we must turn at least briefly to the problem of their citizenship. The explanation of this problem is eased by understanding those formal-juridical bases, relying on which the colonial administrations in the past and some governments of the countries of Southeast Asia at present differently estimate the number and role of the Chinese population in one country or another.
Juridically the reason for the dual citizenship of persons of Chinese origin, but born in one of the countries of Southeast Asia, lies in the difference of criteria for determining citizenship adopted in the legislation of China and a number of countries of Southeast Asia.

In 1909 a law was adopted according to which Chinese citizenship was left on the principle of jus sanguinis (the principle of blood). This meant that children born of Chinese parents, regardless of their place of birth, are Chinese citizens. At the same time a number of countries of Southeast Asia adopted legislation, on the basis of which was imposed the principle of jus soli (the principle of soil), which recognizes persons born on the territory of a given country, regardless of the citizenship of their parents, as subjects or citizens of this state. Thus, according to a law adopted by the Dutch in 1910, all Chinese born on the territory of Netherlands India were Dutch subjects.37

In 1913 and 1914 Thailand adopted a law on citizenship which in addition to the principle of blood, also applied the principle of soil.38 In February 1953 the Thai parliament approved a new law, according to which children of "foreigner parents," born in Thailand, are considered foreign citizens. But at the same time a child born of a Thai mother is considered a Thai citizen.39 This law, of course, did not solve the problem of citizenship for a considerable number of the Chinese population of the country.

The reactionary South Vietnamese government of Ngo Dinh Diem on 21 August 1956 published a decree of the number 48, which automatically extended South Vietnamese citizenship to all persons of Chinese origin, but born in Vietnam. The arbitrary actions of the South Vietnamese authorities evoked a legal protest from the government of the CPR /Chinese People's Republic/ and the Chinese population of South Vietnam. This is why not only by the last day of the registration of "new citizens" set for 9 May 1957, but even by 17 June, the Ngo Dinh Diem /authorities/ succeeded in forcing only 3,500 persons out of 600,000 citizens of Chinese origin to register.40 Despite the repeated proposals of the government of the CPR to resolve the problem of the citizenship of the Chinese population, neither the Thai, South Vietnamese, or several other governments arrived at a reasonable solution of this question.

In the former British colony of Malaya, English colonizers, true to this policy of "divide and rule," adhered to discrimination in the problem of the citizenship of the Chinese population. The discrimination was directed first of all at the dissociation of the Malay and Chinese (the two basic) groups of the population residing in the boundaries of various territorial administrative units of Malaya. Persons of Chinese origin who lived in Maleayan principalities were under the English protectorate, but the sultans of these principalities did not consider them their subjects.41 Persons of Chinese origin born in the Straits Settlements, as distinguished from the Maleayan principalities, were considered British subjects and had definite privileges.42

After the formation of the Maleayan Federation in February 1948, a single citizenship was introduced for "those who viewed the Federation as their present nativeland and the object of their loyalty."43 But in the
opinion of a considerable number of the Chinese population this decree was a fiction. At this time when all Malayan born in Malayan principalities automatically received federal citizenship, persons of Chinese origin could count on receiving it only if their mother or father had been born on the territory of the Federation. The overwhelming mass of the Chinese population was thus deprived of citizenship of two million Chinese living on the Federation in June 1949, only 375,000 became federal citizens.44

Under pressure of society a new citizenship law was adopted in the Malayan Federation in 1952. Essentially it consisted in that the rights of federal citizenship were conferred on persons of non-Malayan nationality not directly, but only in the event these persons were subjects of one of the rulers of the Malayan principalities. The principalities could confer citizenship only on persons, one of whose parents had been born in the territory of the Federation or persons meeting the following requirements: had lived in the territory of the Federation a definite period of time (for each principality), possessed a good character, spoke Malayan or English fairly well, had taken an oath of loyalty to the Federation and faithfulness to the ruler of the principality, and renounced any other citizenship or allegiance (except British).45 According to this law, the number of Chinese citizens on 31 December 1955 was only 1,231,226 or less than half of the total Chinese population of the federation.46

With the granting of independence to Malaya on 31 August 1957, a new citizenship law went into effect. It automatically conferred the right of citizenship on persons having federal citizenship and also on those who had been born in Malaya on the Day of "Merdeka" (independence) or after it. Persons 15 years of age and older who had been born on the territory of one of the Malayan principalities before Independence Day could become citizens by registering if they had resided in the country for 5 of the previous 8 years. Persons born outside the boundaries of the Federation could also take advantage of this law, but only in the event they had resided in the country for 8 of the previous 12 years.47

Prior to this time Indonesia was the only country in Southeast Asia which had already settled the problem of the citizenship of the Chinese population with the People's Republic of China. After the formation of the Indonesian Republic the question of the citizenship of the Chinese remained open for several years. But thanks to the strengthening of friendly ties between the CPR and Indonesia and the presence of good will on both sides, the negotiations which began in Peking in November 1954 and continued in Jakarta in March 1955 were successfully completed on 22 April 1955 at the time of the Bandung Conference of the countries of Asia and Africa with the signing of a "Treaty of Dual Citizenship."48

The principle of voluntary selection within 2 years of a given citizenship by those persons who previously had held dual citizenship (Articles 1 and 2) was proposed as a basis for the practical solution of the problem. Citizenship of minors (up to 18 years of age) and of persons who for one or another reason failed to make a choice within the designated period of time was to be decided on the basis of blood (Articles 5 and 6).49
In connection with the signing of the treaty an editorial in Jen-Min Jih-pao of 23 April 1955 took care to point out that: "the judicious solution of this problem not only is in keeping with the direct interests of the citizens living abroad, serves to create friendship between two peoples and the development of good neighbor relations between two countries, but also serves as an important achievement in the cause of strengthening peace in Asia and throughout the entire world."

* * *

According to approximate figures the total number of Chinese in Southeast Asia at the present time is in excess of 12 million, which is only slightly less than 7 percent of the total population of this region of Asia. Almost in every country of Southeast Asia the Chinese population holds second place after the basic group of indigenous population. Burma is an exception — the only country in this region in which the Indian population by far exceeds the Chinese.50

Both the absolute number and the proportion of the Chinese population are quite different in one or another of the countries. The most numerous groups of the Chinese population live in Thailand, Malaya (including Singapore) and Indonesia (on the whole more than 9.7 million Chinese live in these countries). But if the Chinese population in Malaya numerically exceeded even the Malayan population proper and in Thailand constituted more than 17 percent of the whole population, it was less than 4 percent in Indonesia. In such countries as Burma, the Philippines, Cambodia, and British Borneo the number of the Chinese population did not exceed 300,000 to 400,000. At the same time in British Borneo the Chinese immigrants constituted more than 26.5 percent of the total population and in Cambodia, about 8 percent, and in Burma and the Philippines, 2 and 1.4 percent, respectively.

More detailed statistics on the number of the Chinese population in the individual countries of Southeast Asia (the question involves persons of Chinese origin, regardless of citizenship) are contained in the table appended by us. The latter suffers, however, from an essential shortcoming. It lies in the fact that the statistics used in the table by their nature and authenticity are extremely unequal. Thus if for the Malayan Federation, Singapore, and British Borneo the calculations are based on comparatively recent materials of the last censuses, the estimation of the number of the Chinese population in Indonesia or Burma is quite relative. (The last complete census in Burma was in 1931 and in Indonesia, in 1930). In addition to this, the official statistics on the number of the Chinese population in Thailand or French Indo-China are considerably lower because the governments and administration considered Chinese immigrants born in the territory of these states as their citizens or subjects.
The Number of Chinese in Southeast Asian Countries

<table>
<thead>
<tr>
<th>Countries</th>
<th>Date</th>
<th>Total Population</th>
<th>Chinese Population</th>
<th>Date</th>
<th>Total Population</th>
<th>Chinese Population</th>
<th>% of Total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malayan Federation</td>
<td>23/9/1947</td>
<td>4,906,086</td>
<td>1,884,534</td>
<td>23/9/1947</td>
<td>6,152,099</td>
<td>2,326,498</td>
<td>37.8</td>
</tr>
<tr>
<td>Singapore</td>
<td>23/9/1947</td>
<td>940,824</td>
<td>730,133</td>
<td>26/9/1947</td>
<td>1,212,588</td>
<td>927,961</td>
<td>76.5</td>
</tr>
<tr>
<td>Sarawak</td>
<td>26/9/1947</td>
<td>546,385</td>
<td>145,158</td>
<td></td>
<td>613,879</td>
<td>180,051</td>
<td>29.3</td>
</tr>
<tr>
<td>North Borneo</td>
<td>4/6/1951</td>
<td>334,141</td>
<td>74,374</td>
<td></td>
<td>377,324</td>
<td>89,097</td>
<td>23.6</td>
</tr>
<tr>
<td>Brunei</td>
<td>27/9/1947</td>
<td>40,670</td>
<td>7,730</td>
<td></td>
<td>65,342</td>
<td>12,350</td>
<td>18.9</td>
</tr>
<tr>
<td>Thailand</td>
<td>23/5/1947</td>
<td>17,442,689</td>
<td>476,582*</td>
<td>23/5/1947</td>
<td>20,302,000</td>
<td>3,500,000</td>
<td>17.2</td>
</tr>
<tr>
<td>Indonesia</td>
<td>7/10/1930</td>
<td>60,412,962</td>
<td>1,233,214</td>
<td>7/10/1930</td>
<td>77,654,500</td>
<td>3,000,000</td>
<td>3.8</td>
</tr>
<tr>
<td>Vietnam</td>
<td>1937</td>
<td>18,972,000</td>
<td>217,000*</td>
<td>1937</td>
<td>26,300,000</td>
<td>1,500,000</td>
<td>4.7</td>
</tr>
<tr>
<td>Cambodia</td>
<td>1937</td>
<td>3,046,000</td>
<td>106,000*</td>
<td>1937</td>
<td>4,358,000</td>
<td>1,500,000</td>
<td>4.7</td>
</tr>
<tr>
<td>Laos</td>
<td>1937</td>
<td>1,012,000</td>
<td>3,000*</td>
<td>1937</td>
<td>1,425,000</td>
<td>1,500,000</td>
<td>4.7</td>
</tr>
<tr>
<td>Burma</td>
<td>24/2/1931</td>
<td>14,667,146</td>
<td>193,594</td>
<td>24/2/1931</td>
<td>19,434,000</td>
<td>388,000</td>
<td>2.0</td>
</tr>
<tr>
<td>Philippines</td>
<td>1/10/1948</td>
<td>19,234,182</td>
<td>121,702</td>
<td>1/10/1948</td>
<td>21,849,000</td>
<td>300,000</td>
<td>1.4</td>
</tr>
<tr>
<td>Total (rounded off)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>180,000,000</td>
<td>12,225,000</td>
<td>6.8</td>
</tr>
</tbody>
</table>

*Only Chinese citizens born outside the country; **Without western Iriana
Malaya. The growth of the Chinese population of Malaya is very closely related to the economic development of the country. Up to the first decades of the 19th century the basic centers of concentration of Chinese merchants and artisans in the country were the English colonial possessions of Malacca, Penang, Province Wellesley and Singapore. The Chinese population of the Malayan principalities was not numerous and in the 1830’s of the past century numbered as a whole from 20,000 to 40,000 persons. The first large contingents of Chinese immigrants began to arrive shortly before the middle of the 19th century attracted by deposits of tin on the western coast of the Malaccan peninsula. Subsequently, the two largest early Chinese mining communities in the Malay principalities grew up in what were then large centers of Malaya, Taiping and Kuala Lumpur. By 1890 in the mining regions of the country alone there were more than 100,000 Chinese settlers.

With the onset of the imperialistic epoch English monopoly capital began a broad and direct exploitation of the natural resources of Malaya. Simultaneously with this development there occurred an increase in the population of the country which was unprecedented in tempo and scale. The peculiarity of this process consisted in the fact that the increase in the population derived primarily from an influx of immigrants. This is clearly demonstrated by the following table which shows the growth of the country’s population by the most important national groups.

The Growth of the Population of Malaya Up to World War II

<table>
<thead>
<tr>
<th>National Groups</th>
<th>1911</th>
<th>1921</th>
<th>1931</th>
<th>1941</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malayans*</td>
<td>1,437.7</td>
<td>53.8</td>
<td>1,651.0</td>
<td>49.2</td>
</tr>
<tr>
<td>Chinese</td>
<td>916.6</td>
<td>34.2</td>
<td>1,748.6</td>
<td>35.0</td>
</tr>
<tr>
<td>Indians</td>
<td>267.2</td>
<td>10.0</td>
<td>471.7</td>
<td>14.0</td>
</tr>
<tr>
<td>Others</td>
<td>51.3</td>
<td>2.0</td>
<td>60.6</td>
<td>1.8</td>
</tr>
<tr>
<td>Total</td>
<td>2,672.8</td>
<td>100</td>
<td>3,358.1</td>
<td>100</td>
</tr>
</tbody>
</table>

*Including the rest of the representatives of the native population of the Malaccan peninsula and the Malay Archipelago.
As may be seen by the table above, the Chinese population of the country increased over a 30 year period (1911-1941) by 1,462,600 or almost 160 percent; the Indian population by 477,000 or more than 178 percent; while the Malay population by only 840,900 or 58 percent. As the result of this rapid growth, the Chinese population exceeded the Malay by the beginning of World War II. The growth of the Malay population was more even in tempo than the Chinese or Indian population groups. During the first decade covered by the preceding table the Malay population increased 15 percent during the second decade 19 percent, and during the third 16 percent. For the Chinese population the corresponding increases were 28 percent, 45.5 percent, and 39 percent, respectively, and for the Indian population -- 38 percent, 32 percent, and 19 percent. Thus, the most intensive growth of the Chinese population of Malaya took place from 1920 to 1931 (the growth of the Chinese population during this decade was double the growth during the preceding decade), i.e., during the period of the most rapid and significant development of the country's economy. The increase in the Indian population was most intensive during the first decades. This is fully understandable if one takes into account the fact that the basic mass of the Indian population of Malaya consists of plantation workers and that a widespread growth of plantation operations took place in the country during the course of the first two decades of the 20th century.\

Although in the course of the pre-war period as a whole immigration played a decisive role in the increase in the Chinese population of Malaya, it had begun rapidly to drop in volume by the 1930's. This was a consequence of the economic crisis of 1929-1933 which profoundly shook up the country's economy and of the policy of limiting immigration which was carried out by the English administration.

The first law limiting immigration into Malaya was adopted in 1929. The immigration of Chinese men into the federated Malayan principalities --- the basic region for the production of tin and rubber --- practically ceased (no limitation was placed on women and children). The number of Chinese men who arrived in the country was cut from 195,000 in 1929 to 49,000 in 1931. Thousands of Chinese immigrants were repatriated to China by the English, and the colonial administration established a monthly quota for the arrival of foreigners, i.e., primarily for Chinese emigrants. A monthly quota of 2,500 men (for each nationality) was established beginning in October 1931, and in August 1932 this was cut to 1,000 men a month.

This state of affairs was quickly reflected in the migration balance: in 1933 the number of Chinese leaving the country exceeded the number arriving by 38,449. Although in succeeding years as a result of some increase in the quota the balance swung back in the other direction, the excess of immigrants over emigrants again began to narrow in 1938 when the quota was again cut --- this time to 500 men per month, and the total volume of migration began to diminish. In 1939 the number of immigrants exceeded emigrants by 9,597, and in 1940 by 1,162.58
The postwar period in Malaya was characterized by striking demographic changes. First of all, the rate of growth of the Chinese population ceased to outstrip the growth of the indigenous Malayan population and became considerably stabilized, while the rate of growth of the Malayan population actually accelerated.

The Population Growth of the Malay Federation 1947-1956

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Population</th>
<th>Malaysians*</th>
<th>Chinese</th>
<th>Indians, Pakistanis</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>1931</td>
<td>3,767,758</td>
<td>1,863,872</td>
<td>1,284,888</td>
<td>570,987</td>
<td>68,011</td>
</tr>
<tr>
<td>1947</td>
<td>4,908,086</td>
<td>2,427,834</td>
<td>1,834,534</td>
<td>530,639</td>
<td>65,080</td>
</tr>
<tr>
<td>1948</td>
<td>4,987,427</td>
<td>2,457,014</td>
<td>1,928,965</td>
<td>536,646</td>
<td>64,802</td>
</tr>
<tr>
<td>1949</td>
<td>5,081,848</td>
<td>2,511,520</td>
<td>1,952,682</td>
<td>550,684</td>
<td>66,962</td>
</tr>
<tr>
<td>1950</td>
<td>5,226,549</td>
<td>2,579,914</td>
<td>2,011,072</td>
<td>564,454</td>
<td>71,109</td>
</tr>
<tr>
<td>1951</td>
<td>5,337,222</td>
<td>2,631,154</td>
<td>2,043,971</td>
<td>586,371</td>
<td>75,726</td>
</tr>
<tr>
<td>1952</td>
<td>5,506,447</td>
<td>2,716,899</td>
<td>2,092,218</td>
<td>617,257</td>
<td>80,073</td>
</tr>
<tr>
<td>1953</td>
<td>5,705,952</td>
<td>2,803,463</td>
<td>2,152,906</td>
<td>665,503</td>
<td>83,680</td>
</tr>
<tr>
<td>1954</td>
<td>5,888,578</td>
<td>2,893,650</td>
<td>2,216,105</td>
<td>691,503</td>
<td>87,392</td>
</tr>
<tr>
<td>1955</td>
<td>6,058,317</td>
<td>2,987,233</td>
<td>2,286,883</td>
<td>713,810</td>
<td>90,391</td>
</tr>
<tr>
<td>1956</td>
<td>6,251,649</td>
<td>3,048,899</td>
<td>2,366,656</td>
<td>740,456</td>
<td>95,656</td>
</tr>
<tr>
<td>1957</td>
<td>6,276,915</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

*Malaysians and Indonesian immigrants

As can be seen from the foregoing table, in 9 years (1947-1956) the Chinese population of the Malay Federation increased roughly by 482,000, or 25.5 percent. The number of Malaysians increased by 621,000, or also by 25.5 percent. For the Malaysians this is the highest rate of growth in comparison with any of the prewar periods indicated above. The Indian population increased by 39.5 percent during this same period, but it should be pointed out that their number in 1947 (taken as an initial figure) was lower than before the war because of the mass re-emigration of Indians after the beginning of the war. Actually it was only by 1954 that the number of Indians in the Malay Federation reached their highest postwar level.

Although the average annual rate of growth of the Chinese and Malay populations of the Federation population in the period 1947-1956 was roughly the same (2.55%), nevertheless within the period itself there were serious fluctuations and deviations from this rate. Thus, in 1949 and later from 1951
to 1954 the growth of the Malayan population proceeded at a more rapid rate than did that of the Chinese. At the same time from 1955 on the Chinese population again grew more rapidly.

Annual Growth Rates of Chinese and Malayan Population Groups in the Malayan Federation (in percent, 1948-1956)

<table>
<thead>
<tr>
<th>Year</th>
<th>Malayan</th>
<th>Chinese</th>
<th>Year</th>
<th>Malayan</th>
<th>Chinese</th>
</tr>
</thead>
<tbody>
<tr>
<td>1948</td>
<td>12.0</td>
<td>23.6</td>
<td>1953</td>
<td>32.0</td>
<td>29.0</td>
</tr>
<tr>
<td>1949</td>
<td>22.2</td>
<td>12.3</td>
<td>1954</td>
<td>32.0</td>
<td>29.4</td>
</tr>
<tr>
<td>1950</td>
<td>27.2</td>
<td>29.9</td>
<td>1955</td>
<td>25.4</td>
<td>31.9</td>
</tr>
<tr>
<td>1951</td>
<td>19.9</td>
<td>16.4</td>
<td>1956</td>
<td>27.5</td>
<td>34.9</td>
</tr>
<tr>
<td>1952</td>
<td>32.6</td>
<td>23.6</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The basic change in the character of the growth of the Chinese population of Malaya consisted in the fact that it was achieved through natural increase while immigration ceased to play a decisive role.

In the postwar years the English administration continued its policy of limiting immigration. In November 1952 a new immigration law was adopted which took effect in August 1953. This law practically forbade immigration (only certain categories of people were permitted entry, chiefly the wives and children of those living in Malaya). As a result, during the course of the entire period through 1954 inclusively, the number of emigrants from the Malayan Federation exceeded the number of immigrants. It was only from 1955 onward that the balance swung in the opposite direction.

Such a migration balance did not facilitate a general growth in the Chinese population, but in fact restricted it. The following figures clearly bear this out: the natural growth (birth minus deaths) in the Chinese population of the Malayan Federation for the period from July 1947 to July 1955 was approximately 506,000. However, the real growth (taking migration factors into account) for this period was about 402,000.

The growth of the population of Singapore was determined by the same basic factors affecting the growth of the population of Malaya as a whole. The main difference lay in the fact that migration had a substantially greater influence on the formation of the colony's population than was the case in the Malayan principalities. In 1819 (the year the colony was founded), Singapore consisted of an almost unpopulated island. By 1860 its population numbered 81,734, 61 percent of which were Chinese immigrants. In 1911 Chinese immigrants numbered more than 219,000 (75.9% of the entire population of the island); in 1921, 315,000 (75.3%); and in 1931, more than 418,000 (75%).
Thus, although the absolute growth of the Chinese population continued after the beginning of the 20th century, its proportion to the total population of the island began to decrease. Before World War II and during the war there took place both an absolute and a relative growth in the Chinese population.

According to data from the 1947 census, the Chinese then numbered 729,000 which was more than 77.7 percent of the entire population of the island of Singapore. This ratio was maintained into the beginning of the 1950's, but in 1955 the Chinese population numbered 926,000, or 76.5 percent of the island’s population.

In connection with the limitation of immigration prior to World War II and its actual cessation during the war years, the Chinese population of Malaya witnessed a further and significant increase in the proportion of those born in Malaya. Thus in 1921 this group consisted of 22 percent of the entire Chinese population of the country, in 1931 — 30 percent, and in 1947 — 52.5 percent. There was an even greater growth in the proportion of those born in Malaya in the postwar years.

Indonesia

The number of Chinese in Indonesia is somewhat greater than in Malaya. However, they constitute a much greater percent of the total population in Malaya. According to data from the last census in 1930, the Chinese population was about 2 percent of the total population of Indonesia, while at the same time (1931 census) they constituted 39 percent of the population of Malaya (including Singapore). At the present time the Chinese in Indonesia constitute 3 percent of the total population.

As in Malaya and in the other countries of Southeast Asia, the most rapid period of growth of the Chinese population in Indonesia began from the middle of the 19th Century onward, and reached its peak in the second decade of the 20th Century.

Growth of the Chinese Population in Indonesia

<table>
<thead>
<tr>
<th>Year</th>
<th>Java &amp; Madura</th>
<th>Outer Provinces</th>
<th>Indonesia</th>
</tr>
</thead>
<tbody>
<tr>
<td>1860</td>
<td>149,424</td>
<td>72,014</td>
<td>221,438</td>
</tr>
<tr>
<td>1880</td>
<td>206,931</td>
<td>136,862</td>
<td>343,793</td>
</tr>
<tr>
<td>1900</td>
<td>277,265</td>
<td>260,051</td>
<td>537,316</td>
</tr>
<tr>
<td>1920</td>
<td>383,614</td>
<td>425,425</td>
<td>809,039</td>
</tr>
<tr>
<td>1930</td>
<td>582,431</td>
<td>650,783</td>
<td>1,233,214</td>
</tr>
</tbody>
</table>

During a 70-year period (from 1860 to 1930) the Chinese population of the country increased by one million, or 457 percent. During the last four decades of the 19th century, its growth proceeded more evenly than in the 20th century. The growth from 1861-1880 was 55 percent, and from

- 23 -
1881-1900 it was 56 percent. During the next twenty year period the tempo of growth slowed and the gain totaled 271,000 or 50 percent. The rapid growth of the colonial economy after World War I was caused by a heretofore unprecedented growth rate in the Chinese population in Indonesia. In one decade alone (1920-1930) this rate was 424,000 or 52 percent. Thus, the average annual growth rate for this period (5.2 percent) was more than twice the rate for the preceding twenty year period (2.5 percent).

The rapid growth of the Chinese population in Indonesia from the middle of the 19th century onward was to a considerable degree the result of large scale immigration. The following figures bear witness to this fact. More than 550,000 free Chinese immigrants arrived in Indonesia during the period 1901-1929, and about 300,000 more arrived in the following decade. These figures include only those persons who came to the country of their own free will and who received "immigration certificates". They do not include Chinese coolies who came on contract. The latter numbered 225,000 for the period 1912-1933 alone, according to official figures.71

It should however, be noted that the increase in the Chinese population in Java and in the Outer Provinces was substantially different both by tempo and character. Originally the basic mass of the Chinese population of Indonesia lived on Java. There were 100,000 Chinese immigrants on the island at the beginning of the 19th century.72 In 1860, 68 percent of the entire Chinese population of the country lived on Java and Madura. However, the growth of the Chinese population in the Outer Provinces eventually began to outstrip the growth on Java. As may be seen from the table above, the growth of the Chinese population on Java and Madura during the four periods listed was 38, 34, 44.5, and 51.8 percent respectively, while in the Outer Provinces it was 90, 90, 63.5, and 53 percent. As a result there were approximately the same number of Chinese in Java and in the Outer Provinces at the beginning of the 20th century. About 55 percent of the total Chinese population of the country lived in the Outer Provinces in 1950.

This is explained by the fact that the basic flow of immigrants was to the Outer Provinces, whereas the role of immigration in the growth of the Chinese population of Java was much smaller. Only one fifth of the 556,000 free Chinese immigrants who entered Indonesia from 1901 to 1920 went to Java, and only one third of those entering the country from 1921 to 1930 went there.73 Chinese coolies on contract were used almost exclusively on the plantations and in the mines of the Outer Provinces in the 20th century.

The Chinese population of Indonesia is characterized by the fact that a greater portion is native born than is the case in Malaya.

According to 1930 figures,74 Peranakans (Chinese citizens born in Indonesia) totaled 756,000 or 65 percent of the entire Chinese population of the country (in Malaya in 1930 this figure was 30 percent). Moreover, more than two-thirds of the fathers of these persons were also born in Indonesia. The Peranakans comprised 79 percent of the Chinese population of Java, while in the Outer Provinces they comprised only 48 percent of the total.
Immigration ceased to exercise an important influence on the growth of the Chinese population in Indonesia from the 1890's onward. This growth took place chiefly as the result of natural increase. However the Dutch administration introduced immigration controls in 1934, although immigration had been curtailed to a minimum before this time. Tens of thousands of Chinese immigrants were either deported or returned to their Motherland in the crisis of the 1930's. The war led to the complete curtailment of immigration. If one takes these factors into consideration, it is evident that the number of Peranakans appreciably increased in the postwar period.

Thailand

The first attempt at a nationwide census in Thailand was undertaken in 1909. Subsequent censuses in 1919, 1929, and 1937 did not reflect, however, the actual number and the ratio of Chinese immigrants to the total population of Thailand.

<table>
<thead>
<tr>
<th>Persons of</th>
<th>1919</th>
<th>1929</th>
<th>1937</th>
<th>1947</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chinese citizenship</td>
<td>260,194</td>
<td>445,274</td>
<td>524,062</td>
<td>476,588</td>
</tr>
<tr>
<td>Chinese nationality</td>
<td>--</td>
<td>558,324</td>
<td>618,791</td>
<td>835,915</td>
</tr>
<tr>
<td>Chinese citizenship and</td>
<td>--</td>
<td>--</td>
<td>463,012</td>
<td>476,516</td>
</tr>
<tr>
<td>nationality</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chinese nationality, but</td>
<td>--</td>
<td>113,050</td>
<td>154,119</td>
<td>385,937</td>
</tr>
<tr>
<td>Thai citizenship</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The number of all categories of persons indicated in the table is by far understated. As the American scholar Skinner points out, the data from the censuses on the Chinese population are "less complete and accurate" than data on any other group in the population of this country. The number of each category taken separately also does not reflect the real situation. Only persons born outside the borders of Thailand belong in the category "Chinese citizens." All Chinese born in the territory of Thailand were listed as Thai citizens. Chinese immigrants and their children were considered persons of Chinese nationality. Representatives of the following generation "were deprived" by the Thai government of Chinese nationality, even of their fathers, grandfathers, and great-grandfathers were Chinese.

The absurdity and "unreality" of such statistics had to be acknowledged by even some officials in Thailand itself. For example, Phibun Songkran estimated the Chinese population in the country in 1940 as "more than two million" persons.
Another table below reflects the growth of the Chinese population in Thailand for 130 years (1825-1955). The table is based on two tables published in the previously cited work by Skinner "The Chinese Society in Thailand" (pp. 79, 183). The author of the book states that in drawing up the tables he proceeded from a minimum of possible increase of immigration over emigration and a maximum of possible death rate. Thus, data in the table are minimal.


<table>
<thead>
<tr>
<th>Year (in 1000's)</th>
<th>Population of Thailand (in 1000's)</th>
<th>In % of Population</th>
<th>Growth in % of Previous Period</th>
<th>Born Outside Thailand In 1000's %</th>
<th>Born in Thailand In 1000's %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1825</td>
<td>4,750</td>
<td>230</td>
<td>4.8</td>
<td>100</td>
<td>43.5</td>
</tr>
<tr>
<td>1860</td>
<td>5,450</td>
<td>337</td>
<td>6.2</td>
<td>46.5</td>
<td>118 35.0</td>
</tr>
<tr>
<td>1880</td>
<td>6,200</td>
<td>435</td>
<td>7.0</td>
<td>29.0</td>
<td>146 33.5</td>
</tr>
<tr>
<td>1900</td>
<td>7,320</td>
<td>608</td>
<td>8.3</td>
<td>39.8</td>
<td>222 37.0</td>
</tr>
<tr>
<td>1917</td>
<td>9,232</td>
<td>906</td>
<td>9.8</td>
<td>49.5</td>
<td>349 38.8</td>
</tr>
<tr>
<td>1927</td>
<td>11,419</td>
<td>1,333</td>
<td>11.7</td>
<td>47.1</td>
<td>600 45.0</td>
</tr>
<tr>
<td>1937</td>
<td>14,721*</td>
<td>1,734</td>
<td>11.7</td>
<td>30.0</td>
<td>714 41.2</td>
</tr>
<tr>
<td>1947</td>
<td>17,643*</td>
<td>2,124</td>
<td>12.0</td>
<td>22.5</td>
<td>765 36.0</td>
</tr>
<tr>
<td>1955</td>
<td>20,480</td>
<td>2,315</td>
<td>11.3</td>
<td>9.0</td>
<td>696 30.2</td>
</tr>
</tbody>
</table>

* Census data

The period from 1860 to 1930 was the period of the swifted growth of the Chinese population of Thailand. During this period it increased by almost one million persons. But the rates of growth (mainly in the beginning of the period) were lower, and the increase was only 291 percent. After World War I the increase was 427,000, or more than 47 percent. After this the rates of growth began to decrease sharply and after World War II were minimal.

The changes in the rates of growth of the Chinese population of Thailand were conditioned primarily by the scales of immigration.
Migration of Chinese Population 1892-1955
(in thousands)

<table>
<thead>
<tr>
<th>Period</th>
<th>Immigration Total</th>
<th>Average Annual</th>
<th>Emigration Total</th>
<th>Average Annual</th>
<th>Excess Total</th>
<th>Average Annual</th>
</tr>
</thead>
<tbody>
<tr>
<td>1892-1895</td>
<td>177.5</td>
<td>16.1</td>
<td>99.3</td>
<td>9.0</td>
<td>78.1</td>
<td>7.1</td>
</tr>
<tr>
<td>1895-1900</td>
<td>455.1</td>
<td>35.0</td>
<td>261.9</td>
<td>20.1</td>
<td>193.2</td>
<td>14.8</td>
</tr>
<tr>
<td>1900-1905</td>
<td>815.7</td>
<td>67.9</td>
<td>635.5</td>
<td>52.9</td>
<td>180.2</td>
<td>15.0</td>
</tr>
<tr>
<td>1905-1910</td>
<td>1,327.6</td>
<td>94.8</td>
<td>827.9</td>
<td>59.1</td>
<td>499.7</td>
<td>35.7</td>
</tr>
<tr>
<td>1910-1915</td>
<td>473.7</td>
<td>33.8</td>
<td>381.3</td>
<td>27.2</td>
<td>92.4</td>
<td>6.6</td>
</tr>
<tr>
<td>1915-1920</td>
<td>267.8</td>
<td>26.8</td>
<td>107.8</td>
<td>10.8</td>
<td>160.0</td>
<td>16.0</td>
</tr>
</tbody>
</table>

Immigration reached a significant dimension from the 1890's on, when production in Thailand rapidly began to take on a commodity character. It was right after the 1890's that the ratio of Chinese living in Thailand began to decline, and the number of those born abroad began to increase within the total Chinese population. This trend became particularly strong in the period between World War I and the crisis of 1929-1933, when Chinese immigration reached a daily average of 95,000 and in the period as a whole immigration exceeded emigration by about one and a half million. At the beginning of the 1930's the percent of immigrants among the Chinese population as a whole reached its highest level -- 45 percent. After the crisis of 1929-1933 the proportion of native born among the Chinese population mounted without interruption and reached its peak level (for the entire period of 130 years) of almost 70 percent.

A law was adopted in 1927 which refused entry into the country of some categories of immigrants, chiefly those not having sufficient funds for subsistence. The law also denied entry to persons of "poor reputation" and to people who might "threaten the security of the population or the throne". This reflected the fear of the Thailand government and the King concerning the growing revolutionary movement in the countries of Asia.

The government received the right to establish annual quotas for immigrants of various nationalities on the basis of this law. Results were soon forthcoming. The number of immigrants of Chinese nationality decreased from 140,000 to 86,000, and the excess of immigrants over emigrants dropped from 79,000 to 26,500.

A new obstacle in addition to the immigration law was set in the way of worker-immigrants in 1931-1932. A charge of 30 baht was levied on the immigration certificate. Since, in the opinion of the Thailand administration, the majority of Chinese workers were not "satisfactorily" certified persons, an additional 10 baht was charged the immigrants. The immigration duty was raised to 100 baht the following year, and in addition an education
qualification was introduced. At the end of the 1930's the duty was raised to 200 baht. Since the great mass of Chinese immigrants came from illiterate peasant stock, not having the means to subsist, these last limitations led to a further sharp curtailment of immigration. In 1931-1932 the number of Chinese immigrants arriving in Bangkok was about 69,000 which was 17,000 more than the number of emigrants from Bangkok. More than 16,000 Chinese immigrants entered the capital port in 1933-1934, but emigrants exceeded this number by 13,000. There was a small excess of emigrants in the following year. Although in succeeding years Chinese immigration grew somewhat, on the whole immigration was not significant in volume, and the Japanese occupation cut it off altogether. Postwar inflation caused a devaluation of the baht so that the immigration duty for a license of residence no longer constituted a serious obstacle. Chinese immigrants began again to arrive in Thailand which had suffered less from the war than other countries of Southeast Asia. About 170,000 arrived in the years 1946 and 1947 alone. However, in May 1945 the Thailand government set a quota on Chinese immigration of 10,000 a year. At the beginning of 1949 the quota was cut to 200 a year. The immigration law of 1950 confirmed this quota as a maximum and increased the duty for a license of residence to 1,000 baht. As the result of such measures, the bulk of Chinese immigration to Thailand was once again curtailed.

South Vietnam, Cambodia, Laos.

The census in French Indo-China as published by the French administration prior to World War II, the so-called "control figures" reflected (as was the case in Thailand) only the number of Chinese born outside of Indo-China. Therefore, such data may only be considered to give an approximate picture concerning the number of Chinese living in the countries of this region.

### Number of Chinese in Indo-China in 1921, 1931, and 1937

<table>
<thead>
<tr>
<th>Territory</th>
<th>1921 (1000's)</th>
<th>1931 (1000's)</th>
<th>Total Population (1000's)</th>
<th>Chinese Population (1000's)</th>
<th>(Percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cochinchina</td>
<td>156</td>
<td>205</td>
<td>4,616</td>
<td>171</td>
<td>3.7</td>
</tr>
<tr>
<td>Tonkin</td>
<td>32</td>
<td>52</td>
<td>8,700</td>
<td>35</td>
<td>0.4</td>
</tr>
<tr>
<td>Annam</td>
<td>7</td>
<td>10</td>
<td>5,656</td>
<td>11</td>
<td>0.19</td>
</tr>
<tr>
<td>Cambodia</td>
<td>91</td>
<td>148</td>
<td>3,046</td>
<td>106</td>
<td>3.48</td>
</tr>
<tr>
<td>Laos</td>
<td>7</td>
<td>3</td>
<td>1,012</td>
<td>3</td>
<td>0.3</td>
</tr>
<tr>
<td>Indo China</td>
<td>293</td>
<td>418</td>
<td>23,070</td>
<td>326</td>
<td>1.42</td>
</tr>
</tbody>
</table>
The growth of the Chinese population in the countries of Indo-China was basically determined by the same factors as in Indonesia and Thailand. The most general periods of increase and decrease in immigration also coincide. But as opposed to several countries of Southeast Asia, the French colonial administration began considerably earlier to regulate Chinese immigration both by a high taxation and also indirectly. In 1847 in Saigon (in Cambodia from 1891) there was established a special Immigration Bureau, which allowed Chinese immigrants into the country only in the event they belonged to one of the dialect groups existing in the country and if the latter took them under their "guardianship". The bureau operated quite "energetically" and as early as 1897 an anthropometry service was organized under it. The work of this "service" evoked such an angry protest from society that the administration was forced to close it down.90

After World War II the French colony of Indo-China was divided into three independent states. Not one of them has taken a complete census of the population. There exist only fragmentary, estimated data on the population of these countries. Thus, the Chinese authors Tsao Sun-chiao91 and Ts'ien Chin-hai92 estimate the Chinese population of South Vietnam, Cambodia, and Laos at 1.5 million persons. As regards the individual countries, the French statistical yearbook for 1955 gives South Vietnam the figure of 703,000 persons. The Chinese residents themselves in South Vietnam consider 825,000 the minimum number for the Chinese population of this country.93 The American fell puts the number at 800,000 persons, or 3 percent of the total population.94 In Cambodia, according to official data, in 1951 there were about 300,000 Chinese which also constituted about 8 percent of the total population.95

The Philippines.

Although the Philippine Islands were one of the earliest objectives of Chinese trade and immigration, which during specific periods reached rather appreciable scales, the number of Chinese in the archipelago at present is small. Among the most important reasons for this phenomenon must be noted the policy of the Spanish colonizers who seized the country in the 16th century, and also of the American imperialists who fell "heir" to it after the first imperialist war of 1898.

In the 1570's only about 150 Chinese immigrants lived in Manila, the largest trade and economic center of the Philippines. In 1588 the Chinese population of Manila numbered 10,000 persons. By 1603, 30,000 Chinese immigrants lived in the Philippines. But in the course of the next 145 years the Chinese population increased only by 10,000 persons.96

Such an insignificant growth of the Chinese population over a long period of time easily explained if one considers that from 1603 to 1639 about 50,000 Chinese immigrants were killed in the slaughter provoked by the Spanish. The pogroms, annihilation, and exile of Chinese immigrants continued throughout the period indicated and even later. The sharply negative position of the Spanish colonizers toward the Chinese was conditioned
by the general economic policy of Spain in her colonial possessions. Spain, being on a lower level of economic development than England and France, was incapable of stimulating the development of progressive production relations in her colonies even to a minimum degree. In 1866 the Chinese population of the archipelago numbered 67,000 persons, i.e.; in 137 years it increased only by 27,000.

The second half of the 19th century (particularly the latter decades) was characterized by the penetration of American and English capital into the economy of the Philippines. This gave an impetus to the development not only of the economy of the country, but also to an increase in Chinese immigration. During the last quarter of the 19th century 204,747 Chinese immigrants arrived in the Philippines from Haia-men (Amoy) alone, and the excess of immigration over emigration was 40,000 persons. Within 10 years (1886-1896) the Chinese population increased by almost 50 percent and reached 100,000.

In 1882 the United States Congress passed a law forbidding the immigration and naturalization of Chinese immigrants for 10 years. In 1892 the period of effectiveness of the law was extended. Further, the Chinese immigrants were required to have certificates of the right to reside in the country, the absence of which led to their deportation. These measures led to a mass re-emigration. From 1904 the immigration of the Chinese population was banned for an indeterminate time, and the ban was reiterated in the immigration law of 1924. The 1940 immigration law signed by Roosevelt rescinded all previous laws and established for all foreign "quota" immigrants a maximum of 500 persons for each nationality.

The result of all these measures was that in 1903 the Chinese population of the Philippines diminished from 100,000 to 41,000. According to the 1918 census 43,802 Chinese immigrants were registered, while in 1926, according to approximate data, there were only 60,000. By 1933 the Chinese numbered about 72,000 and at the time of the 1939 census the number had reached 117,487. The entire increase took place because of the natural growth of the Chinese population and unregistered immigration. According to the last census in 1948 there were 121,708 Chinese immigrants in the Philippines. It must be pointed out however, that official Philippine statistics give somewhat lower figure for the number of Chinese. In 1954, according to an estimate by official agencies, the number of Chinese was 143,000, but according to calculations by foreign authors the Chinese population totaled at least 300,000 (1.5% of the total population).

**Burma**

The role of the Chinese population in the economy of Burma is not very great. This is explained by the fact that in Burma a large Indian community with firm economic positions took shape.

In 1861 the Chinese population numbered not more than 10,000, and comprised 0.54 percent of the total population of Burma. A considerable stream of immigrants helped in the further growth of the Chinese population.
In 1891 there were 37,000 Chinese in Burma (i.e., the increase in 30 years was 270%), and in 1911 there were 122,634 (an increase in 20 years of 232%). In recent decades, however, the rate has been reduced sharply. In 1921 there were 149,000 Chinese immigrants in Burma, and the increase in the subsequent decade was only 21 percent. According to data from the 1931 census, the number of Chinese reached 193,594 (an increase of about 30% in a decade), of which 53.4 percent had been born in Burma and 46.6 percent outside the country. In the postwar period a further growth of the Chinese population took place, and, according to official Burmese data, in 1952 it numbered 350,000 or 1.9 percent of the country's total population.108

The Professional Composition of the Chinese Population in the Countries of Southeast Asia

The above statistics can serve only as a general statement of the nature of the activity of the Chinese population in Southeast Asian countries. The basic inadequacy of bourgeois statistics consists in the absence of clear delimitations of class identity. As a result contract laborers, office workers, small property owners and the well-to-do bourgeoisie are frequently shown in one and the same rubric.

Malaya.109

A rather significant percent of the gainfully-employed Chinese population of the Malayan Federation consists of persons engaged in agricultural production (46.4 percent). Of these more than half are occupied in the production of rubber, and the rest in suburban truck gardens, rice growing and in production of other types of agricultural products. The balance of the Chinese population are chiefly engaged in small enterprises, or rubber production combined with small enterprises. The owners of small, medium, and large sized Chinese plantations as well as the Chinese laborers on these plantations are included in this latter group. Thus the majority of the Chinese agricultural population are engaged in commodity production.

A large portion of the gainfully employed Chinese population are also engaged in the sphere of trade and finance (14.4 percent), and in processing industries (12.9 percent). Together with the owners of a small number of medium and large-sized Chinese enterprises and the workers employed in these enterprises, this last category includes substantial numbers of small retail tradesmen, traders and trade middlemen, handicraftsmen and artisans.

A small part of the Chinese population (4.3 percent) is occupied in extractive industries, and still less (3.3 percent) in transportation. These are the owners of small mines, office workers and also contract laborers engaged in open pit tin mining (ore extraction and washing).
As a whole about 85 percent of the gainfully employed Chinese population of the Malayan Federation are engaged in the sphere of production and trade.

In Singapore the picture is somewhat different. About 8.3 percent are engaged in agriculture, 21.4 percent in processing industry, 20.3 percent in trade and finance, and 11.8 percent in transportation. A smaller percent (0.3%) of the gainfully employed Chinese population falls into the mining industry.

The high percentage of the population engaged in trade and finance and the processing industry of Singapore and the very low percentage of those in agriculture and mining industry are explained by economic-geographic causes. A comparatively small territory of the island, naturally, limits the opportunity for the development of agriculture (with the exception of suburban truck-gardening and horticulture) and the mining industry.

Singapore is a large trade center and trans-shipping point where products and raw materials for all Southeast Asia undergo further processing and packing. This in turn stimulates the broad development of the processing industry and trade.

In comparison with the Malay Federation, the ratio of gainfully employed Chinese population of the island engaged in production and trade is a little more than 63 percent. Among the Chinese population of Singapore there is a high percentage of domestic servants, employees of state and private institutions and enterprises as well as persons of free and other professions (more than 34% in comparison with 14.3% in the Malay federation).

It is also characteristic that the gainfully employed segment of the total Chinese population of the Federation is 36 percent, while in Singapore the proportion of gainfully employed Chinese population is less than 36 percent. This serves as indirect confirmation of the fact that the percentage of representatives of the property classes among the Chinese population of Singapore is higher than in the Malay Federation.

Indonesia. 110

Almost 470,000 Chinese in Indonesia in 1930 were engaged in various types of social (both productive and non-productive) activity, i.e., 38 percent of the total Chinese population of the country. The dominating sphere of activity was (as it is at present) trade, which occupied 36.6 percent of all the gainfully employed Chinese (basically small merchants and buyers). About 20 percent were engaged in the processing industry. These were mainly small entrepreneurs and craftsmen. The production of raw materials in all engaged 30.8 percent of the gainfully employed Chinese population; of these 10.7 percent were engaged in agriculture, truck-farming, and gardening (as small producers); 11.7.6 percent in plantation work (as contract workers), and 9.7 percent in the mining industry. As a whole trade and production engaged 90 percent of the gainfully employed Chinese population; 0.6 percent were employees in enterprises, and 9.4 percent were in free and other professions.
The endeavors of the Chinese immigrants on the island of Java differ essentially from those of the Chinese living on other islands. Trade occupies 57.66 percent of the gainfully employed Chinese population of the islands of Java and Madura, 18.21 percent on Sumatra, and 43.71 percent on the rest of the islands. The production of raw materials occupies 49.84 percent of the gainfully employed Chinese population of Sumatra, 23.27 percent in the rest of the Outer Provinces, and only 9.11 percent on Java and Madura. Only the ratio of the gainfully employed population engaged in the processing industry of this group of islands is roughly the same: 20.81 percent on Java and Madura, 18.88 percent on Sumatra, and 29.97 percent on all the remaining islands.

Thailand. 112

Official statistics can give only a relative and at times distorted picture of the actual relationship between the various categories of the gainfully employed Chinese population because they do not consider Chinese immigrants, which are in the opinion of the Thai government Thai citizens. Therefore, the ratio of gainfully employed population to the total Chinese population of Thailand is unusually large. In 1937 it was 61.3 percent.

According to data of the 1937 census, trade and commerce engaged about 35 percent of the gainfully employed Chinese population, agriculture and fishing — 25.4 percent, the processing industry and construction — 18 percent, the mining industry — 2.3 percent, and transportation (all types) — 3.9 percent. The absolute number of Chinese engaged in each of the foregoing categories of professions (with the exception of agriculture) is almost cut half. As a whole the field of trade and production occupied 64 percent of the gainfully employed Chinese. Roughly 14 percent fell into service (domestic and employed in hotels and guest homes), and about 1.4 percent were clerks and small officials.

Burma. 114

About 40 percent of the Chinese population of Burma on the eve of World War II comprised the gainfully employed segment, and over two-fifths of the latter were engaged in trade. About 21 percent fell into the processing and mining industry, more than 23 percent in agriculture and animal husbandry, and over 6 percent in transportation. Over 90 percent of the total gainfully employed Chinese population of Burma was engaged in trade and various phases of production.

South Vietnam, the Philippines.

The basic type of activity of the Chinese communities in South Vietnam and the Philippines is trade. The stratum of Chinese artisans and small industrialists is also quite large. Furthermore, each of these countries
has a small group of small producers engaged in agriculture. But as a contract work force the Chinese immigrants in these countries are quite rarely used at the present time.

The Geographic Distribution of the Chinese Population in the Countries of Southeast Asia

The character of the activity of the Chinese population in Southeast Asia predetermined its geographical distribution: at present it is settled primarily in areas of this corner of Asia rich in natural resources; it constitutes a significant (and sometimes even predominant) percent of the urban population in almost all Southeast Asian countries. The Chinese quarters -- the so-called "Chinatowns" of many cities of the Southeast Asian countries are very different from the "Chinatowns" of American and European cities. In Southeast Asia they are quite literally the centers of the economic life of the towns and often of the countries (in any event in so far as the activity of the local bourgeoisie is concerned). Bangkok, Singapore, and Cholon may be taken as examples of this point.

Malaya.

More than 90 percent of the Chinese population of the Malayan Federation live in principalities located on the western Seacoast of the Malacan Peninsula (including the littoral of the islands). The western seacoast is the most economically developed region of the Federation. This applies particularly to the principalities of Perak, Selangor Negri Sembilan, and Johore. It is here that the "tin and rubber belt" is located -- the basic region for the production of these two most important Malayan export articles. Approximately 68 percent of the entire population of the Malayan Federation lives in these four principalities. In Perak they constitute more than 45 percent of the total population, whereas the Malays comprise 37.6 percent; in Selangor Chinese immigrants make up more than 49 percent of the total population whereas the Malays constitute only 26.6 percent. The island of Penang is one of the regions with a considerable concentration of Chinese. It is an important trade and industry center of the country, and the Chinese population constitutes almost 56 percent of the island's total population.

The population of the eastern seacoast of Malaya is primarily engaged in consumer goods production -- rice growing and fishing. Accordingly the proportion of Chinese to the total population is unusually small. For example in such principalities as Trengganu and Kelantan, Chinese immigrants comprise only 6.7 and 5.4 percent of the total population respectively while the Malays total 92 and 91 percent.

The Chinese population of Malaya plays a very important role in the process of urbanization. In 1931, 36.8 percent of the Chinese population of Malaya lived in cities, and they made up 59.6 percent of all urban population. In 1947, 43.1 percent of the Chinese population lived in cities,
and they constituted 62.3 percent of all urban population in the Federation. In fact, in seven of the nine principalities, the Chinese population comprises more than half the total urban population, and in five of them more than 60 percent. In Penang Chinese immigrants make up about 70 percent of the urban population and in Malacca about 73 percent.

The most intensive process of concentration of Chinese immigrants in cities took place in the period under discussion in those principalities with the smallest total number of Chinese. For example, in Kelantan in 1931, 30.3 percent of the Chinese population lived in cities, but in 1947 this figure was 42.3 percent, in Perak 14 percent and 30.3 percent and in Trengganu 26.1 percent and 51.9 percent respectively.

The proportion of Chinese immigrants among the population of Singapore increased from 76.4 percent in 1931 to 78.7 percent in 1947. However, the proportion of urban and rural dwellers among the Chinese population of the island remained unchanged (81.1 to 82.9 percent) in this period.

Indonesia. 117

The largest group of Chinese in Indonesia resides on the island of Java. In 1930 the Javan Chinese population comprised more than 47 percent of the total Chinese population of the country. The Outer Provinces had in all 52.8 percent of the Chinese population. However, their distribution among the various islands was extremely uneven. Sumatra, Kalimantan (Borneo) and Sulaves (Celebes) alone comprehended 95 percent of the Chinese population in the Outer Provinces, while somewhat more than 4 percent lived on all the other numerous, but poorly developed islands.

Almost 69 percent of the total Chinese population of the Outer Provinces lived on Sumatra (mainly on the eastern coast) where plantation operating, mine working, and large-scale commercial fishing were widespread.

More than 20 percent were also on the island of Kalimantan (mainly in the western part), which had early been colonized by Chinese immigrants and was transformed by them into a rather developed economic region of Indonesia. This is the largest Chinese community in Indonesia (and even in all Southeast Asia), being engaged in commodity agriculture, primarily as small producers.

Almost 82 percent of the Chinese population of the Outer Provinces resided outside the cities, and only a little more than 18 percent resided in small cities which were trade and mining centers. As distinct from the Outer Provinces, a large part (58.74%) of the Chinese merchants and artisans -- an overwhelming part of the population of the island of Java -- resided in the cities, more than half (51%) of them being in large cities (with a population of 100,000 or more).

The ratio of the Chinese population among the townspeople of Java is far from being as large as that in Nalaya. For example, in the large cities it constituted 11.65 percent, and in the rest of the cities only 8.06 percent. But their economic activity left its impression on many Indonesian cities. The Russian scholar V. Arnoldi describes his impressions from a
visit to the Malay Archipelago as follows: "The Chinese have so firmly sunk roots into the life of the Javanese that when you present a picture of a Javanese or other Malayan city, you completely forget about the natives and see only the emigrants from the Celestial Empire (i.e., China — N.S.)." 118

It must be pointed out that concern for trade influenced the settlement of the Javan Chinese population in the sense that the majority reside in the coastal regions and the cities connected with foreign trade. Surabaya, Semarang, and Jakarta are large centers with concentrations of Chinese.

Great influence on a similar nature of settlement was also exerted by the policy of the Dutch colonizers, who in 1740 inflicted on the Chinese population at Batavia (now Jakarta) a bloody slaughter and forced the Chinese immigrants to settle only in specially designated sectors of maritime cities. This cruel regime was somewhat alleviated in 1904 and 1910, but on the whole it existed roughly until the 30's of the present century. 119

Thailand. 120

The geographic distribution of the Chinese born outside of Thailand can give a definite picture of the distribution of the total Chinese population of the country as well. Over 65 percent of these Chinese reside in the region of the most developed capitalist relations and commodity production — Lower Thailand, where they constitute 14.4 percent of the total population. In the main area for tin mining and rubber production, South Thailand (the peninsula) 10.6 percent of the Chinese are concentrated, and they comprise 3.66 percent of the total population of this area. In the southeast and southwest regions of Thailand there are 7.2 percent and 6 percent, respectively, (i.e., 5.22% and 5.41% of the total population). A little more than 5 percent of the Chinese reside in Central Thailand, where they constitute 2.18 percent of the total population. In view of the fact that the northern and northeastern outskirts of Thailand were developed more slowly than the rest of the areas and that a more or less significant resettlement of Chinese immigrants dates to the first quarter of the present century when the first railroads were built in these areas of Thailand, only 4.5 percent of the Chinese are in the Northeast and 1.3 percent are in the North, and they constitute 0.55 percent and 0.48 percent, respectively, of the total population of these areas.

The concentration of Chinese in the Menam-Chao Praya Delta is characteristic of the total Chinese population of the country, and not just of the Chinese born outside of Thailand. Skinner points out that, for example, roughly half of the total Chinese population of Thailand lives in a radius of 50 miles of Bangkok.

The majority of the urban Chinese population of Thailand reside in Bangkok. According to official data, they constituted one quarter (roughly 214,000 persons) of the capital's population. But, as was pointed out above, the statistics do not include Chinese born in Thailand. In reality the Chinese population resides in four of the eight urban areas of Bangkok121 and constitutes from one-third to one-half of its inhabitants.122
Vietnam.

The basic occupation of the Chinese population of Vietnam is trade, and the area for the production of commodity rice, rubber, and several other types of colonial products of old Vietnam, which was oriented toward the foreign market, was the South of the country. Therefore, the majority of the Chinese reside in South Vietnam. According to official French data, 79 percent of the Chinese of Vietnam in 1937 lived in Cochin China (Nam Bo), only 16 percent in Tonkin (Bac Bo) and the remaining 5 percent in Annam (Trung Bo). Equally the largest number of Chinese immigrants among the population of these areas is in Nam Bo, where it comprises 3.7 percent, while in Bac Bo and Trung Bo they make up less than half of one percent (0.4% and 0.15% respectively). 125

The Chinese population also makes up a rather considerable part of the population of the largest cities of Vietnam. According to official data, in 1931, 66,000 Chinese immigrants resided in Cholon, and 34,000 in Saigon, i.e., 50 percent and 26 percent of the total population of these adjacent cities. About 19,000 Chinese lived in Haiphong (more than 15 percent of the total population of the city) and 5,000 in Hanoi (approximately 4 percent of the population of the city). 124

The concentration of the Chinese population in cities proceeded at an unusually high rate (in comparison with the other countries of Southeast Asia) in the World War II period and after it. The Chinese population of Saigon-Cholon, according to official figures was 130,000 in 1957. However, these figures include neither Chinese children born in South Vietnam, nor persons not fulfilling all the formalities of the census. More realistic calculations of the Chinese residents of South Vietnam show the Chinese population of Saigon-Cholon to total at present 570,000. They constitute 68 percent of all the Chinese in South Vietnam. 125

Burma. 126

The distribution of the Chinese population of Burma bears some resemblance to that of neighboring Thailand. Thus, for example, if the basic region where the Chinese population is concentrated in Thailand is the most important economic region of the country -- the Menam-Chao Praya, the comparable region in Burma is the Irrawaddy Delta (including the "basic region" of Irrawaddy and Pegu). In 1931, 41.3 percent of the Chinese population of the country lived here (1.6 percent of the total delta population). 127 As in Southern (Peninsular) Thailand, there are substantial strata of Chinese immigrants on the Tenasserim seacoast of Burma (14.7 percent of the Chinese and 1.47 percent of the total seacoast population) who are engaged in tin and rubber production.

However, large groups of Chinese immigrants from the contiguous Chinese province of Yunnan live in Burma unlike Thailand and other Southeast Asian countries. They are settled chiefly in the northern part of the Shan
and on the territory of the Kachin states and also in the Katha district. In 1931, more than 36.1 percent of all the Chinese in Burma lived in these areas, and they constituted 5.9 percent of their total aggregate population. (The proportion of Chinese to the total population in the Northern Shan states alone was 9.5 percent).

The Chinese settlers from Yunnan who live in the Burmese areas contiguous to this province are chiefly engaged in agriculture. Only 37 percent of the Chinese in Burma lived in cities in 1931 (4.7 percent of the total urban population). The percent of Chinese living in large cities was 20.2 percent (6.7 percent of the large city population), while 17 percent lived in all other cities (3.5 percent of their population).128

Chinese immigrants have more intensively settled in large trade and industry centers of Burma in recent years. In 1931, the Chinese population of Rangoon was only 30,626 (15.8 percent of all the Chinese population and 7.6 percent of the population of the capitol), but in 1953 they had increased to 70,300 which was 20 percent of the Chinese population of Burma and 9.5 percent of the population of the capitol. The Chinese population of Mandalay also increased substantially. In 1931, it was only 2,171, but in 1953 it had reached 10,000 (estimated).129

Philippines.130

Approximately half of the Chinese population of the Philippines, according to official figures, lived on the island of Luzon in 1939. In the region of Manila alone there were concentrated 45.4 percent of the Chinese population of the archipelago. The Chinese population exceeds 3,000 only on seven (Cebu, Davao, Iloilo, Leyte, Quezon, Rizal, and Zambanga) of the thousands of other Philippine Islands. Small groups not more than one or two thousand in number are settled on all other islands. In essence, the largest and the only place where there is a concentration of Chinese in the Philippines is in Manila, where 39 percent of the total Chinese population of the country live.
CHAPTER II

THE ROLE OF THE CHINESE BOURGEOISIE IN THE ECONOMIC DEVELOPMENT OF THE SOUTHEAST ASIAN COUNTRIES

The Formation and General Characteristics of the Chinese Bourgeoisie in That Region

Satisfactory statistical figures regarding the size of Chinese capital functioning in the countries of Southeast Asia are not available. The only attempt to estimate the volume of that capital was made by the American scientist Callis before the Second World War in his book Foreign Capital in Southeast Asia.\(^1\) According to his estimates, the total Chinese capital investments in Southeast Asia amount to a little over 640 million U.S. dollars.\(^2\)

The influence of Chinese capital was particularly great in Thailand, where Chinese capital investments equalled the total amount of private foreign capital in that country\(^3\) and where Chinese capital controlled up to 90% of the industry and trade.\(^4\)

In the former British colony of Malaya Chinese capital investments accounted for more than a half of the total private capital belonging to foreigners (mostly English), but the key positions in the economy were held by the English while Chinese capital played a secondary part.

A similar picture was noted also in the Philippines with the only difference that the leading part in that country was played by American capital. But Chinese capital controlled between 70 and 80% of the retail business and a considerable part of the other business activities on the islands.\(^5\)

Unlike the above-mentioned countries, China's capital investments in French Indochina and the Netherlands Indies were considerably smaller, and that was explained, among other things, by the more rigid economic policy maintained by the colonial administrations of those countries to protect the interests of the bourgeois monopolies from any competition. The result was that French investments in Indochina amounted to at least 95-97% of all the investments in the country, Dutch capital accounted for over 75% of all the investments in the large enterprises of the Netherlands Indies, while the Chinese share amounted to a little over 10%.\(^7\)

The very considerable size and important part of Chinese capital in prewar Burma were for the most part explained by the fact that it had to compete against British and Indian capital. In the postwar years the position of Chinese capital has been considerably improved. According to the figures cited in one edition of the Hong Kong magazine Far Eastern Economic Review for 1956, the capital investments of Chinese residents in the countries of Southeast Asia now amount to about 2,987 billion U.S. dollars, which is approximately 5 times as much as the prewar amount named by Callis.\(^8\) Unfortunately, no figures are cited on the changes by country.\(^9\)
The possibility of such a sharp increase in Chinese capital investments in Southeast Asia is determined by a number of reasons.

The foreign capitalist enterprises in Southeast Asia suffered heavy damages during the war. The restoration of these enterprises after the war, just like the construction of new enterprises, was very slow in view of the economic difficulties experienced by England, France, the Netherlands, and certain other countries. Moreover, the national-liberation movement that got under way in many countries of Southeast Asia made that region unattractive to private foreign investments, and in some cases even resulted in the repatriation of the capital by certain firms. Finally, when Indonesia and Burma won their independence, the governments of these countries introduced a certain control over foreign capital investments. The combination of all these factors opened a wider field for the activities of the Chinese bourgeoisie.

In addition to opening new enterprises and business firms, the Chinese capitalists also bought up the securities of the repatriated foreign firms (which, as a rule, were least profitable) and the shares of the functioning foreign companies.

In reviewing the role of Chinese capital in Southeast Asia and comparing it with foreign capital, a number of characteristic features of the formation of Chinese capital and bourgeoisie in that region should be borne in mind. An analysis of these features prevents us from classifying it under the "foreign investment" category, as is being done by certain bourgeois authors.

The export of capital is a phenomenon characteristic of the imperialist epoch. It is due to the emergence of monopolies in the economically advanced countries, the unprecedented concentration and centralization of capital, and the formation of a relative "surplus" of such capital. The colonies and underdeveloped countries have become an important sphere of investments. The purposes pursued by the export of capital are both economic -- the acquisition of super profits, cheap raw materials, markets, etc., and political -- an increased dependence of the colonial and underdeveloped countries on the monopolies. The export of capital from the economically advanced countries is usually carried out with diplomatic and military support on the part of the governments of these countries.

But the case of the Chinese capital in the countries of Southeast Asia was different. The old China was a backward semifeudal and semicolonial country and naturally did not export any capital to other countries. The emergence and formation of Chinese capital in Southeast Asia was due to the peaceful colonization of that area by Chinese immigrants and their economic activities. And the Chinese immigrants never pursued any political aims in those countries, nor did they seek to subordinate them to China.

One of the characteristics of Chinese capital in Southeast Asia is that the entire process of accumulating that capital took place within the countries of southeast Asia. Long before the foreigners made their appearance, the Chinese immigrants in that region had engaged in business and trading and mining operations. The activities of the Chinese population were responsible for the opening of a number of enterprises and
industries which played an important part in the economy of the countries of Southeast Asia. Since the middle of the 17th century these activities have been "an integral part of the domestic trade and commerce, as well as the foreign trade," of Thailand. Several centuries ago the Chinese immigrants were the first to produce sugar in the Philippines and Java, to exploit the ancient Bodwin mines in Burma, and to make use of the mineral riches of Tonkin (North Vietnam), Bangka island (Indonesia), Malaya, and south Thailand. The Chinese traders are credited with the initiative in organising the first plantations of tobacco, pepper, vanilla, and other spices in a number of countries of Southeast Asia (especially in Thailand, Indochina, Singapore and other areas).

The appearance of the first Portuguese colonizers in Southeast Asia in the 16th century ushered in an era of domination by European commercial capital in that region. At the beginning of the 17th century the English and Dutch East Indian Company established its monopoly on trade in the Indian and Pacific oceans. That resulted, among other things, in a violation of the traditional trade relations between China and the countries of Southeast Asia, and inflicted a severe blow on the interests of the Chinese bourgeois traders of that region. Since that time they have been crowded off the foreign markets of Southeast Asia with increasing persistence.

Chinese capital, however, succeeded in retaining and even consolidating its position in the sphere of domestic trade. One of the most important (if not the most important) contributing factors was the system of farming out monopolies prevalent in Indonesia, Thailand, Malaya, and certain other countries of Southeast Asia. These monopoly buyers consisted, as a rule, of rich and also some middle-class Chinese bourgeoisie. The local chiefs or colonial rulers would grant them the right to collect taxes (including capititation and various trade taxes), a monopoly on the sale of salt, tobacco, and alcoholic beverages, the maintenance of gambling houses, and numerous other monopolies. These owners were very zealous in safeguarding their monopolies and frequently resorted to the upkeep of a kind of "private police" to fight against contrabanda.

Actually, the uncontrolled monopoly power of the buyers, frequently extending over fairly large areas, opened unlimited possibilities for the expansion of their business operations. By the time the system of monopoly buying was abolished (in the middle of the 19th century), Chinese commercial capital had already become sufficiently consolidated financially, had accumulated a great deal of experience and become well familiar with the local marketing conditions in Southeast Asia.

The Chinese immigrants played a very substantial part also in the field of handicraft production. Concentrated in the cities (the separation of the handicraft trades from agriculture in the villages was still insignificant), the handicraft industry was almost entirely in the hands of the Chinese population: mostly shipbuilders, blacksmiths and tinsmiths, bootmakers and tailors, leather tanners, etc.
It should be pointed out that the rigid organization of the Chinese bourgeoisie played a very important part in the consolidation of its positions in domestic trade as well as in the handicraft and other branches of production. The bourgeois traders and handicraftsmen were organized in guilds and trade corporations. The "Kunsi" institution rendered in English transcription as "kongsi" became widespread in the mining industry and commercial plantations (especially after the 18th century).

The Kunsi constituted a kind of monopolistic organization with some surface resemblance to the European East Indian companies. The Kunsi usually operated in a certain well-defined area of a particular country. Within that territory they had a right to collect taxes, and they frequently resorted to armed force whenever their privileges were infringed upon by outsiders. And that is where the similarity ends.

The Kunsi never enjoyed any sovereignty in their territory. In its internal structure the Kunsi institution resembled the guild organization in which family ties were very strong and which was built exclusively on the geographic or dialect principle: only the immigrants from the same village or province of China, speaking the same dialect, could become Kunsi. A distinctive feature and important function of these (as all the other) associations of Chinese immigrants was the mutual aid practiced by their members, which was of enormous importance in view of their lack of rights and helpless conditions in the countries of Southeast Asia. At the same time, it should be emphasized that inequality was the dominant feature within the Kunsi organization: Taking advantage of their privileged status, the leaders of these associations amassed fabulous wealth by ruthlessly exploiting the Chinese coolies.

In Malaya, Thailand, and certain areas of the outside provinces of Dutch Indonesia the Kunsi activities were usually financed by Chinese commercial capital which then bought up their products for resale on the foreign markets. Early in the 18th century, after the Dutch colonizers had laid their hands on the tin mines on the islands of Bangka and Billiton, as well as vast territories on Sumatra, they extended their control also to the Chinese Kunsi who were engaging in tin mining and tobacco growing in these areas. The Dutch assumed the obligation to guarantee a "minimum wage" for which the Kunsi had to sell all their products to Dutch companies at previously fixed prices. That system outlived its economic usefulness by the end of the 19th century when the Dutch began to introduce new techniques and modern methods of economic administration.

The distinctive feature of the Chinese bourgeoisie's economic activity in Southeast Asia in the period of domination by European commercial capital was that it was carried out under the control of secret societies. Up to the last decades of the 19th century the secret societies were the most powerful and domineering social force controlling the life of the Chinese communities in that part of the world. The extent of their influence can be judged at least by the fact that no sizeable group of Chinese immigrants could engage in any kind of trade, business, or industry without the support of a particular branch of the secret society. Any misunderstandings or disputes arising among various dialect
groups of Chinese immigrants usually results in desperate struggle (fre-
quently an armed struggle) between their supporting secret societies,
sometimes going on for years.  

The immigrant secret societies were usually headed by influential
monopoly owners: opium traders, keepers of gambling and prostitution
houses, etc. As a rule, they used the influence and power of the secret
societies to further the interests of their own companies.

The last third of the 19th century was marked by a rapid growth of
monopolies in the advanced capitalist countries and a transition to the
last stage in the development of capitalism, imperialism. There was a
flight of capital to the countries of Southeast Asia on an ever-increasing
scale. This had to result, and did result, in important changes in the
nature of the economic activities of the Chinese immigrants in this re-
region. All economic functions were replaced by new ones, and peculiar or-
ganizational forms of economic activity came into being.

These changes found their reflection first of all in Chinese com-
mercial capital, which at that time began to assume comprador and inter-
mediary functions on an increasing scale.

The emergence of the comprador business in the initial stage of
the penetration of private foreign capital into the countries of South-
east Asia was due to the urgent necessity for the large export-import
foreign firms to establish contact with the local producers, and for the
foreign banks with the local bourgeoisie of that area.

The unfamiliarity with the language and local marketing conditions,
lack of contact with the native population or even with local retail
traders, as well as certain other factors, compelled the foreign firms
and banks to resort to the services of the local rich trade bourgeoisie
which consisted primarily of the Chinese bourgeoisie.

In addition to everything else, the comprador system made it pos-
able for the foreign monopolies "to derive huge profits with a minimum
worry about small or large details." And there very many such "de-
tails". The major duties of the comprador included, in particular,
transactions on behalf of the 'firm,' control over financial transactions, in-
quiries about the local market, gathering commercial and economic informa-
tion, recommendations and reactions of the Chinese immigrants entering
into credit relations with the foreign 'firm,' and control over the Chi-
inese staff of the foreign firms." For these "services" the comprador
would receive a small monthly salary and a large "commission" on each
business transaction. He thus accumulated a large capital of his own
which he frequently invested in his own business or industrial enterprise,
thereby becoming a competitor of the foreign companies. Such results were
not exactly envisioned by the imperialist monopolies, and the comprador
system began to outlive its usefulness by the end of the first third of
the 20th century, although even now one may still come across a compr-
ador in the Asiatic departments of the British banks.

The penetration of private foreign into the countries of Southeast
Asia led to an abnormal and unusually large expansion of intermediary
trade. The result of the rapid expansion of the foreign market, and then
of the domestic market, was greater emphasis on the commercial nature of production in the countries of that region. At the same time, this changing nature of production was not accompanied by any significant concentration; it remained small-scale and scattered. Under these conditions, the urgent necessity for large-scale sales was responsible for the emergence of a huge army of business intermediaries, buyers. The latter performed such economic operations as buying up the raw materials and local output from the population, transporting them to the cities and seaports, reselling them to the big export-import companies and, finally, buying up the imported commodities to be sold to the country's population. Between the original producers and the big companies the commodities had to go through a ramified channel network of petty, middle-class, and big-business intermediaries, each of them trying to get his "share" of the profits in these business speculations. Reproduced below is a scheme appearing in one of the U.N. publications showing the route travelled by rice shipments in South Vietnam from the direct producer to the rice merchant.\[^{35}\]

```
       Peasant
          |    |  |    |  |    |  |
       direct buyer |   | Wholesale |   | Rice merchant's |   | store in the |
                      |   | merchant    |   | rural district  |
       indirect buyer |  |            |   |                |
       Rice dealer
```

Actually the number of direct and indirect buyers is frequently much larger. The flaw in this scheme is that it does not indicate the most important end-link of this business chain, the large export companies for which this entire complicated mechanism has in effect been built.

From an economic point of view, the existence of a ramified network of buyers under conditions of disproportion between small-scale commodity production and large-scale marketing requirements was brought about by an objective necessity and had its definite advantages. The advantage was that "by buying up products (or raw materials) on a mass scale, the buyers reduced the cost of selling operations and changed the petty, random, and irregular sales into large-scale and regular sales operations; and the inevitable result of this purely economic advantage of large-scale sales was that the small producer was cut off from the market and found himself helpless before the power of commercial capital."\[^{36}\]
The function of buyers in Southeast Asia was performed also exclusively by the immigrant population of the countries of that region: in the great majority of cases there were Chinese and, less frequently, Indians and Arabs. The Europeans played an insignificant role in the intermediary trade (with the possible exception of wholesale operations in Indonesia), and this was explained first of all by the fact that the income from that occupation did not secure the necessary living minimum for them (by European "standards," of course). A definite role was undoubtedly played also by the closer contact between the Asiatic traders and the direct producers and consumers of import goods, a better knowledge of local marketing conditions, etc.

The predominance of Chinese among the intermediary traders in Southeast Asia was due to their better organization. The associations by dialect and the secret societies played an important part in that. For example, the majority of the Thailand rice merchants belonged to the "Teochiu" dialect group (emigrants from around Shantau city, Kwantung Province). They maintained close contacts with the Singapore and Hongkong rice dealers who also belonged to that dialect group. Other dialect groups at the same time "monopolized" other fields of business. Members of these groups made use of their mutual assistance and, what is most important for the existence of such monopolies, preferential credits.

Such credit practices among the Chinese traders were widespread also in China proper. It is interesting to point out that similar phenomena were observed also in India in the period of British domination. In his book The Formation of the Indian Bourgeoisie, the Soviet scientist V. I. Pavlov points to the important part played by the intra-caste preferential credit in the exploitation of the Indian peasantry by commercial and interest capital.

"Intra-caste credit," he writes, "was undoubtedly already practiced in feudal India and was in effect one of the conditions responsible for the monopoly position occupied by certain castes in the field of trade and credit. It may be assumed that it was also a direct economic precondition for the very existence of the trade and usurious castes. We mention direct conditions because in the final analysis the trade and usurious castes, as well as the practices of intra-caste credits, are one of the manifestations of the feudal remnants in the socioeconomic structure of colonial India, in its economy in general and credits in particular."

Up to now the most characteristic figure in the intermediary trade of Southeast Asia has been the "independent" business middleman. The "independence" of the business middlemen is explained by the fact that formally and legally they are not employed by the owners of the industrial enterprises or foreign business firms whom they supply with raw materials and local products.

Under the domination of large monopolistic business and industrial enterprises, their independence is at best about the same as the possible independence of the petty and middle-class bourgeoisie in a capitalist society dominated by imperialism. Running through the vast network of business middlemen, however, is an invisible chain of economic mutual dependence with which these middlemen are chained to the general chariot of colonial exploitation in the countries of Southeast Asia.
Financial or commodity credit is a powerful weapon used by the big monopolies to keep the system of buyers in subordination. Such a system of mutual relations is usually economically more advantageous to the big monopolies than to hire a large staff of trade workers and establish a complicated machinery for the purchases of local products and the sales of mass-consumption goods. This "hiring without pay" of business middlemen was so profitable that the attempts made by some companies to organize centralized purchases of products on the spot, as was the case in Indonesia, for example, ended in failure.39

Some of the rice-milling enterprises in Thailand and Indochina kept their own agents for the purchase of paddy rice ( unmilled rice), but resorted to their services only in the event of very keen competition when the agents went out to meet the buyers and intercept them en route.40

The ramified network of buyers served to cut off the direct producer -- the Thai, Vietnamese, Philippine, and Javanese peasant -- from the markets, making him completely dependent on the buyer. The buyer was frequently the only person from whom the peasants could get a loan when they needed it most, between the planting and harvesting seasons, and as a result they found themselves in his bondage. Thus the characteristic feature of this form of commercial capital was its unification with usury capital everywhere.

Another characteristic feature was that the buyer was, as a rule, also a retail merchant. He supplied local products to the cities and ports where he acquired import commodities to be resold in the villages. He frequently paid for his products with imported commodities, thereby cutting off the peasant not only from his own produce market but also from the market of industrial manufactures.

In addition to purely commercial and usurious operations, a fairly large number of buyers in the countries of Southeast Asia engaged in the primary processing of products obtained from petty producers. This is characteristic particularly of Indonesia, the Philippines, and Malaya.41 For example, the Chinese business middlemen buying up almost all the rubber and coconuts from Indonesian or Malayan small producers can do the preliminary processing of these products in their own enterprises, which are small and do not require large capital investments.42

The same applies in large measure also to the other products coming from the small farmsteads in these countries, such as tobacco, manila hemp, kapok, fruit, etc.

The buyers also extended their influence to the traditional handicraft production in a number of Southeast Asian countries. This is what the American scientist Shepherd, for example, wrote about the production of batik and wicker products in Indonesia in the second half of the 19th century: "For the handicraft industry the change from a natural economy to a finance economy meant a transition from the production exclusively for local consumption to a system of production controlled by middlemen, usually Chinese, who supply raw materials and buy up the finished products for their further redistribution throughout the country and even abroad."43
Writing about this form of operations by commercial capital, V. I. Lenin said that it signified "a very long step in the development of capitalistic relations. Having cut off the small industrialist from the market of finished products, the buyer is now cutting him off from the raw-material market, thereby completely subordinating the handicraftsmen." 44

In some instances the buyers also opened small shops usually employing several peasant workers under conditions of manual labor. The role played by the buyers, for example, in the small production of Indonesia may be judged by the following figures. Approximately 40% of the 2.5 million so-called "industrial workers" engaged in the 1930s in small enterprises (employing less than 50 people) sold all or part of their products to the buyers. And approximately 15 to 20% of all these workers were employed in shops controlled by the buyers. 45

It should be pointed out, however, that the activities of the Chinese trade bourgeoisie in Southeast Asia was not confined to middlemen operations. The development of capitalist relations (extremely slow as it was) of Southeast Asia at the end of the 19th century, and particularly in the 20th century, was accompanied by a further division of social labor, the creation and development of new domestic markets, and the expansion of domestic commodity circulation. In addition to its intermediary functions, Chinese commercial capital played a large part in the sale of local products designed for local markets. The major items of such trade were food-stuffs (grain and fish), fuel, fabrics, and other handicraft products.

The excessive development of various forms of trade is a phenomenon characteristic of colonial countries. The emergence of a wide network of buyers was brought about primarily by the requirements of colonial trade in Southeast Asia under conditions of small-scale commodity production. The development of large plantations and industrial enterprises in the 20th century served to reduce the sphere of activity of the business middleman. For example, the owners of large rubber plantations in Malaya and Indonesia, far from requiring the services of business middlemen, have themselves been buying raw rubber from the small farmsteads and processing it at their large enterprises. 46

The large-scale construction of small and medium-sized rice mills in the rice-growing areas of Thailand or Indochina served to reduce the need for middlemen still further. 47 The former "monopoly" position of the middlemen was thus further undermined. A sharp reduction in the activity of the Indian and Chinese middlemen in the rice trade, for example, has been noted in the postwar period in Burma where the government began to open special agencies for the purchase of rice. Government control over the purchases of commercial rice from the peasants was instituted also in Indonesia.

Certain other factors, though considerably less effective, are also responsible for the reduction of the sphere of activity of commercial and usurious capital in Southeast Asia. Among them, in particular, is the development of the cooperative movement and agricultural credit system.
Commercial agricultural credit did not and could not exist under the conditions of the colonial type of economy in Southeast Asia. But the imperialist countries did everything they could to retain (as long as possible) the old feudal methods of exploiting the broad masses of the peasantry in Southeast Asia. The weak development of capital relations in the villages, resulting from such a policy, actually made it impossible to develop a credit system and cooperative movement based on a commercial foundation. It is no wonder, therefore, that the attempts to organize a cooperative movement and credit system in various countries of Southeast Asia before the Second World War originated with the colonial administrations or governments of the respective countries.

These initial steps were of no practical importance whatever for the poorest segments of the peasantry of the given countries. Thus even in Thailand, by the beginning of the 1950s, according to approximate figures, all the cooperatives (including the credit societies) combined only about 5% of the total number of peasants. The government of Thailand and the colonial authorities of the other countries in Southeast Asia had never really raised the question of actually helping the peasantry of those countries (although they always have been and are asserting the opposite).

In the same Thailand, the members of the cooperatives are "carefully selected," and the result is that admission to the cooperatives is open only for the wealthier segments of the peasantry and rural bourgeoisie, and the poor peasants and tenant farmers therefore do not benefit in any way from such "cooperative movement." Half of all the funds received in 1953 by the population of central Thailand represented "loans from relatives." But the cooperatives of the traders and usurers accounted for less than half of that amount. The traders and usurers accounted for 37% and the cooperatives for only 11%.

Such a high concentration of commercial and usurious activity in central Thailand will become understandable if we bear in mind that this is economically the most advanced district in the country supplying the major part of the rice export. It is precisely this area that has the largest number of tenant farmers and semitenant farmers who urgently need loans but cannot provide the collateral security required by the cooperatives and the banks.

The major source of government agricultural credit in colonial Indonesia were the so-called government loan offices (there were about 500 of them in the country). But these credit organizations did not in any way improve the conditions of the peasantry, because the interest they charged was not much different from the interest chargeable by the Chinese or Indian usurers, and the principal purpose of these "loan offices" was to increase the government income.

Operating on the same principle were the so-called "national banks" or "funds" in French Indochina (by 1945 there were only 52 such banks and 19 branches in the whole of Indochina). Failing to improve the difficult situation of the peasantry in any way, the colonial government made use of such institutions "merely to substitute itself for the Chinese traders and "chettu" (Indian usurers -- N. S.) as the peasants' creditor."
The lack of any satisfactory credit system in the countries of Southeast Asia opened great possibilities for the usurers and the Indian "chetty". Even when it was possible to get a loan from the government institutions, the peasants preferred to deal with the more accessible usurers: unlike the banks, they did not require any material collateral security and extended loans to the peasants for any purposes (including nonproductive purposes).

The fact that the functions of middlemen and usurers in Southeast Asia were, in the overwhelming majority of cases, performed by representatives of the Chinese bourgeoisie proved to be very convenient for the governments of that region, as it enabled them to continue the indirect exploitation of the peasantry without coming in direct contact with it.

Thus the business and usurious segment of the Chinese bourgeoisie used the local authorities as a "shock absorber" (in the figurative expression of one bourgeois author\(^4\)), which in their opinion was designed to absorb the first and most powerful shock waves of national resentment.

It may be of some interest in this connection to quote the statement of the American scientist Kinner on the attitude of the Thailand government toward the Chinese intermediaries. "While constituting only part or a function of the entire economic system," he wrote, "the Chinese middlemen were nevertheless the most visible cause behind the poverty and indebtedness of the Thailand peasantry. That circumstance, therefore, played into the hands of the Thailand government, which tried to detract attention from the limited results of its economic policy by pointing to the Chinese intermediaries as the cause of the rural problems."\(^5\)

The English, French, and Dutch colonial authorities followed a similar policy in dealing with that problem. Fully in keeping with such a policy, certain bourgeois writers expressed unusual "sympathy" for the peasantry of that region in their work on the countries of Southeast Asia, "are distressed" by its exploitation at the hands of Chinese middlemen, "are indignant" over the "parasitic" nature of the latter's activities, etc. Here is an example of the speculative reasoning of the Englishman Furnivall, a specialist on colonial affairs and advisor to the Burma government: "The real usurer is usually a middleman, and in the countries of the tropical Orient it is most often an Indian or a Chinese who gets part of the profits which would otherwise be divided (!!) between the native population and the Europeans, with the latter getting the lion's share. Under such conditions the exporters of products have a common interest (!!) with the farmers."\(^6\)

According to Mr. Furnivall's conception, the oppressed peoples of the colonies have "common interests" with the foreign colonizers who exploit them and "common enemy" are the Chinese and Indian middlemen. Such a conclusion is quite acceptable to the imperialist governments and monopolies, because by focusing the attention of the people of these countries on the Chinese middlemen without revealing the domination of these countries' economy by foreign capital, it conceals the major contradiction between a handful of foreign monopolies and the peasant masses of the colonies and dependent countries exploited by them. At the same time,
certain bourgeois scientists are trying to "justify" the usurious activity of the middlemen by the fact that they allegedly meet the urgent need of the peasants for cash by offering them loans without any formalities or collateral security. These scientists consider the usurious interest as "legal compensation" for extending loans and the risk involved in it. Similar views are held in particular by the Frenchman Robequin and the Englishman Purcell, etc.57

The actual reason behind such a "defense" may be deduced from Purcell's statement. "If we apply Mr. Furnivall's epithet 'parasitic' to certain aspects of the economy of Southeast Asia," he writes, implying by "certain aspects" the operations of the Chinese middlemen, "we shall have to extend it also to the British, Dutch, and French governments."58

This would be the thing to do if one were consistent to the end: the parasitic nature of the entire system of colonial domination by the imperialist powers should have been revealed. But this is not the intention of Purcell and company, as according to their principal concepts, the imperialist metropoles bring only civilization and prosperity to their colonies. To clinch his argument, therefore, Purcell begins to "single out" Chinese middlemen and usurers. Backing up his arguments with materials from the agricultural review of the British advisor in Thailand Andrews59, he proves that the Chinese usurer is not so bad after all, that he is in fact even better than the Thai usurer because he usually requires a lower interest rate, etc.60

An attempt to paint the whole picture in nationalistic colors is actually an attempt to confuse the problem as a whole. To the exploited peasant the nationality of the usurer does not mean anything. What is important to him is the very fact that usury is closely tied to the entire system of imperialist feudal oppression. And as long as that system is not completely eliminated, the economic foundation of usury will not disappear.

Thus the positions of the bourgeois authors on the role of the Chinese middlemen and usurers in Southeast Asia, though different at first glance, are in the final analysis reduced to the defense of imperialism.

The origin of Chinese industrial capital in Southeast Asia goes back to about the middle of the 19th century. But under the domination of foreign colonizers who blocked the economic development of the countries of that region, the process of Chinese capital accumulation was typical of the majority of the Asiatic countries, it was a very slow process. Based primarily on exports, the ugly development of the economy of Southeast Asia contributed to the preservation and enhancement of the leading role played by commercial and usurious capital in the field of production. Trade and usury61 were therefore the major sources of the accumulation of Chinese capital in Southeast Asia for a long time.

Trade and usury capital was therefore interested in preserving the old feudal methods of exploitation, as they not only insured enormous profits but also represented its raison d'être. The result was that by the time private foreign capital made its appearance in Southeast Asia, Chinese enterprise had been carried out by backward methods and its organizational forms bore the imprint of the middle ages (guilds, labor corporations, "kunsi," etc.).
In the first period of the operation of foreign industrial capital in Southeast Asia, when it was based almost exclusively on the exploitation of manual labor and a comparatively primitive technique, Chinese capital was quite successful in meeting its competition. But in the first decades of the 20th century, when the foreign monopolies began to make wider use of modern methods of exploitation and the latest techniques, Chinese capital was very soon pushed to the background. A graphic illustration in this connection is provided by the history of the tin-mining industry in Malaya and Thailand.

In 1910 the Chinese mines in Malaya accounted for 76% of the country's tin output, in 1913 74%, in 1919 68%, in 1925 56% and in 1929 only 39%. In 1906 the Chinese mines in Thailand accounted for almost the entire production of tin, in 1916-1917 their share of the production was still over 67%, in 1926-1927 about 73%, and in 1936-1937 less than 36%.

At the same time, whatever the cost of modern equipment was comparatively low, Chinese capital even managed to get ahead of foreign capital in their competition struggle. In 1919, for instance, 56 of the 66 large rice-milling enterprises of Thailand belonged to Chinese who managed to maintain their superiority in that industry throughout the first half of the present century. The first flow of foreign capital was usually directed to the industries already "approved" by Chinese capital (tin-mining and metal-smelting, tobacco and sugar production, etc.). Very appropriate in this respect was the statement by the former British governor General Frank Swettenham, who pointed out in his book British Malaya that "the British capitalists refused to risk even small capital in the Malay states until the enterprising and industrious Chinese opened the tin mines there and began to exploit them."

The imperialist powers held back the creation of a heavy industry in Southeast Asia. Some of the enterprises for the processing of raw material (tin, oil) belonged exclusively to foreign capital, which suppressed any initiative on the part of the local bourgeoisie to create their own heavy-industry enterprises.

In 1897 the Chinese entrepreneur Li Tsin-he built a tin-smelting plant on the island of Penang in Malaya. In 1907 the plant was taken over by the British Eastern Smelting Company. But of all the Chinese tin-smelting enterprises located in the major tin-mining districts --- Laroot, Kint, and Kuala Lumpur --- the enterprise left on the outskirts of Kuala Lumpur was the only one left at the beginning of the Second World War. In the postwar period the entire tin-smelting industry of Malaya was found to be under the control of two British companies, the Eastern Smelting Company, and the Straits Trading Company.

The competition of the British tin-smelting plants in Malaya was a crushing blow also to the small Chinese tin-smelting enterprises in Thailand. In 1907 about half of the tin output was shipped out of the country in slabs, and in the beginning of the 20th century all of Thailand's ore was exported to Malaya. Tin smelting in Thailand by Chinese methods was resumed on a small scale during the Second World War. But by 1950 the entire output of the Thailand mines was again remelted at the Malayan plants.
The liquidation of the Chinese tin-smelting enterprises meant the establishment of indirect control by British companies over the small Chinese enterprises engaging in the mining of tin ore. The latter, in effect, found themselves dependent on the ore-purchasing agents hired by the British tin-smelting companies.

Before the onset of the 1929-1933 world-wide depression, the internal ties among the Chinese entrepreneurs retained the traces of pre-capitalist relations. The "kunsi" were predominant among the Chinese mining enterprises. True, they were no longer the influential associations that had maintained a monopoly on their concessions and guarded them with armed force. They were more like the modern cooperative associations, organized as before on the dialect principle.

In addition to the "kunsi," the Chinese entrepreneurs began to organize companies with limited responsibility at the end of the 19th century and particularly in the 20th century. The predominant form of these companies was the association. For example, of the 55 Chinese companies with limited responsibility organized at the beginning of the 1920s in Samarang Province (Northern coast of Central Java), 33 were organized by 2 persons, 18 by 3 or 4, and only 4 were organized by more than 4 persons. 68

Of the 431,200,000 pesos invested by the Chinese bourgeoisie in various business and industrial enterprises in the Philippines in 1945-1956, individual entrepreneurs accounted for 58%, associations for 34%, and joint stock companies for less than 5%. 69

The modernization process of Chinese capital was particularly fast in Malaya, but even in that country there were 8,906 usual, average, and small industrial enterprises against the 349 industrial companies with limited responsibility in 1957 (figures are for the Malayan Federation only). 70

Characteristic of the Chinese companies was an insufficient mobility of capital and labor, whereas advanced capitalist relations presuppose a free movement of these components of capital production from one owner to the other.

All that, combined with the dominance of foreign capital, made the formation of modern large industrial enterprises in Southeast Asia extremely difficult. This is precisely why the accumulation of Chinese capital in the hands of a few owners was not accompanied by its concentration in certain industries for a long time.

This characteristic feature of the formation of Chinese capital was responsible for the emergence of the type of millionaires typical of the oriental countries, that is, owners of a variety of enterprises employing thousands of workers none of which represents a large industrial enterprise by itself. For instance, the Malayan millionaire Lim Pen-sian (English transcription), the founder of the famous Southeast Asian Company Ho Hong, was also the owner of a navigation company, a bank, oil mills, rice-milling enterprises, and a cement plant. The enterprises belonging to another Chinese millionaire, Tan Ka-ki, produced sheet rubber, rubber products, medicines, confectionery, soap, etc. 71

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The socioeconomic changes occurring at the end of the 19th and the beginning of the 20th centuries also affected the position of the secret societies and their influence on the economic activities of the Chinese communities. The power of the secret societies came to an end; they yielded their place to the dialect associations, "hojukuan." These associations performed a wide range of social functions (including the construction of schools, clubs, hospitals, temples, etc.) and exerted considerable influence (though less than the secret societies before them) on every aspect of the life of the Chinese communities. In the economic sphere they offered all sorts of protection and cooperation to the economic pursuits of the members of their dialect groups, and helped the newly arrived immigrants to get settled and find work. Unlike the secret societies, the associations were legal organizations and usually represented the entire community before the local authorities or administrations in the countries of Southeast Asia.

The first Chinese chambers of commerce or business came into being in Southeast Asia in the first decade of the 20th century and assumed all the economic functions previously performed by the associations. The Chinese chambers of commerce are in many ways different from the modern chambers of commerce in the capitalist countries. In the first place they are not only economic but also social institutions, devoting a great deal of attention to problems of culture, etc. The Chinese chambers of commerce have their branches not only in the large cities but also in many provincial centers.

The appearance and further activity of the chambers of commerce were closely tied to the interest of the Chinese bourgeoisie in Southeast Asia and to a certain extent reflected the growth of bourgeois nationalism in China proper (particularly after the 1911 revolution). Heading the chambers of commerce were no longer the buyers who were interested in the preservation of the old feudal monopolies but energetic representatives of the business and industrial bourgeoisie who were fast copying the modern methods and organization of the west. The association of various dialect groups within the framework of a single chamber of commerce was indicative of the desire of the Chinese bourgeoisie to overcome the previous decentralization which cramped its activities. At the same time, the principle of the dialect-group representation in the chambers of commerce resembled the tenacity of the traditional relations and reflected the weak aspect of these institutions.

Just like production and trade in the countries of Southeast Asia as a whole, the interest of the Chinese bourgeoisie before the world depression of 1929-1933 were connected mostly with the foreign market. The depression inflicted a crushing blow on the economy of that region. Affected most of all were the so-called "basic industries" producing colonial raw materials (tin, rubber, copra, etc.) to the detriment of the interests of the petty and middle-class Chinese bourgeoisie connected with these industries. The result was a change in the structure of the Chinese industrial capital. The flow of that capital was now directed to the production of consumer goods designed primarily for the domestic as well as intra-regional markets.
The flow of Chinese capital to the secondary processing industries were particularly accelerated. Thus before the war, by far the largest part of the raw materials was exported from that region after the primary processing to the metropolises which in turn exported the finished industrial product. The postwar period saw the emergence of numerous new small Chinese enterprises producing rubber footwear, inner tubes and tires for bicycles and cars, soap, margarine, and other products made from local raw materials.76

Despite the fact that the practical significance of these changes is still possibly small, there is no doubt that this process is in some measure contributing to the reduction of some of the country's dependence on the import of consumer goods from the capitalist countries of the West. This healthy tendency can of course produce the greatest effect on the conditions of political independence and a genuine national economic policy implemented in a particular country of Southeast Asia.

Since the war there has been some improvement of the position of the rich Chinese bourgeoisie and its contacts with foreign capital. On the one hand, certain representatives of the rich Chinese bourgeoisie opened their own enterprises, competed with the foreign enterprises, or bought up the enterprises from the repatriated foreign companies. As has already been pointed out above, that was due either to political factors (the national-liberation movement in Southeast Asia) or economic factors (the low-profit margin of the enterprises and the restrictive policies against the operations of foreign capital in some countries of the region).

On the other hand, certain foreign monopolies, mindful of the rising anti-imperialist sentiments in Southeast Asia, began to include representatives of local, particularly Chinese capital76 in the administration of their enterprises as camouflage.

The postwar period in a number of countries of Southeast Asia (especially Thailand, South Vietnam, and the Philippines) has been marked by a new outbreak of "anti-Sinism," a direct result of the general imperialist campaign against the Chinese People's Republic. Intense propaganda of openly chauvinistic slogans, such as "Thaiization," "Malayazation," etc.77, is underway in Thailand, Malaya, and a number of other countries.

Under these conditions, part of the rich Chinese bourgeoisie in Southeast Asia adopted a conciliatory attitude toward the influential militarist-bureaucratic and feudal circles of those countries. The underlying purpose of such "unions" was the desire of these circles to strengthen their political influence or domination and extend it to the economic base at the expense of the Chinese bourgeoisie, and the desire of this bour- geoisie to get political support and certain privileges from these circles in exchange for the above. There is no doubt that this phenomenon may have far reaching consequences for the destinies of certain countries of Southeast Asia. In his book Chinese Society in Thailand, the American scientist Skinner cites materials on this problem.78 In the postwar period the Chinese rice merchants of Thailand were placed in a very difficult situation by the Thailand administration in the field of transportation and marketing. For example, the export of rice from northeastern or northern Thailand without bribing the railroad administration was practically
impossible in view of the competition among the rice merchants; bribes ran into fabulous amounts. In 1946 a Chinese rice merchant Wan Mu-nin initiated the unification of the rice merchants of northeastern Thailand. After a year of stubborn struggle against the Bangkok competitors and the government officials supporting them, he succeeded in unifying 20 rice-milling enterprises into an association of rice merchants of the northeast.

The next step of the association was to merge with the Thai corporation Takan Samakki, producing nonalcoholic beverages, whose business by that time was not very prosperous. But the corporation had political connections. Takan Samakki (known as Sakha Samakki after 1955) was subsidized by a war veterans' organization which had much political influence and enjoyed all sorts of privileges and the support (including financial) of the Thailand government. In 1948 its administration proposed a "general" plan for this organization's participation "in every sphere of economic life of Siam." The implementation of that plan began with the merger of Takan Samakki with the Chinese association. In 1949 the association and corporation already combined 70 rice-milling enterprises which now became shareholders of Takan Samakki. The association soon established its complete control over the freight trains of the northeastern railroad line, and the result was, as Skinner writes, that "extortion became standard procedure (!) and was distributed among the rice-milling merchants."79

The Chinese rice merchants had to sell at least half of their rice to Takan Samakki which then resold it to the government.

In 1962 a similar fate befell the rice merchants of Northern Thailand who were also united into an association under the control of Takan Samakki. By the end of the mentioned year, 132 rice merchants of both areas were already shareholders of that "Thai" corporation. When the head of the corporation and participant of the 1951 coup d'état Colonel Pin was awarded the title of field marshal and became one of the most influential persons in the country, Takan Samakki began "to cooperate fully with the Thailand administration and its board of directors and advisory committees were filled with high-ranking military persons and government officials."80 New syndicates were created under the control of this corporation in the major rice-producing areas of Thailand.

The ruling militarist clique focused its attention also on the largest rice-milling enterprises of the country in Bangkok itself. Following the "advice" of police general Pao, the three largest Chinese associations (Bangkok Rice Millers, Rice Merchants, and Northline Rice Millers) and three Thai companies (Thai Rice, Takan Samakki, and Bangkok Trading) organized the Thailand association of rice exporters.

The key posts in that association were taken by the rich Chinese merchants, while the influential Thai militarists were appointed as advisors.

The "Thaization" affected not only the production of rice, the major industry of Thailand's economy, but also many other industries. By the middle of the 1950s, 20 of the 35 major insurance companies of Bangkok, 8 of the 10 major banking institutions, 17 of the 27 most important export-
import and navigation companies, all of the largest new movie theaters of Bangkok, etc., represented similar "Sino-Thai" enterprises. These were represented by at least 60 of the 100 most influential Chinese business men, as well as such high-ranking members of the ruling group as the mentioned Field Marshal Phuket, General Pao, and General Sart. Such was the process of the development of an Oriental-type financial oligarchy in Thailand, whereby the seizure of political power and subordination of the government machinery (unlike the case in the capitalist countries of the West) took place without an appropriate economic base, the political power being used for achieving economic (primarily financial) power.

The "American handwriting" could be easily discerned in all this. Similar phenomena had taken place several decades earlier in Chiang Kai-shek's China with the blessing and active support of the United State.

The situation in Malaya is somewhat different. The Chinese bourgeoisie in that country feels more secure and its leaders enjoy considerably political rights. But during the first municipal elections in Kuala Lumpur in 1952 the Chinese association of Malaya (CAM), a political party expressing the interest of the rich Chinese bourgeoisie, worked for an "alliance" with the Malayan aristocratic and bourgeois ruling circle represented by the United Malayan National Organization (UMNO). True, by August of the same year the relations between the two parties somewhat deteriorated and the UMNO leadership even "rejected the gift (sic!) of 500,000 Malayan dollars offered by the Chinese association of Malaya to improve their economic position" (11) and ... refused to meet with V. Purcell, the British advisor of the Chinese association of Malaya. An agreement was again reached in March 1953 on the joint participation in the federal elections to the legislative council, and the UMNO leader Tan Malai Abdul Rahman "congratulated the Chinese for their efforts to improve the economic situation of the Malayan." It may be assumed that he was least of all interested in the "economic situation" of the average Malayan. The events that followed provided striking evidence that this alliance was directed against the national-liberation movement and the interests of the workers of the country. Suffice it to point out, for instance, that one of the terms of the election program of that "union" was a demand to liquidate the Malayan Communist Party if it failed to agree to the provocative terms of the "amnesty" imposed by the British colonizers.

History has provided quite a few examples of how the bourgeoisie of the oppressed and dependent countries made use of the national movement to seize power and then turn its weapons against the people. This is what V. I. Lenin wrote in 1913, for example, in connection with the behavior of the Irish bourgeoisie after Ireland gained its home rule: "And now this nationalistic Irish bourgeoisie is celebrating its 'national' victory, its 'state' maturity, by declaring a war to the death against the Irish labor movement."
The Chinese bourgeoisie in Southeast Asia is not homogeneous. Its largest segment consists of petty and middle-class bourgeoisie and only a small part is represented by big capital. The specific method of formation of the Chinese bourgeoisie in Southeast Asia under conditions of colonial domination left its imprint on the nature of activities of its various strata, and the differences in the economic status of the latter determines in the final analysis its political visage and its attitude toward imperialism and the revolutionary movement.

By its economic positions in the countries of Southeast Asia the Chinese bourgeoisie is divided into two groups: comprador and national.

The rich trading bourgeoisie comprises the basic nucleus of the comprador group. The interests of this segment of the Chinese bourgeoisie are closely interwoven with those of foreign capital, and it is therefore the most reactionary part of the bourgeoisie. It is no wonder that in their subversive activities in Southeast Asia and the Far East the Chiang Kai-shek traitors and the U.S. imperialist circles standing behind them frequently lean on the representatives of the comprador Chinese bourgeoisie of that region.

This applies first of all to the Singapore and Philippine rubber magnates and financial tycoons who frequently make fortunes on the aggressive adventures of the American imperialists. The Korean war of 1950-1952, for example, brought fabulous profits to the Singapore millionaire Li Kun-tsian, who had bought up the output of the small producers in Malaya and Indonesia. Sizable profits were made also by the Singapore traders on the contraband export of rubber from Sumatra during the counter-revolutionary uprising on that island in 1958 inspired by the imperialist forces headed by the U.S.

The economic situation of the middle class and petty Chinese trading bourgeoisie is radically different from that of the rich trading bourgeoisie. The overwhelming majority of the petty bourgeoisie own only small stores and do not exploit any hired labor. On the contrary, they are themselves exploited both by foreign capital and the rich Chinese bourgeoisie and usurers.

In his work entitled The Military Problem in Prussia and the German Working Class, F. Engels provides an apt characterization of the European petty bourgeoisie and that characterization is to a considerable extent applicable also to the Chinese petty bourgeoisie in Southeast Asia: "...the petty bourgeoisie plays a lesser part in production than in the distribution of commodities; its major occupation is the retail trade. While the old lower middle class was very stable, the present-day petty bourgeoisie is a constantly-changing class of society; bankruptcy has become a permanent feature of this class. By virtue of its ownership of small capital it is socially part of the bourgeois class, but the instability of its existence gives it a proletarian status. Its political position is just as full of contradictions as its social existence; its orientation, as a whole, however, may be described as "pure democracy." Its political goal is to prod the bourgeoisie in its struggle against the remnants of the old society, particularly against her own weakness and cowardice, and
help in the acquisition of such liberties as freedom of the press, trade
unions and assembly, universal suffrage, and local home rule with which
the cowardly bourgeoisie could easily dispense despite its bourgeois
nature but without which the workers cannot gain their liberation.\(^{89}\)

The "natural" instability of the petty bourgeoisie in Southeast
Asia was further aggravated by the oppression on the part of foreign cap-
tal which was responsible at certain periods (particularly in the de-
pression or war years) for the large-scale participation of the Chinese
petty bourgeoisie in the anti-imperialist movement as has been the case
in Malaya, for example, in the postwar period.

The non-comprador group of the Chinese bourgeoisie in Southeast
Asia consists of representatives of industrial and business capital con-
ected with the domestic commodity circulation. That group is part of
the national bourgeoisie of the respective countries of Southeast Asia.
The term "national bourgeoisie" came to be applied in scientific litera-
ture to the bourgeoisie of the economically underdeveloped countries whose
interests lie in the development of the national economy, as distinguished
from the comprador bourgeoisie which is in the service of foreign monopo-
lies.\(^{90}\)

The national bourgeoisie of the oppressed and dependent countries
is of a dual character. "On the one hand, the national bourgeoisie is
suffering from the oppression of imperialism and is shackled with the
chains of feudalism, which creates contradictions between it, on the one
hand, and imperialism, and feudalism on the other. In this sense the na-
tional bourgeoisie represents one of the forces of revolution . . .

"On the other hand, however, the national bourgeoisie lacks the
courage to pursue to the end the struggle against imperialism and feudalism
in view of its economic and political weakness and the fact that it has
not severed all its economic ties with imperialism and feudalism. This
situation becomes all the more obvious at a time when the powerful revolu-
tionary forces of the people's masses are on the upswing."\(^{91}\)

Ever since it came into existence, the national bourgeoisie has
clashed with the opposition and competition of foreign capital. That is
why in certain countries of that region the national bourgeoisie has headed
the national liberation struggle (Indonesia, Burma). All this, however,
does not mean a weakening of class contradictions between the national
bourgeoisie and the proletariat.

The extremely contradictory process of economic development in
Southeast Asia has determined the multinational character of the national
bourgeoisie of that region. And the basic nucleus of the national bour-
geoisie in a number of countries, such as Thailand and Malaya, for ex-
ample, consisted of representatives of the Chinese bourgeoisie of Malaya.
A considerable segment of the national bourgeoisie is made up of Chinese
immigrants in Indonesia and to a lesser extent in the Philippines, South
Vietnam, and Burma.
Before the economic depression of 1929-1933 the process of the development of the national bourgeoisie in Southeast Asia was unusually slow. The activities of the bourgeoisie as a whole was still largely of the middleman type. The depression stimulated the orientation of the local bourgeoisie toward the domestic market. That orientation was particularly intensified after the Second World War when the local bourgeoisie succeeded in improving its positions to a considerable degree. (As has already been pointed out, Chinese capital investments alone increased approximately 5 times according to rough calculations.) But the formation process of the national bourgeoisie in Southeast Asia was not yet completed. The domination of foreign monopoly in various branches of the economy in Southeast Asia continued to be the major obstacle in the way of consolidation of the national bourgeoisie. Another important obstacle was the national heterogeneity of the national bourgeoisie, which was frequently used by the imperialist and reactionary forces in the countries of Southeast Asia to foment national discord.

Directed to that end, in particular, are the "scientific" theories of various bourgeois authors. The Dutch economist Boeck, who does not think of the Chinese or Indian bourgeoisie in Southeast Asia as anything but an integral part of "Western capitalism," is a case in point.

According to Boeck, the Chinese and Indian immigrants in Southeast Asia "were absorbed and found themselves dependent on . . . the advanced western capitalism." Boeck believes that the statements made by the bourgeoisie authors to the effect that the Chinese capitalists in Southeast Asia played the part of local bourgeoisie do not correspond to reality.

Boeck is supported also by the English scientist V. Purcell. Try-int to juxtapose the Chinese population ofIndonesia with the Indonesian people, he asserts, in particular, that "The Chinese interests are more capitalistic (?!) and European than nationalistic." Hardly anyone doubts that the interests of the Chinese bourgeoisie (but not all the Chinese in general) are capitalistic. But this does not in any way imply that all the local Chinese bourgeoisie is pro-Western of compardor.

True, even now it is not always possible to draw a definite line between the compardor and noncompardor functions of the various segments of the Chinese bourgeoisie in the countries of Southeast Asia as these functions frequently coincide. But as the independent capitalist development of the countries of Southeast Asia progresses, the contradictions between the interests of the local (including the Chinese) bourgeoisie and those of foreign capital grow deeper.
The Role of the Chinese Bourgeoisie in the Trade of the Countries of Southeast Asia

Although Chinese capital is represented in almost every sphere of the economy of Southeast Asia, its major and most widespread form is commercial capital. Unfortunately, there are no statistical data that would make it possible to determine in absolute figures the volume of Chinese capital functioning in various branches of trade and production not only in Southeast Asia as a whole but even in any individual country. The available fragmentary and mostly indirect data can provide only a very general picture of the importance and role of Chinese commercial capital.

This may be seen in particular from certain materials of the population census carried out in certain countries of Southeast Asia before or after the Second World War. In 1930, for instance, the total number of gainfully employed Chinese in Java and the outside provinces of Indonesia amounted to 182,864 and 287,051 respectively. Of the first number 57.6% and of the second 23.1% were engaged in trade and commerce. In Burma the traders and merchants accounted for 41% of the gainfully employed Chinese population in 1931. In Thailand in 1937 the Chinese traders accounted for 87%, in 1938 for 68%, and in 1939 for 49% of the total gainfully employed Chinese population. And, judging by the available fragmentary data for 1952, the latter figure was true also for the postwar period.

To what extent these figures portray even the most general picture may be judged from the following fact. In the postwar period (1947) 14% of the gainfully occupied Chinese population in the Malayan Federation and over 20% in Singapore were engaged in the field of business and finance; 33,402 of the 58,005 industrial, financial, and other enterprises registered in 1954 in the Malayan Federation were business institutions.

A similar predominance of business enterprises is noted also in South Vietnam where 10,793 of the 17,288 Chinese enterprises registered in 1957 were large and small business enterprises. Cambodia does not even fit into this picture, as it still lacks an industrial bourgeoisie and the major nucleus of its trading bourgeoisie is represented by the Chinese bourgeoisie.

Domestic trade. Chinese capital is very widely represented in the domestic trade of Southeast Asia, particularly in the retail trade. Prior to the Second World War the Chinese bourgeoisie accounted for over 90% of all the domestic trade and industry in Thailand. The Chinese bourgeoisie controlled about four fifths of the domestic trade in Indo-China and an overwhelming part of the retail trade in Indonesia. In 1938 the Chinese traders accounted for over 43% of all the retail traders in 28 provinces of the Philippines (not including Manila) (as against the 30% for the Filipinos, 5% for the Americans, 7% for the Chinese and Spanish, etc.). In Burma Chinese commercial capital played a lesser role, due to the keen competition of the Indian traders.
In the postwar period the position of the Chinese bourgeoisie in the domestic trade of Southeast Asia underwent certain changes. The latter were brought about by stricter government control over certain types of trade in a number of countries (mostly in the rice trade as well as tobacco and copra).

The Indonesian government, for example, introduced a policy of centralized purchases of rice, the major food staple of the population, after it gained its independence. (Before the war most of the rice purchases were controlled by the Chinese trade bourgeoisie.) An institution known as "Jajasan Urusan bahan makanan" (JUBM, food supply organization) was created for that purpose in 1952, and its duties included the purchases of rice both outside the country and inside. The rice was purchased from the peasants at fixed prices representing a government established "guaranteed minimum." The actual purchases of paddy (unmilled) rice was carried out by buyers, buyers' organizations, or peasant associations (not necessarily of a cooperative type) under the control of government officials. In 1953–1954 the JUBM thus purchased about 805,000 tons of paddy. In the 1950s the average annual purchases by this organization amounted to less than half of all the commercial rice in the country, the remaining part being distributed through private channels.107

In the first postwar years the Chinese bourgeoisie succeeded in expanding its positions in the domestic trade of Burma, due to the sizable emigration of the Indian traders from the country during the Japanese occupation. By the beginning of the 1950s it already accounted for about one third of all the domestic trade of Burma.108 In the field of rice trade, however, the Burmese government began to introduce measures that soon resulted in a sharp reduction of the share of private traders in paddy purchases. It began with the establishment of a "guaranteed minimum price" on paddy rice, and the state administration for the marketing of agricultural products (SAMB), which controlled all the foreign rice trade, began to require of the rice merchants certificates signed by the peasants showing that the paddy rice had been bought at a price not below the guarantee minimum. After 1950 SAMB began to purchase rice also directly from the producers. More than 500 purchasing centers were opened for that purpose in the rural areas of the country, and they operated quite efficiently. If in 1950 the SAMB bought 100% of the polished rice from rice merchants, the purchasing centers accounted for over 57% of the total volume of rice bought in 1956 (or about 900,000 tons reckoned in terms of polished rice).109

Rice was purchased also by the cooperatives, in addition to the government agencies. In 1952 the government agencies and the cooperatives accounted for 98% of all the rice purchases in the country.110

The Chinese bourgeoisie is still playing an important part in the internal trade of the Philippines. According to official figures, there were more than 11,300 stores owned by Chinese retail traders in the Philippines in 1948–1949 (as against the 53,260 Philippine, 140 American, 188 Indian stores, etc.).111 Chinese capital continues to dominate the domestic
rise trade in the country. Since 1954 the paddy purchases in the country have been carried out by a government rice and corn corporation (NARIK) which had previously engaged in rice imports only. The largest volume of the corporation's purchases in 1956-1957 amounted to about 2,880,000 kawans; 1 kawan of paddy equals 44 kilograms. At the same time, about 2 million kawans (1952-1955) were bought by the marketing cooperatives. Thus the total volume of purchases made by NARIK and the cooperatives amounted to less than 5 million kawan or about one fifth of all the commercial rice in the Philippines.\textsuperscript{112}

In the purchases of tobacco leaf, for example, the share of the Chinese trading bourgeoisie was sharply reduced in the postwar period. Under a special law of 1954, the agricultural credit and cooperative financing administration (AKKFA, an organization financed by American loans) was charged with the purchases of "Virginia" tobacco leaf. In 1954-1955 the AKKFA bought about three quarters of the entire crop (approximately 5 million kilograms), in 1956-1956 about 68\% (13.5 million kilograms), and in 1956-1957 63\% (14.5 million kilograms) of the total purchasing volume of tobacco.\textsuperscript{113}

By the beginning of the 1950s over 80\% of the retail trade in South Vietnam was handled by Chinese traders. Later on, however, their share was considerably reduced in view of the discriminatory measures taken by the South Vietnamese authorities.\textsuperscript{114} Just as before the war, the Chinese bourgeoisie is still holding on to its leading positions in the domestic trade of Thailand. The most important aspect of the domestic trade, rice purchases, is still handled primarily by Chinese middlemen. In 1953 there were 86 cooperatives for the marketing of paddy in the country, accounting for 2 to 3\% of the total volume of rice purchases in Thailand.\textsuperscript{115} Since the mid-1950s the so-called Thai-Chinese companies have been playing a very important part in the sphere of wholesale price marketing.

On the whole, the activities of the Chinese bourgeoisie in the domestic trade of Southeast Asia has proceeded along the following principal lines:

1. The purchase of the small producers' output designed for the foreign market. Such trade is primarily of a middleman or comprador nature. The principal items of this trade consist of raw materials -- rubber, copra, manila hemp, tobacco leaf, etc. -- which are shipped primarily to the world market, or foodstuffs -- rice, fish, etc. -- which flow mostly to the intra-regional markets.

2. The purchase of the petty producers' output designed for the domestic markets. This trade is not of a middleman type (in the comprador sense of the word) but represents the usual commodity circulation within the country. The major items of such trade in Southeast Asia are foodstuffs (rice, vegetables, fruit), wood fuel, and raw materials and building materials for the local industry and construction (rubber, copra, wood-pulp, etc.).
3. Wholesale and retail trade in finished industrial products. In this case the trade can perform both intermediary functions, to the extent that it handles mass-consumption goods imported by foreign firms, and nonintermediary functions, that is, the trade in local industrial and handicraft products.

Such a schematic outline of the various functions does not necessarily mean that two or even three of them cannot be combined by the same trader or firm. Most frequently this happens to be the case. The classification of the various types of functions is nevertheless necessary for the purpose of defining the character of the Chinese trading bourgeoisie (its duality) in Southeast Asia.

The nature of the operations of the Chinese trading bourgeoisie is in turn determined to a considerable extent by the source of its credits. In the first case (purchases on the foreign market), the foreign export-import firms serve as the major source of credit, while the foreign banks frequently serve as credit sources for rich wholesale traders and firms. At the same time, big Chinese capital, especially Chinese companies and banks of Singapore and Hongkong, plays a not inconsiderable part in the rice trade of Thailand and Vietnam and in the purchases of rubber in Malaya and Indonesia. The retail and wholesale Chinese trade in imported industrial commodities is financed almost exclusively by foreign capital.

Chinese capital, however, is the major source of credit for the domestic trade in local industrial and handicraft products. The Chinese bourgeoisie's orientation on the domestic and intra-regional markets following the depression of 1929-1933 was still further advanced after the Second World War. This orientation has been accompanied by the Chinese bourgeoisie's growing independence of foreign capital.

Foreign trade. Chinese capital is playing a considerably smaller part in the foreign trade of the countries of Southeast Asia. Before the 1950s the foreign trade operations of the Chinese firms did not as a rule extend beyond Southeast Asia and the Far Eastern markets (China, Japan). The positions of the Chinese bourgeoisie in the intra-regional trade of Thailand were stronger than in any other country of Southeast Asia. Despite the rapidly growing competition of the foreign companies, the Chinese bourgeoisie still accounted for more than a half of that country's total foreign trade volume at the end of the 19th century. That situation remained almost unchanged until the Second World War. In his book The Chinese in Thailand, K. Landon cites the following figures to show the distribution of the large export-import companies by national origin.

<table>
<thead>
<tr>
<th>Year</th>
<th>European</th>
<th>Chinese</th>
<th>Thai</th>
<th>Indonesian</th>
<th>Japanese</th>
</tr>
</thead>
<tbody>
<tr>
<td>1933</td>
<td>112</td>
<td>61</td>
<td>38</td>
<td>16</td>
<td>8</td>
</tr>
<tr>
<td>1940</td>
<td>103</td>
<td>98</td>
<td>56</td>
<td>35</td>
<td>7</td>
</tr>
</tbody>
</table>

*Entered in the "Thai" column are the Chinese firms operating under a Thai name.*
There are many reasons for the strong positions held by Chinese business capital in Thailand, but these are the most important ones: the major foreign markets for Thailand rice were in Singapore, Hongkong (re-export centers), and South China where the Chinese import companies connected with the Chinese exporters of Thailand were in operation; within the country the Chinese exporters were better informed of local market conditions and had closer ties with the local Chinese middlemen; finally, the fact that until the 1930s the Thailand rules not only did not hinder but even encouraged the activities of the Chinese trading bourgeoisie was of great importance.

In addition to Thailand, the Chinese bourgeoisie played an important part in the intra-regional and Far Eastern trade of Malaya (centering on Singapore), the Philippines and partially also Indonesia.

Of course a few Chinese export-import companies maintaining direct connections with the European markets existed even before the 1930s. Several rich Chinese merchants from Malaya and Eastern Sumatra imported European commodities independently in the very beginning of the twentieth century. Their business operations assumed particularly large proportions after the First World War. There were even independent Chinese retail traders in Malaya buying goods directly from the English businessmen.118

A somewhat wider participation of the Chinese bourgeoisie in the European trade of the Southeast Asian countries was noted after the depression of 1929-1933 which sharply reduced the demand for colonial raw materials. Engaged in domestic and inter-regional trade in colonial wares until that time, the Chinese companies switched to the import of European industrial products. Eventually many of them developed into large export-import companies.119

A further expansion of Chinese export-import business with Europe occurred after the Second World War. This applies particularly to the Chinese business companies of Singapore.120 On the whole, however, the expansion of foreign trade operations by Chinese capital took place primarily within the framework of the intraregional market.

The commodity structure of the Chinese foreign trade operations in Southeast Asia is in general similar to that of the domestic trade. The major commodities are rubber, rice, fish, local fabrics, wood and wood products, mass-consumption items, foodstuffs, etc.

The expansion of trade operations by Chinese capital in the post-war period took place mostly in the countries and fields of foreign trade where there was no state control. For instance, the Chinese bourgeoisie accounts for a considerable portion of the total increase in the foreign trade of the Philippines. In 1947 the share of Chinese capital in the country's foreign trade amounted to 33.51% (including 39.14% of the import (1) and 24.06% of the export); at the same time the American firms accounted for 55.89% (28% of the import and 42.97% of the export) and Philippine firms for 22.70% (23.48% and 21.35% respectively) of the country's total commodity circulation.121 A similar ratio was maintained also in 1948-1949.122
There are about 350 Chinese export-import "firms" in South Vietnam at present most of which came into being only after 1965. With rare exceptions, these are small companies engaged in intraregional trade. They do not engage in any specific branch of trade but undertake any trading operations that promise to be profitable at a given time. 123

The growing volume of foreign trade operations by the Chinese bourgeoisie in Thailand, Burma, and Indonesia has been accompanied by a sharply diminishing participation of Chinese capital in the export and import of rice. That was due to the introduction of government control over exports in Thailand and Burma and over imports in Indonesia.

The rice monopoly in Thailand was introduced with a view to meeting the postwar commitments of the Thailand government to the foreign governments (England, India). The "very small" expenses that were required brought "very great benefits" to the government. 124 The only "trouble" the government undertook was to get ... an income. 125 The "purchase" of rice from the rice merchants and its "resale" to foreign agencies were carried out by the government only on paper, as the cost of delivering the rice from the mills to the freighters was assumed by the shipowners. 126

In view of the bribes and extortions from the local Chinese bourgeoisie, the monopoly on rice export became a source of unprecedented enrichment for the bureaucratic and military ruling clique. For example, in 1951 the Ministry of Trade began to issue a small number of rice export licenses under private commercial contracts. The exporters had to buy the rice from government agencies at fixed prices and deposit the proceeds from its sale on the foreign market in the bank of Thailand. A struggle for licenses got underway among the Chinese exporters. Taking advantage of the situation, government officials used the licenses received in the Ministry for speculation purposes on the black market. In 1951 the price of such a license amounted to 35 American dollars per ton. 127

In issuing licenses the government showed a preference for Thai export companies, but in the majority of cases "these firms usually did not want to perform the required amount of work and simply sold the licenses to other (that is Chinese -- N. S.) exporters." 128 The Chinese exporters and rice merchants in turn charged their "overhead" expenses, through a long chain of buyers, to the direct producer, the Thai peasant.

The American scientist Ingram, who made a special study of the economic situation in Thailand, felt compelled to admit, in particular, that as a result of the introduction of the monopoly, "the largest part of the burden undoubtedly fell on the shoulders of the rice producers who in 1951 received about one half (1) of the price of paddy which he could possibly have received on the free market." 129

Unlike the case in Thailand, the monopoly on export trade in rice introduced by the Burmese government was directed against the dominance of foreign capital in that field and contributed to the improvement and
development of the national economy. The previously mentioned government administration, the SAMB, which established its control over all the rice export, was charged with the practical implementation of the monopoly. Since 1951 this administration has also permitted private commercial transactions, but all the exportable rice had to be purchased from the SAMB. In 1955 the private exporters accounted for 51% of all the rice and rice products exported from the country, in 1956 their share was 35% and in 1957 (through the month of September) 15%. The entire import of rice to Indonesia was monopolised by the JUBM government organization.131

At the same time, the Burmese and Indonesian government introduced currency control in the field of foreign trade, particularly imports. The law on import trade control was adopted in Burma in 1947. Under that law a system of licenses was introduced and quotas established for various types of goods (the import of luxury items, for example, was banned altogether). Sixty percent of the licenses were issued to firms operated by Burmese citizens and 40% to all the others.132 Of the latter group, 10% of the licenses went to Chinese companies.133 Actually, by far the largest part of the licenses of the Burmese firms was sold to other (including Chinese) companies. In 1949 U Nu estimated, for example, that "95% of the merchants of native stock were dependent ... on rich British, Indian, and Chinese merchants."134 In 1950 and 1951 the Burmese government was compelled to relax the restrictions on imports. In 1953 U Nu declared that in the future import licenses on all sorts of previously restricted commodities would be issued without restrictions to the Burmese companies establishing direct contact with foreign merchants. Such companies would be given preferential government loans.135

Before its proclamation of independence, Indonesia had no large foreign trade firms belonging to the Indonesian bourgeoisie. The government therefore did everything to encourage newly created Indonesian companies, giving them preferential treatment in connection with import licenses and bank credits. The development of such firms, known in Indonesia as "bantang," was involved in quite a few difficulties. Some of them went bankrupt while others, appealing for financial support to the Chinese firms, soon found themselves under their control even though they continued to operate under their own name.136

In 1954 the Indonesian Minister of Economic Affairs proposed a program under which 70% of all the capital in the country (both business and industrial) must belong to the "Asli," native Indonesian citizens, 15% to "Bukan Asli," Indonesian citizens of foreign origin (that is primarily Chinese), and 15% to foreigners.137 This was to be used as a basis for the distribution of foreign currency among the import companies. As was the case in Burma, the implementation of that program led to the emergence of a large segment of Indonesian "importers" who acted as a kind of middleman for the Chinese and foreign firms reselling them the foreign currency on a commission (from 15 to 35%). In 1955 when the Indonesian government required the foreign firms to deposit 4 million rupees, only 44 of the thousand companies met that requirement, whereas the others began to use the services of Indonesian "intermediaries."138
The measures taken by the Burmese and Indonesian governments in the field of foreign trade represented an integral part of the general nationalization policy directed against the domination of foreign capital in the economy of these countries. At the same time, it should be emphasized that the setting apart of the local Chinese bourgeoisie as a separate group from the Indonesian or Burmese bourgeoisie, involved in the implementation of these measures, was not justified. If the issue under consideration were approached not from the viewpoint of the narrow interests of various groups of Chinese, Burmese, or Indonesian bourgeoisie but the development of the national economy as a whole, it would be wrong to juxtapose one national group of the local bourgeoisie with another one. The enactment of the Sino-Indonesian treaty on dual citizenship will undoubtedly contribute to the improvement of the situation in this field too.

At the same time it should be borne in mind that a certain group of the rich comprador Chinese bourgeoisie in a number of countries in Southeast Asia act as agents of international imperialism and the Chiang Kai-shek reactionaries on Taiwan. Thus during the recent rebellion in Indonesia, the pro-Chiang Kai-shek bourgeoisie on Sumatra and Celebes not only extended financial support to the rebels but also took a direct part in the battles against the government troops. The delivery of American arms and ammunition to the rebels was also carried out through the medium of the Chiang Kai-shek organizations.

Besides, the Chiang Kai-shek followers organized economic sabotage. They bought up essential products, thereby disrupting the supply of the population with such products.\(^{139}\)

Under these conditions one can only welcome the efforts of the Indonesian government to ban the Chiang Kai-shek organizations and establish control over the enterprises and banks belonging to the pro-Chiang Kai-shek Chinese bourgeoisie.

**The Chinese Bourgeoisie and the Industry of the Countries of Southeast Asia**

In line with the general colonial nature of the economy of Southeast Asia, the major Chinese capital investments are concentrated in the mining industry. But Chinese capital also plays an important part (especially since the Second World War) in various branches of the processing industry, although that economic sector of Southeast Asia is, on the whole, the least developed.

**The mining industry.** The only branch of the mining industry of Southeast Asia in which Chinese capital plays a considerable part is tin mining.\(^{140}\) The most important tin deposits of the region are found in Malaya, Indonesia, and Thailand. But the participation of Chinese capital in their exploitation has taken on substantial proportions only in Malaya and Thailand.\(^{141}\)
The Chinese settlers were the first to work the tin mines of Malaya, Thailand, and Indonesia. It was their activities that were responsible for the development of the Penang, Puket, Bangka, and Billiton islands, as well as such economic centers of Malaya as Kuala Lumpur, Taiping, Ipoh, etc. The intense penetration of foreign capital into the tin-mining industry dates back to the end of the 19th century. The mining methods first used by the foreign monopolies were little different from those employed by the Chinese. Chinese capital therefore continued to compete successfully in that field against foreign capital. But with the introduction of the dredging method of mining, the Chinese bourgeoisie found itself in the background and subordinated to the foreign monopolies.

<table>
<thead>
<tr>
<th>Years</th>
<th>in Malaya</th>
<th>in Thailand</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>foreign</td>
<td>Chinese</td>
</tr>
<tr>
<td></td>
<td>mines</td>
<td>mines</td>
</tr>
<tr>
<td>1920</td>
<td>36</td>
<td>64</td>
</tr>
<tr>
<td>1925</td>
<td>44</td>
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<td>66</td>
<td>34</td>
</tr>
<tr>
<td>1938</td>
<td>67</td>
<td>33</td>
</tr>
</tbody>
</table>


Source: J. C. Ingren, Economic Change in Thailand Since 1850, p. 100. The Chinese entrepreneurs employed mostly the non-dredging method of operation, and the foreigners the dredging method.

The international agreement on the control of tin production and export concluded in 1931 contributed to the exclusion of the local Chinese bourgeoisie from the tin mining industry in Malaya. Seeking to achieve higher rice production and export norms for Malaya (in comparison with other countries), the British monopolists at the same time insisted on the preservation of the low annual quotas for the purpose of artificially increasing the prices. The owners of small mines (mostly Chinese) were the first to be adversely affected by such a policy. With a small quota in force, the production cuts were made primarily at the expense of the small mines. The small industrialists were at best able to operate their mines several months a year, shutting them down for the rest of the time. The majority of them were forced either to sell their export coupons or shut down their mines, thereby suffering enormous losses. The large monopolies, united into cartels and syndicates, bought up these mines "as is" and thus established their control over the industry.
The direct "absorption" of the Chinese enterprises by the large monopolies has been accompanied by an accelerated process of their indirect subordination to foreign companies since the 1920s. The Chinese entrepreneurs evolved into so-called marginal producers engaged in the exploitation of mines (on a sublease basis) operated or abandoned by the foreign companies. This as a rule involved a clash of interests between the lessee, sublessee, sub-sublessee, and "hap tong" (unregistered sublessee allowed to operate for a period not exceeding one year). The sublesses are usually small Chinese entrepreneurs using hydraulic methods to exploit small and not easily accessible deposits which could not be profitably exploited by more advanced methods. In 1950 there were 261 Chinese enterprises of that type in Malaya (that is a little less than half of the total number of all the Chinese enterprises). The rent in such cases usually amounted to 10-20% of the mined ore, although sometimes it was as high as 30%. Just how unstable was the position of such sublesses may be judged from the fact that when the prices on tin were high (as was the case in certain periods after the Second World War), the foreign monopolies discontinued to sublease the mines and undertook to operate them themselves.

The dredging method of operation is used exclusively by the large foreign companies which is explained first of all by the very high cost of the necessary equipment. It costs from 750 to 1,000 pounds sterling to buy and install the required equipment in a mine. Another 200 to 400 pound sterling have to be spent for dismantling and moving the dredges to the new mines when the work has been completed. Unable to buy such expensive equipment, the Chinese entrepreneurs make use mostly of the hydraulic method of operation (washing the ore with a powerful jet of water) where the cost of the simple equipment (the delivery of water usually accounts for the major part of the cost) amounts to only 100 to 150 Malayan dollars.

Almost all of the 25 companies using the dredging method of operation in Thailand in 1950 (with the exception of three "Thai" companies) were foreign. The 299 small mines operated by hydraulic and other methods belong mostly to Chinese entrepreneurs. All the Chinese mines in Thailand accounted for an average of about 40% of all the tin mined in the country during the 1960s.

A similar picture is observable in Malaya as shown by the following table.
Tin mining in the Malayan Federation (in tons)

<table>
<thead>
<tr>
<th>Mining Methods</th>
<th>dredging</th>
<th>hydraulic</th>
<th>others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Foreign mines</td>
<td>Foreign mines</td>
<td>Chinese mines</td>
<td>Foreign mines</td>
</tr>
<tr>
<td>1952</td>
<td>29,507</td>
<td>1,361</td>
<td>20,226</td>
<td>3,866</td>
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<tr>
<td>1953</td>
<td>23,633</td>
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<td>1954</td>
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<tr>
<td>1955</td>
<td>31,048</td>
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<td>1956</td>
<td>30,705</td>
<td>1,223</td>
<td>23,612</td>
<td>4,072</td>
</tr>
</tbody>
</table>

Notes:


2. The figures in the table indicate the content of metallic tin in the ore.

3. The data on the Chinese mines since 1953 include also the insignificant output volume of other Asian mines.

4. Errors were found in the original total figures on the British mines for 1953 and 1955. They have been corrected in this table.

As may be seen from the table, the average share of the Chinese mines in the total tin production in Malaya amounts to no less than 40%, which is higher than the corresponding figure of the previous years. This is due to the acquisition of certain secondary foreign mines by Chinese entrepreneurs.

At the same time, the figures cited in the table do not reflect the important processes taking in the economy of the country. For example, after the aggression in Korea, the U.S. introduced a policy of reducing the prices and purchases of Malayan tin. The result was that about 70 Chinese mines using the hydraulic method of operations were shut down in the country in 1953.

The appropriate column of the above cited table, however, shows not a decrease but even a certain increase in the production of tin. This was due to the fact that the remaining Chinese entrepreneurs, faced with low prices on tin, tried to retain their absolute profits by increasing the volume of tin production.

The postwar period has been characterized by intensified competition among the foreign monopolies. American capital began to penetrate into Malaya and Thailand, "the patrimony" of British and Australian tin industries. Recent years have also seen the penetration of Japanese capital into the tin mining industry of Thailand. The largest postwar enterprise in that field in Thailand was the "Ts'an Fra Mining Company".

-70-
formerly a "Thai-Japanese" enterprise, with Japanese capital predominating (Mitsubishi). The American scientist Skinner points out in this connection that the "Chinese capitalists are less and less able to compete with the foreign investors and semi-government Thai enterprises in the tin industry."

Among the other useful minerals mined by Chinese capital in Southeast Asia are coal (the Batu-mang deposits in Malaya), gold (Raub in Malaya and western Borneo in Indonesia), zinc and other nonferrous metals (the Tenasserim coast of Burma), etc. The most important of these is Malayan coal the mining of which has been mechanized by the only company, Malayan Collieries Limited. Before the war, the Chinese owned only a small number of shares in that company. But in the postwar period (in the early 1950s) Chinese capital considerably increased its participation in it.

**The processing industry.** Foreign domination is responsible for the ugly, one-sided, and poor development of the processing industry in Southeast Asia. The number of industrial enterprises in that industry was very insignificant. Most of the enterprises under construction were designed to process agricultural and mining-industry products. The largest enterprises, as a rule, belonged to foreign monopolies.

Before the war, Chinese capital in the processing industry of Southeast Asia was represented by enterprises processing agricultural raw materials for export purposes, as well as by small enterprises (mostly of the manufacturing type) producing commodities (primarily foodstuffs and mass-consumption goods) designed for the local markets. In Burma, for instance, the 108 officially registered Chinese enterprises of the processing industry before the war consisted of 173 rice mills, 20 sawmills, and 5 enterprises for the production of vegetable oil.

In 1925 Indonesia had 1,516 Chinese enterprises (out of a total of 5,197). Most of them produced Manila hemp (there were 727 of them in 1931) and copra, sugar, cigarettes, etc.

In Indochina the basic nucleus of Chinese enterprises consisted of rice mills, sugar refineries, and oil mills. The Chinese enterprises in the Philippines were producing coconut oil (before the war they included one of the 8 largest and 5 of the 10 small such enterprises) as well as sacks and rope (in 1935 Chinese capital accounted for 6% of all the investments in these enterprises).

The processing of the small rubber-plantation products in Malaya was concentrated entirely in Chinese enterprises. A considerable quantity of the small rubber-plantation products in Indonesia also underwent primary processing in small Chinese enterprises and was then exported to Singapore for further processing. After the war the Chinese bourgeoisie in Indonesia, connected with the Chinese rubber magnates of Singapore, acquired most of the small rubber-processing enterprises.

Chinese enterprises in various branches of the light industry of Southeast Asia, oriented entirely on the domestic markets, came into being as far back as the end of the 19th century. Before the 1929-1933 depression, however, their share in the total output of the processing industry
was very small. The economic crisis restricted the sphere of capital application in the production industries working for the world market, thereby stimulating a flow of some capital to the industries producing for the local markets.

After the depression, and especially after the Second World War, there appeared a large number of small and medium Chinese enterprises working on local raw material and producing finished industrial products for domestic consumption. Those were the enterprises producing footwear and clothing, furniture, other wood products, leather and metal products, and glass and stone products and a variety of enterprises of the food industry. While in the past the number of enterprises engaged in the preliminary processing of agricultural raw materials was usually considerably higher than the number of enterprises producing finished industrial products, the present picture in many Southeast Asian countries reveals a reverse tendency. For example, in 1954 the Chinese bourgeoisie in Malaya owned the largest number of the processing-industry enterprises (over 65%). And only 924 of all the 4,059 Chinese enterprises engaged in the preliminary processing of agricultural materials while 3,135 produced finished products.

A similar picture is observable in South Vietnam. In 1957, 1,045 of the 3,475 Chinese enterprises were producing foodstuffs, 276 construction lumber, and the rest were manufacturing such finished industrial products as textiles, furniture, mechanical devices, machine and transport equipment (including automobiles), glass, stone, rubber, leather, and other products.

After the Second World War, Chinese capital took an appreciable part also in the industrial construction in the Philippines particularly in the construction of so-called "new and necessary enterprises" which were exempted from taxes by the government. About 814 such enterprises were created in the Philippines by the end of 1957. About 463 of them belonged to Filipinos, 132 to Chinese, 29 to Americans, and 190 to mixed capital.

It should be borne in mind, of course, that the greatest majority of the Chinese enterprises were, as a rule, small in size. Thus while each Chinese "new" enterprise in the Philippines accounted for an average capital investment of 223,609 pesos and a Filipino enterprise for 303,200 pesos, every American enterprise accounted for 786,049 pesos.

Only 83 of the 3,135 above-mentioned industrial enterprises in Malaya represented companies with limited responsibility. These companies seldom employed more than 20 workers and in most cases even less than 10.

The rice-milling industry. Chinese capital was represented in the rice-milling industry on a wider scale than in any other industry of Southeast Asia. Thailand, Burma, and Vietnam are the major rice-producing countries. But capital also plays an important part in such rice-importing countries as the Philippines and Indonesia.
The first steam-operated rice-milling enterprises in Thailand came into being in the second half of the 19th century and at first they belonged exclusively to foreign capital. Thus in 1867 all the five steam-operated rice mills in Bangkok were owned by Europeans. But in 1870 the Chinese shipowners ordered several steam mills from England, and in 1879 the Chinese owned as many rice mills as the foreigners. There were 17 of them in 1889, 25 in 1895, and 50 in 1912, while only three rice mills remained in the hands of foreigners: the rest were either shut down or sold to Chinese entrepreneurs.\(^{163}\)

Although a large number of foreign rice-milling enterprises came into being again after that, many of them closed down or were bought by the Chinese during the First World War. The result was that 56 of the 66 rice mills existing by 1919 belonged to the Chinese bourgeoisie.\(^{164}\)

Small rice mills (with a daily production of 30-40 tons) began to appear in the 20th century in the rice-growing areas of Thailand in addition to the large rice-milling enterprise (with a daily production capacity of 100-200 tons of rice) located in Bangkok itself. While almost all the unmilled rice, paddy, had previously been shipped to Bangkok by river, an increasingly larger part of it was shifted to the railroads with the expansion of railroad construction. The higher shipping costs of paddy rice, as compared with polished rice, encouraged the rapid construction of rice-milling enterprises on the periphery. At least 80% of these enterprises belonged to Chinese before the Second World War.\(^{165}\)

The first serious attack on the positions of the Chinese rice merchants was launched by the Thai government in 1938 following the formation of the government company "Thai Rice" which bought off 10 large Chinese rice-milling enterprises.\(^{166}\) After the war, the Chinese industrialists continued to hold their positions, although, as was pointed out above, in the field of marketing they found themselves under the control of semi-government Thai "companies" with whom they now had to share their profits.

The expansion of the rice-milling industry in the postwar period has been brought about solely by the construction of rice mills on the peripheries. There were about 960 rice-milling enterprises in the country in 1958. Only eight of the 50 large enterprises in Bangkok did not belong to Chinese capital, and less than 15% of all the rice mills on the periphery represented Thai ownership.\(^{167}\)

Chinese capital is playing an important part also in the rice-milling industry of South Vietnam. All the largest rice-milling enterprises are located in Saigon-Cholon, the economic center of South Vietnam. In the early 1930s, 75 of them belonged to Chinese entrepreneurs and three to French.\(^{168}\) The economic crises and the resulting drop in the price of rice led to a reduction in the number of Saigon-Cholon rice-milling enterprises: only 27 of them remained before the war (the four largest of them belonged to the French).\(^{169}\) The positions of Chinese capital in the rice-milling industry of South Vietnam have been somewhat weakened in the postwar period. Thus 60% of the 70 rice-milling enterprises of Saigon-Cholon belonged to the Chinese.\(^{170}\)
In Burma the Chinese Bourgeoisie had to meet the keen competition of not only the British monopolies but also the Indian entrepreneurs. Twenty-one of the 673 rice-milling enterprises existing in Burma before the war belonged to Europeans, 313 to Burmese, 166 to Indians, and 173 to Chinese.¹⁷¹ The size of the European enterprises may be judged by the fact that they employed 8,757 workers (an average of 417 workers per enterprise), while the Burmese employed a total of 11,866 workers (about 37 men per enterprise), the Indians 9,654 (about 57 workers per enterprise), and the Chinese 11,495 (about 66 per enterprise). After the war the Chinese bourgeoisie retained most of its positions. In 1953 it owned 169 rice-milling enterprises (out of a total of 869).¹⁷²

Before the Second World War, the Chinese bourgeoisie owned at least 75% of the total number (2,500) of rice-milling enterprises scattered over the Philippine Islands.¹⁷³ It also controlled a considerable part of the rice-milling business on Java. In the 1930s, for example, 67 of the 70 rice mills located in the major rice-producing center of the Island, Krawanga, belonged to the Chinese bourgeoisie.¹⁷⁴

After the war, the Indonesian government established indirect control over the rice-milling industry of the country. In Java, in particular, the rice merchants actually operated as government agents, as all their rice was first obtained and then submitted to Jubi government organization at fixed prices. On the other islands the rice merchants had to process part of their output according to government contracts, but were able to acquire the rest of them themselves.¹⁷⁶

The lumber-production industry. The production of lumber is very important for the population of Southeast Asia as it serves as a major building material and is also widely used as fuel. But the importance of this industry varies in the various countries of this region. In Burma and Thailand lumber is one of the most important export commodities, whereas in the Philippines, Indonesia, or in Vietnam it is produced primarily for domestic consumption. Chinese capital is most influential in the lumber-production industry of Thailand. In the other countries the Chinese bourgeoisie owns mostly small sawmills.

Before the end of the 19th century, Thailand's lumber industry was concentrated mostly in the hands of Chinese and Burmese entrepreneurs. The European companies engaged in timber exploitation in Burma. The first European companies appeared in Thailand in 1868, and with them came the first steam-operated sawmills. The Chinese entrepreneurs were less successful in their competition with foreigners in that industry. The production of lumber at the Chinese sawmills continued to rely primarily on manual labor. In 1894 there was one Chinese sawmill and three large European, and in 1908 there were only four Chinese sawmills and seven European. In 1924 Chinese industrialists owned only three out of the nine large sawmills in Bangkok. One Chinese and one European sawmill closed down in 1940. The overwhelming majority of the small sawmills in Bangkok and northern Thailand which have been using steam power since the 1920s belonged to Chinese.¹⁷⁷
In the postwar period the positions of Chinese capital in this industry became further consolidated. In 1956, 10 of the 15 large teakwood sawmills of Bangkok belonged to Chinese. True the largest three enterprises were in the hands of the British Bombay-Burma Company (with a capacity of 200 cubic meters), the Danish East Asiatic Company (with a capacity of 100 cubic meters), and the government Thai Timber Company (50 cubic-meter capacity), whereas the total capacity of the 10 Chinese enterprises amounted to about 275 cubic meters. But taking into account the fact that Bangkok had another 60 small teakwood sawmills with a daily capacity of 8 to 20 cubic meters each, the output of the Chinese teakwood sawmills was considerably greater than that of the foreign and Thai companies combined.

In addition to the teakwood sawmills, there are about 900 small woodworking enterprises in the country (130 of them in Bangkok) a considerable part of which also belongs to the Chinese bourgeoisie.\textsuperscript{179}

In the prewar period the Burmese lumber industry was controlled by foreign (mostly British) monopolies. Although the Europeans owned only six of the 116 woodworking enterprises, they accounted for almost the entire export of Burmese lumber, while the Indian, Burmese, and Chinese sawmills produced mostly for the domestic market. The six foreign enterprises employed 4,558 workers, or an average of 726 men per sawmill. On the other hand, the 52 Indian sawmills employed only 3,627 men (an average of 70 people per enterprise), the Chinese 1,270 (63 people per enterprise), and the Burmese 1,810 (50 people per enterprise).\textsuperscript{180}

Small lumber enterprises belonging to the Chinese bourgeoisie can be seen everywhere in South Vietnam. The output of these enterprises is designed almost exclusively for the local markets. In 1957 there were 276 enterprises in the country producing construction lumber; 160 of them were in Saigon-Cholon.\textsuperscript{181}

The capital invested in lumber and sawmill enterprises in the Philippines in 1937 amounted to about 31 million pesos; the American enterprises accounted for 42.2% of it, the Philippine for 25.6%, the Chinese for 12.4%, the English for 7.3%, etc. About 80% of the lumber went to the domestic market. The Chinese enterprises accounted for 40% of the lumber shipped to the local markets.\textsuperscript{182}

The Malayan lumber industry has undergone a fairly rapid and considerable improvement in the postwar period. If in 1939 there were only 65 sawmills in the country with a capacity of over 114,000 tons a year, the number of modern sawmills operating in the Malayan Federation in 1956 was 387 and their total annual capacity was 533,000 tons. The overwhelming majority of these enterprises belonged to the Chinese bourgeoisie.\textsuperscript{183}

In addition, the Chinese bourgeoisie controlled all the woodworking enterprises of Singapore (25 large sawmills, one plywood mill, and several small sawmills and shops).\textsuperscript{184}

Other industries. Of the other industries mention should be made of the sugar industry in Thailand in which Chinese capital played a considerable part. Before the Second World War most of the sugar cane in Thailand was grown on the Chinese plantations in Chonburi Province and processed at several Chinese sugar plants.
At the end of the 1930s the Thai government built the first modern sugar plant in Lampang. After the war the sugar-cane area was expanded about 4 or 5 times and the government built five more plants. About 1 million pikuls (approximately 60,000 tons) of sugar and granulated brown sugar and about as much molasses were produced in the country in 1950. The six government plants accounted for about one third of the entire production of white sugar and molasses as well as one fifth of the granulated brown sugar. Small Chinese enterprises accounted for the rest of the output.185

Small sugar refineries were available also in South Vietnam as well as on Java. The sugar industry in Java was founded by Chinese more than a thousand years ago. It remained in the hands of Chinese entrepreneurs also after the arrival of the Dutch. The latter controlled only the sales of sugar and were very much interested in expanding production. Thus at the beginning of the 19th century there were 130 sugar refineries in the Batavia district alone (the former capital of the Netherlands Indies) belonging to 84 entrepreneurs; one of these was a Japanese, four were Europeans, and the rest Chinese.186 At the end of the 19th century the Dutch began to build large sugar plants, employing forced labor in them. As a result, the Chinese industrialists were soon dislodged from their positions. In 1922 only about one third of the 40 sugar plants in central and eastern Java belonged to Chinese industrialists. And after the 1929-1933 depression their share in the sugar industry was reduced to an insignificant proportion.187

In view of the available cheap imported commodities, the large-scale textile industry of Southeast Asia did not develop as it should have. At the same time, handicraft production of local fabrics (panungs, sarongs, etc.) came into being and still exists in almost all the countries of the region. The Chinese bourgeoisie is playing an important part in this production either by controlling the marketing end of it (buyers) or establishing its own small enterprises. For instance, the production of panungs in Bangkok is almost entirely in the hands of Chinese artisans and buyers.188 As pointed out earlier, Chinese capital is playing a considerable part also in the Manila hemp industry of Indonesia. In addition to its own hemp enterprises, the Chinese bourgeoisie also engaged in the large-scale exploitation of Javanese artisans working at home. In South Vietnam the Chinese bourgeoisie own about 625 textile enterprises, most of them representing small "family type" shops.189

Modern Chinese textile enterprises were founded in some countries of Southeast Asia mostly by people emigrating from China after the Second World War. Thus in 1950 a group of Shanghai and Hongkong entrepreneurs built the largest weaving mill in Thailand (Bangkok Cotton Mills). Part of the equipment had been brought from Shanghai. There were 25,000 spindles in the mill in 1952, and its annual output was 3,500 tons of yarn.190

A Chinese textile mill, Malayan Textile Mills Limited, was also built in Malaya. The enterprise was built by the former Chiang Kai-shek Minister of Finance with the assistance of Hongkong entrepreneurs who made most of the capital available. The mill was equipped with Japanese machinery, and in 1955 it employed 450 people.191
The Role of the Chinese Bourgeoisie in the Agriculture of Southeast Asia

The first Chinese plantations of tobacco, sugar cane, and various spices (pepper, etc.) had appeared in Southeast Asia long before it fell under the domination of foreign commercial capital. They belonged to Chinese merchants most of whom did not operate the plantations themselves but merely financed the above-mentioned Chinese "kunsi." With the establishment of the domination of European commercial capital the plantation industry of Southeast Asia was subordinated to the interests of the European markets and underwent large-scale development. While opening their own plantations, the European colonizers did not interfere with the Chinese population in agricultural production during that period. In Indonesia, for instance, the Dutch administration leased the idle or abandoned lands to the Chinese bourgeoisie (on the same terms as applied to the Dutch).

There were "long-term" (75 years) and "short-term" (50 years) leases. The leased lands were usually designed for plantation purposes (large and small-scale). Between the end of the 18th century and the beginning of the 19th century, the Chinese bourgeoisie was also able to acquire so-called "private lands with charter rights." In the latter case, the owner acquired semi-feudal rights over the peasants working these lands. The relationship between the landlords and the peasants were controlled by official statutes under which the peasants had to turn over 20% (actually considerably more) of the rice crops or other agricultural crop to the landlord. If the land was used for purposes other than crops, the rent was fixed by the landlord himself. As the latter had no right to force the peasants off the land, the "charter" lands were not usually used for plantations. 192

New methods of plundering the colonies came into being with the advent of the imperialist epoch. At the same time, the nature of the plantation industry in Southeast Asia also underwent a change. Though still continued, the production of the so-called "old colonial commodities" -- tea, coffee, sugar, spices, etc. -- has receded to a second place. The metropolises are now making a steadily increasing demand for industrial raw material.

Rubber, coconut, olive trees, etc., have become the major plantation crops in the 20th century. The Chinese bourgeoisie has taken an active part in the production of rubber, copra, and other industrial raw materials. It initiated the large-scale cultivation of hevea (rubber trees) on the Indonesian islands and in Thailand. True, it had to operate under conditions of keen competition on the part of numerous plantation owned by foreign monopolies which employed the modern methods of administration and the latest technique. In this unequal struggle Chinese capital was shoved into the background. 193
Although the bulk of the Chinese immigrants arriving in Southeast Asia consisted of peasants, only a small part of them became independent farmers. This was apparently due to the great possibilities of engaging in intermediary trade. Moreover, the land laws of the colonial authority in these countries prevented a wider participation of the Chinese population in agriculture in Indonesia and later also in Malaya and Indochina. The Dutch, for example, as soon as they established their domination in Java, forbade the transfer of land to any other nationality. They were at great pains to prove that such legislation allegedly protected the interests of the local population by preventing it from becoming landless.

The purpose of the land legislation was to perpetuate the old feudal relations in the Javanese village, the compulsory control of agricultural production, and the trade monopoly of the East Indian Company, and to prevent a large-scale influx of Chinese immigrants to the Javanese village for fear that it might undermine this system. That is why Chinese agricultural communities and small peasants farmsteads in Indonesia are found only in sparsely populated and mostly virgin islands of the outer provinces where the influence of the Dutch administration was less felt.

The largest of these communities exists in western Borneo. According to official figures, there were 16,150 small farms there in 1934 with a total area of 85,600 hectares where small Chinese producers raised rubber, coconut trees, pepper, ginger, rice, and fruit trees. In addition, there were about 2,000 Chinese squatters who had no official permission to use the land.

Having established their control over the Malayan principalities, the British colonizers introduced the so-called "land reservation" policy. According to the laws published in the various principalities, the vast land areas of the Malayan principalities were included in "reservations" within which it was forbidden to transfer any land to persons of Chinese or any other (except Malayan) nationality.

The British declared demagogically that those laws were allegedly designed to protect the interests of the Malayan peasant and prevent his being displaced by Chinese and Indian immigrants. Actually, the English were least of all concerned about the fate of the Malayan peasantry, which was being ruthlessly exploited by the Malayan feudal lords and indirectly also by the British colonizers themselves. One of the principal purposes of such a policy was to inspire the Malayan peasantry with chauvinistic sentiments and juxtapose it with the other nationalities of Malaya.

Rubber. The major industrial crop of Southeast Asia designed for export to the world market were the rubber trees. Rubber production is particularly important for the economy of Malaya and Indonesia and, to a lesser degree, South Vietnam and Thailand. Chinese capital plays a substantial part in the rubber industry of only Malaya and Thailand. Rubber plants are grown also on the large and small plantations.

In 1953 rubber plants in the Malayan Federation were cultivated on a total area of 3,672,540 acres, with the large plantations accounting for 2,029,706 acres and the small ones for 1,697,834. Most of the plantations were owned by Europeans (mostly English). They accounted for 70% of the
total rubber-plant area, while the Chinese accounted for a little more
than 22% and the Indians and the other Asiatic nationalities for less
than 8%. Characteristic of the plantations owned by the foreign
monopolies was a high degree of concentration. Plantations of more than
100 acres accounted for over 90% of their area, and those of 2,000 acres
and more for 65%. The average size of a foreign plantation is 2,000
acres. At the same time, plantations of less than 100 acres each ac-
counted for more than 65% of the area owned by Chinese entrepreneurs
and about 75% of the area owned by Indians and others. The average size of
a Chinese plantation was approximately 372 acres. About 41.3% of the en-
tire foreign plantation area (over 585,000 acres) was planted with highly
productive types of rubber plants, whereas in the case of all the Chi-
nese and the other Asiatic entrepreneurs combined the high-yielding rub-
ber plants accounted for only 24.5 and 20.2% of the areas respectively.

The small plantations in Malaya are owned exclusively by Malays, Chines,
ese, and Indians. In the official statistics, areas of less than
100 acres are listed as "small" plantations. It should be borne in mind
that only a small part of them exceed 25 acres, whereas most of them con-
sist of plots of less than 10 acres and a considerable number of these do
not even exceed 3 acres. It is quite clear that such small plots cannot
compete with the huge plantations owned by the British monopolies.
Having much capital at their disposal, the latter are cultivating the
most valuable kinds of rubber plants on their plantations, employing the
most advanced technical methods and thereby achieving an increas-
ingly higher productivity of labor.

During the economic crises and in the course of the competition
with the other imperialist monopolies, the British have always tried to
solve their problems at the expense of the Malayan national bourgeoisie.
For instance, when the 1929-1933 crisis resulted in reduced rubber sales
and falling prices, the British colonial administration initiated the
agreement concluded in May 1934 with Holland, India, France, and Siam
(Thailand). That agreement provided for the imposition of restrictions
on rubber production.

Both the restrictions and the methods of their implementation were
designed to increase the profits of the large British monopolies in Ma-
laya to the detriment of the Chinese and other owners of smaller planta-
tions and land plots. Under the production restricting plan, the British
made a downward revision of the productive possibilities of the planta-
tions and land plots belonging to national capital and established a cor-
respondingly reduced export quota for their owners. Taking advantage of
this situation, the large British companies bought up the export coupons
held by the local Chinese, Indian, and Malayan bourgeoisie who were con-
sequently forced to discontinue the gathering of latex.

The introduction of this plan had a particularly adverse effect
on the owners of small land. Between 1934 and 1938, during the operation
of that plan, the production volume of the small plantations was reduced
by 47.9% (1), while the output of the large plantation was reduced by
only 12.2%.206
The owners of small plantations were still harder hit by the ban on the planting of new rubber plants while the plan restricting rubber production was in force. All they were allowed to do was to replant the old rubber trees. Inasmuch as the small plantation owners could not afford to replant all their used-up rubber plants, the large plantation owners appeared to be the only beneficiaries of this arrangement, as they had the facilities and possibilities of gradually renewing their rubber plantations without interrupting production.

The renewal of the rubber plantations on the land plots owned by small producers has now become an acute problem. Only about 10% of all the small-scale rubber plantations has been planted comparatively recently. But the age of the rubber trees on two thirds of the remaining area is more than 25 years, and on more than half of that area 33 years. The yield of these average rubber trees has been steadily decreasing. According to the official commission investigating Malayan rubber production in 1953, the output of the small plantation is expected to be reduced by 20-50% in the next 10 years.208

The small producer desiring to renew the rubber trees on their plantations is faced with a number of difficulties. First of all, he needs capital and a labor force to remove the old trees, plant new ones, and maintain them. According to the figures of the above-mentioned commission, the replacement of the old rubber trees with more productive new trees costs 160 Malayan dollars per acre. But this is not the complete figure, inasmuch as it does not include the cost of the enclosure, the maintenance of the new plants, etc.209

Furthermore, to the small producer the renewal of the plantation means a loss of income during the 7 years required for the rubber trees to ripen. According to the commission's figures, the losses incurred by the small plantation owners during that period will amount to 650 Malayan dollars, per acre of replanted trees -- assuming that the price of rubber remains at 70 cents per pound. But this figure is also incomplete, as the calculation is based on an economy in labor normally required for tapping the trees and collecting the latex. Actually, however, there is no such economy, since most of the Chinese and other small producers make use of the unpaid labor of the members of their families. Their total income loss will therefore be considerably higher.210

It is no wonder therefore that in the period from 1946 through 1952 the small planters in the entire Malayan Federation were able to renew only a little more than 20,000 acres of rubber plantation, while the large plantation owners replanted over 285,000 acres during the same period.211

At the end of 1952 the British colonial administration outlined a program for 1953-1959 to replant 500,000 acres or approximately one third of the rubber plantation area owned by small producers. The program provided for financial "assistance" to the small producers in replanting the rubber trees. To that end the British administration introduced an additional export duty of 4.5 cents per pound of rubber shipped out of the country by the small producers. The money acquired through that tax goes
to a "replantation fund" especially created for that purpose. The small planters have been paid certain amounts of money out of that fund for the purpose of renewing their plantations. Up to 1954 they received 400 Malayan dollars for every replanted acre, and then the payments were raised to 500 Malayan dollars per acre. The small planters are entitled to such "subsidies" until one third of their plantation area has been renewed, or until they have replanted up to 5 acres if their plantation is less than 15 acres.

Even according to the above-cited minimum and obviously underestimated figures of the commission investigating rubber production in Malaya, the losses incurred by the small-scale rubber producers amount to 310 Malayan dollars per acre (160 dollars of direct investments connected with the renewal of the plantation, plus 660 dollars, representing a loss in income during the period required for the trees to ripen, minus 500 dollars of so-called subsidies = a loss of 310 dollars). The actual loss, however, is undoubtedly greater, even if we ignore the fact that the 500-dollar "subsidy" had previously been taken out of the pockets of the same small producers.

It is quite characteristic that the implementation of the mentioned program was from the very beginning marked by the failure to complete the payments of the scheduled annual "subsidy" payments. Thus in 1953 the planned subsidies were to cover the replanting of 40,000 acres of rubber trees, but the actual amount approved for payment was just about enough to plant 27,000 acres. The funds planned for 1954 were to pay for the renewal of 50,000 acres, but the money actually paid out was sufficient for only 33,000 acres.

The same tendency could be observed also in the following years. In particular, by the end of 1955 the total replanted rubber plantation area amounted to 52,400 hectares as against the originally planned 60,700 hectares. In 1956 it was planned to renew only 19,000 hectares. That means that the norms planned for 1955 could not be fulfilled even in 1956. But the big British monopolies, making use of the enormous "subsidies" and all the advantages of highly organized plantations, have by now already replanted over 60% of all the rubber trees on their plantations.

The hard times experienced by the Malayan, Chinese, and Indian small planters are further aggravated also by their dependence on a very unstable foreign market. Any reduction in the demand for rubber on the American (principal market) and European markets has a disastrous effect on the small planters of Malaya. Thus the embargo policy imposed by the American imperialists preventing the sale of rubber to the Soviet Union and the other socialist countries has first of all curtailed the production of rubber on the small plantations, as may be seen from the following figures:
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<td>345.5</td>
</tr>
</tbody>
</table>

Before the Second World War rubber production in Thailand did not play any important part. Its importance in the country's economy was so insignificant that up to the mid-1930s the Thai government did not even introduce an export duty on that commodity. The production of rubber during that period was almost entirely in the hands of the Chinese immigrants who had come there from Malaya (especially at the end of the 1920s and the beginning of the 1930s). Rubber tree cultivation was primarily the occupation of small planters. Several large plantations (with the exception of two European) also belonged to Chinese entrepreneurs.

The postwar period has been characterized by a substantial increase in the relative share of rubber produced by the small and middle-class Thai planters.

**Distribution of rubber plantations in 1949.**

(area measures in rai)

<table>
<thead>
<tr>
<th>Owner's Citizenship</th>
<th>Less than 50 rai</th>
<th>60 rai and more</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of plots</td>
<td>Area</td>
</tr>
<tr>
<td>Thai</td>
<td>77,845</td>
<td>1,058,507</td>
</tr>
<tr>
<td>Chinese</td>
<td>5,752</td>
<td>143,050</td>
</tr>
<tr>
<td>Others</td>
<td>151</td>
<td>2,503</td>
</tr>
</tbody>
</table>

It should be pointed out that although the land plots belonging to Chinese citizens, according to the official statistics cited in this table, amounts to only 25.6% of the total rubber plantation area, the actual area held by persons of Chinese nationality is considerably larger. According to tentative figures cited by foreign sources, they own at least one half of the entire area of rubber trees.

According to the table, the plantations owned by the Chinese are larger than those belonging to the Thai citizens. They account for over 50% of the area consisting of 50-rait plantations and over and only 7% of the area made up of plantations of less than 50 rai. The average size of a Chinese land section amounted to 61.7 rai, while that of a Thilander was 17.9 rai.
In the years that followed the participation of the small Thai planters in the production of rubber was still further increased due to the sharply rising prices during the Korean War. Despite the fact that by January 1954 the number of plantations belonging to Chinese citizens remained about the same (7,618), their total area was now reduced to only 20% of the entire rubber-plantation area, and the average size of a Chinese plantation was down to 42.3 rai. At the same time, Chinese citizens still own a large part of large land sections and plantations. Even according to the official figures, the Chinese citizens alone accounted for 42% of all the plantations of 50 rai and over in 1954.221

In addition to Malaya and Thailand, the Chinese population is growing rubber trees also in Indonesia and British Borneo. Most of them own small land sections, and their part in the over-all rubber production, particularly in Indonesia, is insignificant.222

Other branches of agriculture. The participation of the Chinese population in the agricultural production of Southeast Asia is on the whole insignificant. In addition to rubber plantations, the Chinese small farmsteads (mostly in Malaya) also engage in the cultivation of coconut trees. Pineapples in Malaya are raised exclusively by the Chinese population (since the war, mostly on plantations). Canned pineapple accounted for 1.2% of the entire Malayan export in 1938.223 But during the Second World War, when Malaya was cut off from the European markets, the production and canning of pineapple came to a standstill. Since the war that industry has been undergoing slow restoration. In 1951 the area planted with that crop amounted to 24,486 acres224, and the export of canned products increased from 4,099 tons in 1948 to 17,391 tons in 1962.225

The Chinese also grow pepper in Thailand, on the Bangka and Billiton islands and in British Borneo.

The most intensive type of agricultural production in Southeast Asia is vegetable growing, which concentrated almost entirely around the large cities and inhabited points and is practically everywhere controlled by Chinese peasants who combine it with hog raising.

The major food crop in Southeast Asia is rice, which is produced exclusively on small farmsteads. The Chinese population of Southeast Asia has never cultivated rice in any large quantities, usually resorting to that crop only in times of food shortages as was the case in Malaya during the Second World War, for example.

Before the war almost all the rice in Malaya was raised by Malayan peasants. Thus in 1931 there were 240,747 Malayan rice-cultivating peasants as compared to the 7,248 Chinese.226 During the Japanese occupation, however, when the country was threatened with famine, a considerable part of the Chinese population moved to the so-called Malayan reservations in the rural areas and engaged in rice cultivation, as well as in the production of tobacco and bananas for sale.
In the postwar period there were close to 450,000 Chinese farmsteads in Malaya.\textsuperscript{227} When the British imperialists unleashed a bloody war in Malaya in 1948, repressions were introduced against the Chinese population: their houses were demolished, their crops destroyed, and the population was forcibly moved to the so-called new villages which were surrounded by barbed wire. By the end of 1953 there were 546 such villages in the country with a population of 579,000 people.\textsuperscript{228}

The resettlement in the "new villages" entailed a further deterioration of the economic plight of the bulk of the Chinese petty bourgeoisie and disrupted the previous economic relations. Moreover, a considerable number of the "new villages" are located in an area unsuitable for settlement and without any prospects for economic development. Every family was allotted a meagre land plot not exceeding 0.12 hectares.\textsuperscript{229} In many principalities, for instance, the terms under which the land was made available to the settlers were still more unfavorable. Thus while in Johore the "new village" residents were allotted their land for 21-year tenure and in Kedah usually for life, the land tenure of the Chinese population was fixed at 30 years. The annual land rental was pegged at 5 Malayan dollars per relong (0.7 acre), whereas the highest rent for the better land in this principality usually did not exceed one Malayan dollar per relong.\textsuperscript{220} The situation in Selangore and a number of other principalities was about the same.

Outside of Malaya, rural settlements of Chinese immigrants engaging in rice cultivation can be found also in West Borneo. The idle lands around Pamanukara, Kulor, Pasi, and Singkawana were first exploited by the Chinese rural "kunsi" in the remote past, and they are now the principal rice-producing areas of Northwest Borneo (Indonesia).\textsuperscript{231}

Before the war, the British began to encourage the immigration of Chinese peasants to British Borneo for the purpose of increasing rice production. As a result of that policy, the area planted with rice in 1938 was increased to 90,195 acres (taking second place to the rubber area, which was 128,640 acres).\textsuperscript{232}

The only case of rice being cultivated on a large plantation on a cooperative basis took place in the early 1930s in southern Thailand. The initiators in that case were a group of Chinese merchants from Malaya who had settled with their families in the district between Patalung and Pang-Song (south Thailand). They imported tractors and other modern agricultural equipment, plowed up several thousand acres of virgin land, and even built their own rice-milling enterprise. They were followed by other groups of Chinese immigrants, and by the end of 1937 there were two large rice-cultivating centers in that district.
Chinese Usury and Banking in Southeast Asia

By the beginning of the 20th century the major and only representatives of the local bourgeoisie in Southeast Asia connected with usury were Indian and Chinese (and to a large extent also Arab) usurers and money changers. The Indian chetty accounted for the absolute majority of professional usurers in many countries. Chinese usury was for the most part interwoven with the middleman's functions of the buyers. There were also Chinese stores in all the countries which dealt in Chinese immigrant money transfers to China even though the bulk of such transfers was handled by foreign banks.

The undeveloped banking and credit system in Southeast Asia restricted the possibilities of crediting the entrepreneur activities of the local bourgeoisie, which in turn was a serious hindrance to the industrial development of that region. The foreign banks were not interested in the all-round development of the economy in the colonial countries, they merely financed the comprador section of the local bourgeoisie, primarily the representatives of the business bourgeoisie. This served to consolidate the predominant role of the business capital vis-a-vis industrial capital. The Indian chetty held a dominant position among the traders and usurers. They financed the petty traders, artisans, and industrialists on enslaving terms and while complete control over production was exercised by the rich trading and usurious bourgeoisie which was backed by foreign banks and firms. For instance, by financing the Chinese rice merchants in Java, the Dutch banks in Indonesia established their control over practically the entire production of rice in the country.233

Chinese banks first appeared in Southeast Asia at the beginning of the 20th century. The first bank was founded by the representatives of the Chinese bourgeoisie of Singapore in 1903 but was liquidated 10 years later. Another bank, the Tze Hai Tong, was opened in Singapore in 1906.234 The operations of this bank were more successful and were eventually extended to the other countries of Southeast Asia (for example, Thailand).235

The success achieved by the Singapore financiers inspired the Chinese bourgeoisie of Thailand. Three local Chinese banks were opened there in the first decade of the 20th century.236 Another three large Chinese banks came into being in Singapore in the second decade: the Chinese Bank in 1912, the Ho Hong bank in 1917, and the Chinese Overseas Bank in 1919. The Ho Hong bank was the first local Chinese bank in Southeast Asia to participate in international banking operations.

The 1930s marked the opening of a large number of Chinese banks in various countries of Southeast Asia. In 1932 the three above-named banks formed a single financial European-type institution, an overseas Chinese banking corporation, registered in Singapore.
It soon extended its operations to the entire Southeast Asia. That bank now has branches in Malaya, Indonesia, Burma, Thailand, British Borneo, Hongkong, and the Chinese People's Republic (in Shanghai and Tsingtao). The corporation's authorized capital is 40 million Malayan dollars, and the shares issued and paid for amount to 10 million dollars.

Before the war there were several Chinese banks in almost all the countries of Southeast Asia. But the emergence of local Chinese banks in the 20th century did not solve the problem of industrial and agricultural credits in the countries of that region. The very limited credit sources of the small industrialists, artisans, and agricultural producers enable the Chinese banks to charge enormous interests, reducing their operations to the level of usury.

The Chinese banks as a rule subsidize the enterprises with the fastest turnover of funds, which also means faster profits. Such is the sphere in which business is carried out. It is only natural therefore that the operations of all the Chinese banks in Southeast Asia (with the exception of those specializing in money transfers) are connected primarily with the financing of the Chinese business bourgeoisie. The close ties between Chinese banking and business capital and its very weak ties with industrial capital are indicative of the backwardness and lack of development of Chinese capital as a whole. Acting under similar conditions, the Chinese entrepreneurs (especially those of the same dialect group) are making wide-scale use of a form of mutual credit (usually medium and long-term subsidies) through private agreements between individual entrepreneurs. The small Chinese entrepreneurs (who are in the great majority in Southeast Asia), on the other hand, are as a rule unable to obtain credit in the banks.

The major credit source in the agricultural production of Southeast Asia are Chinese and Indian usurers who are frequently represented by business middlemen, the buyers. In 1930 there were 5,326 Chinese usurers (according to the census figures) in Indonesia. There were about 300 Chinese financial institutions in Malaya in 1954, 55 of which had limited responsibility. South Vietnam had 82 Chinese usury and money changing stores in 1957 (not counting the seven banks and insurance companies).

These figures still do not provide a complete picture of the usurious operations of the Chinese bourgeoisie: the officially registered credit institutions accounted for only a very small part of all the usurious loans in these countries. The Thai, Javanese, or Philippine agricultural producer received the necessary loans (against the future harvest) through Chinese or Indian business middlemen, who in turn depended on foreign (less frequently Asiatic) banks and firms.

Initiated before the war and further developed after it, the cooperative movement in Southeast Asia did not and could not change the existing situation in agriculture.
A considerable increase in the number of Chinese clients of both foreign and local Chinese banks has been noted in Southeast Asia in the postwar period. There are a number of reasons for that. Control over foreign currency operations was introduced in many countries of Southeast Asia. Consequently many representatives of the rich Chinese business bourgeoisie who had previously been able to do without the banks were now compelled to resort to their assistance. The increase in the number of the Chinese banks' clients is accounted for primarily by the small Chinese business firms who had previously been subsidized mostly by foreign import-export companies.245

The latter phenomenon is quite significant and provides indirect evidence of the fact that the operations of the middle class and petty business bourgeoisie in Southeast Asia are steadily losing their intermediary, comprador nature. A further differentiation of comprador and noncomprador forces is thus taking place among the Chinese bourgeoisie.

Discrimination Against the Chinese Bourgeoisie in

Thailand, South Vietnam, and the Philippines

The emergence and expansion of the antiimperialist national movement in Southeast Asia compelled the European colonizers -- who had only recently made use of the intermediary services of the Chinese business bourgeoisie and sung praises to "Chinese industry" and "Chinese enterprise" -- to renounce their former "ally."

The discrimination against the Chinese population was particularly intensified after the formation of the Chinese People's Republic in 1949. From that time on the anti-Chinese campaign in the countries of that region, whose governments were subservient to American dictates (Thailand, South Vietnam, and the Philippines), assumed an unprecedented scope. The so-called "Thaiization campaign" in Thailand's economy, which actually amounted to dislodging the Chinese bourgeoisie from its previous economic positions, began after the "1932 revolution," the military coup d'état, whereupon Thailand became a constitutional monarchy. The leader of the reactionaries and militarists, Phibun Songgram, came to power in December 1938. In the period of December 1938-January 1939 the Chinese hucksters were forbidden to sell breakfasts near the schools and other government institutions of the country. Soon thereafter Chinese citizens were refused licenses to procure and deal in birds' nests (a Chinese delicacy). The tobacco and salt trade was placed under government control. A decision on fishing rights in Thai territorial waters adopted in August 1939 created difficulties for the fish trade which was controlled by the Chinese bourgeoisie.246

All these decisions went into force immediately upon their publication, and as a result tens of thousands of Chinese were thrown into the streets without any means of livelihood. The ousting of the Chinese bourgeoisie from various fields of the economy was accompanied by an

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unrestricted chauvinist propaganda against the Chinese population, the closing of Chinese schools and newspapers, the deportation of individuals and groups of people, etc.

The next large-scale offensive was launched in June 1942 when another 27 different occupations and professions were reserved exclusively for Thailanders. The list of occupations closed to the Chinese, for example, included the production of dolls, toys, umbrellas, ladies' hats and toiletries, and the professions included barber shops, etc.

The measures of the Thai government did not always achieve the desired results. Frequently there was no one to fill the places vacated by the ousted Chinese citizens. In April 1943 the Bangkok radio, for instance, was forced to admit that the population remained indifferent to the government appeals designed to encourage the Thailanders to occupy the vacancies: "Barber schools have been opened for Thai citizens but no students came to attend." Under the law introduced in 1943 Chinese citizens were forbidden to acquire land but they could retain the previously acquired land plots.247

After the fall of the Pibun Songgram government in 1944, the new Thai government abolished certain anti-Chinese laws (including the law of the 27 professions).248

The "liberal" policy toward the Chinese population in Thailand did not last long. After the military coup d'etat of 1947, Pibun Songgram came to power again and resumed with renewed energy the previous policy of "economic nationalism" or the "Thaiization" of the country's economy. The law adopted in February 1949 again closed 10 different professions to foreign (that is, Chinese) citizens. A ban was imposed in particular on the production of salt, metal products with inlays, bartering, bus driving, and the driving of motorized three-wheeled carriages, etc. Six more professions were banned in August 1952. The Chinese were completely ousted from the fishing industry also with the refusal of the government authorities to extend or renew their licenses. In his statement to the parliament, for example, the general of the police, Pao, pointed out that "Thailanders now account for 100% of the fishermen in Thailand."249

The discrimination policy maintained by the Thai government opened a wide area of bribery and corruption for the police and officials. The independent Thai newspaper Satienrapan wrote on 31 August 1955: "It is the easiest thing in our country to rob a Chinese of his last possessions. A simple accusation of Communism or a tendency to Communism is more than sufficient for the police officials to export from them (that is, from the Chinese bourgeoisie -- N. S.) huge sums of money .... Chinese enterprises usually receive requests or letters from influential police officials asking for gifts, and such letters are received without end. If anyone refuses to offer such a bribe, he is almost sure to find unpleasant surprises in the very near future."250
Mass arrests were frequently made and Chinese schools and other organisations searched under the pretext of fighting a "Communist plot" allegedly designed to overthrow the Thai government. Over 250 Chinese were arrested and 150 Chinese firms and 20 Chinese organizations and schools raided in Bangkok alone between November 1950 and January 1953. General Pao then submitted an "anti-Communist bill" to parliament where it was speedily adopted after three readings in a single day: "No one had any doubts," writes the American scientist Skinner in this connection, "that this bill was directed primarily against the Chinese." The arrests of Chinese immigrants under the new law continued also in the following years. In this respect the Thai police acted in close contact with the Chiang Kai-shek agents. Hundreds of Chinese citizens were deported from the country or put in concentration camps and jails without the benefit of investigation or trial.

A wide anti-Chinese campaign in the postwar period took place also in South Vietnam and the Philippines. In South Vietnam it started in July 1954 when Ngo Din Diem came to power with the active support of the American imperialists. Tens and hundreds of Chinese citizens were arrested and frequently forcibly deported to Taiwan under the pretext of "fighting Communism"; Chinese stores were attacked and plundered by Ngo Din Diem's young toughs. Seven Chinese stores were forced to close down on 22 October 1955 alone.

On 6 September 1956 Ngo Din Diem signed a decree forbidding foreign companies and citizens to act as entrepreneurs in 11 branches of business and production: in the sale of fish, fuel and gasoline, grain and grocery commodities, in intermediary business activities, internal transportation, etc.

In his conversation with representatives of the Chinese community on 4 October 1956, Ngo Din Diem repeated the slanderous statement that the Communists in Vietnam are "engaging in subversive activities against Chinese immigrants and trying to undermine public order" and called upon the Chinese immigrants to adopt South Vietnamese citizenship. Referring to the closing of 11 branches of the economy to Chinese immigrants, Ngo Din Diem claimed that action was taken by a sovereign state to protect its national rights.

As a result of the action of the South Vietnamese authorities, about 6,000 Chinese business enterprises were closed by May 1957, leaving about 200,000 Chinese citizens without any means of existence.

The discrimination in the Philippines, just like in South Vietnam, has been directed primarily against the petty and middle class Chinese bourgeoisie. On 12 January 1948 the Manila municipal authorities proclaimed a decision designed to keep the Chinese traders out of the city market. But the complete implementation of this plan was hindered by the "shortage of Filipinos" who could replace the Chinese traders. On 19 June 1954 President Magsaysay signed a so-called law nationalizing the retail trade and designed to keep the foreigners (or rather the Chinese population) out of the retail trade field.

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What are the reasons for the discrimination against the Chinese population and, particularly, the Chinese bourgeoisie in Southeast Asia? The explanations offered by bourgeois authors are reduced to the following: the discrimination is allegedly brought about by the "monopoly status" of the Chinese bourgeoisie in the economy of these countries; the imagined fear of a Chinese "fifth column" and "Chinese influence or plots"; growing nationalism, etc.

Nationalism did, in effect, originate and develop in the countries of Southeast Asia and its development has proceeded in proportion to the development of capitalism in these countries. But V. I. Lenin had always opposed any abstract approach to nationalism. The dominant theme of his works dealing with the national-colonial problem is that the nationalism of the oppressed nations, if directed against imperialist oppression, plays a progressive role. "Every bourgeois nationalism of an oppressed nation contains a general democratic element which is against oppression, and this is the element which we unconditionally support by differentiating it from the aspiration to national exclusiveness by fighting the tendency of the Polish bourgeois to oppress the Jew, etc." 260

There are two aspects to the nationalism in Southeast Asia: progressive, if a struggle against imperialism is involved, and reactionary if the "tendency to national exclusiveness" becomes predominant. Taking advantage of their political and economic domination, the foreign colonizers did everything possible to channel the national movement in Southeast Asia along the second, reactionary road.

The above-described discriminatory measures of the Thai, South Vietnamese and Philippine governments showed that in some cases the imperialist forces succeeded in the implementation of their nefarious plans.

The bourgeois authors prefer to apply the silent treatment to the very close connections between the discriminatory and chauvinist policy of these governments and the intrigues of the foreign powers. But the bourgeois authors are not always successful in concealing the true facts. The book by the mentioned scientist Skinner, Chinese Society in Thailand, is a case in point.

Reporting the facts, for instance, the author shows that the people's masses of Thailand do not support the provocative campaigns against the Chinese population and that the chauvinist movement has affected only the aristocratic and military top layer, particularly the segment of the Thai aristocratic youth which had attended the foreign schools in Thailand or Europe. Skinner emphasizes that the anti-Chinese sentiments among the aristocratic top layer began to assert themselves "only after the Thai elite had borrowed nationalism from the West". It is precisely in the advanced and civilized Europe that the Thai aristocracy was "for the first time exposed to the doctrines of anti-Semitism and the yellow (i.e. Chinese) peril...it had witnessed the unfavorable relations between the Europeans and Chinese in Siam itself." European advisers and other officials frequently made provocative statements and open insinuations against the Chinese bourgeoisie, while the foreign press in Thailand conducted a systematic campaign against the notorious "Chinese peril" and even "Chinese imperialism." 261

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If British imperialism acted as the inspirer of anti-Chinese sentiments in Thailand in the prewar period, and Japanese imperialism before the very outbreak of the war, the United States assumed that "mission" right after the war. Skinner is compelled to admit that the anti-Communists and anti-Chinese campaigns in Thailand, Pibun Songgram's adherence to American Far Eastern policy, and Thailand's participation in the dirty Korean war came as a direct consequence of the agreements on "aid" concluded with the U.S.262 Anti-Communism and anti-Sinism were used by the reactionary clique for political purposes. "They served as an excellent weapon for the suppression of political opposition and useful rationalization with a view to preserving the militarized and non-democratic domination."263 Any movement or measure against the leftwing forces in Thailand was carried out under the slogan of "fighting Chinese Communists."

Discrimination in the countries of Southeast Asia has been practiced mostly in the sphere of retail trade and is affecting primarily the petty and middle class Chinese bourgeoisie. This fact reveals the absurdity of the claims of a "political threat." It is even difficult to imagine how the economic positions held by, say, the Chinese hucksters selling breakfasts or traders in bird-nests (the Thailandsers incidentally have never used that unique Chinese delicacy in their food) can pose a political threat for the Thai or any other government!

Curiously enough, the Thai, Philippine, and South Vietnamese governments, while oppressing and hounding the Chinese bourgeoisie, have flung their doors open to American capital. In 1954, when the law nationalizing retail trade was adopted in the Philippines, President Magsaysay issued an order to send a special mission to the United States for the purpose of inviting American capital to the country. American investors were offered advantages and privileges not enjoyed by any person or company of the other nationalities.265

A similar attitude toward foreign capital was adopted by the governments of Thailand266 and South Vietnam.

The policy of "economic nationalism" in Thailand, South Vietnam, and the Philippines, directed only against the Chinese bourgeoisie, but not against the domination of foreign capital, has been detrimental to the normal development of the economy and is lowering the living standard of the broad masses of the working people in those countries. For example, it is estimated by experts that after the publication of the law closing 11 branches of business and production to the Chinese bourgeoisie in South Vietnam, over 27,000 tons of goods were accumulated in the customs warehouses of Saigon and the newly-arrived shipments of goods remained lying under the open skies despite the rainy season.267 The shortage of consumer goods and rising prices have been a severe blow to the working people's budget.

It is no wonder that democratic public opinion and the progressive press of the mentioned countries have been opposing the discriminatory measures of their governments with increasing frequency. Even some of the members of the Philippine parliament have been compelled to admit the "unsuitability" of such measures.268
The discrimination against the Chinese bourgeoisie in the countries of Southeast Asia plays into the hands of the most reactionary circles of these countries and their imperialist masters. It is a concrete manifestation of the old colonial policy of "divide and rule" and is designed to detract public attention in these countries from the struggle against colonial oppression and exploitation.
CHAPTER III

THE ROLE OF THE CHINESE WORKING CLASS IN THE ECONOMIC LIFE OF SOUTHEAST ASIA

The Formation of the Chinese Working Class in Southeast Asia

The use of Chinese coolie labor in Southeast Asia goes back to the early period of the activity of the Chinese merchants in that region whose occupation was mining and plantations. For many centuries the native population of these countries engaged in natural agricultural, rice growing, and fishing. Characteristic of the region's economy, as a whole, were underdeveloped commodity-money relations.

At the same time, it was a very sparsely populated region. By the beginning of the 19th century its entire population did not exceed 10 million people. The English scientist E. Dobbie writes that during that period "there was even a labor shortage in Southeast Asia, and one of the major concerns of the local princelings at the time was to find enough laborers, inasmuch as manual labor was the major and only source of income in agriculture, which was based primarily on consumer production."1

All this made it very difficult and practically impossible to attract much of the local rural population of Southeast Asia into the field of industry and forced the Chinese traders to import and hire Chinese labor. This is particularly true of Malaya, the islands of the Malayan archipelago, and Thailand. Java was the only one of the numerous Indonesian islands where the domination of the East Indian Company goes back to the very beginning of the 17th century and where the bulk of the labor force on the sugar cane and indigo plantations and enterprises processing those products consisted of native Malayan people in view of the forced labor introduced by the Dutch. But there too, Chinese coolie labor had originally been used to a substantial degree. Thus in 1710 there were about 130 Chinese sugar plantations in Batavia each of them employing approximately 200 people, of which 60 were usually Chinese coolies. Thus the total number of the latter was about 8,000 people. Eventually, however, the Dutch introduced a system of forced cultivation of sugar cane in the other areas of the island, and the number of Chinese enterprises around Batavia was reduced to 68 in 1750 and 31 in 1815.2

Until the middle of the 19th century Chinese coolie labor on the plantations and in the mines of Southeast Asia was used on a very limited scale. In the second half of the mentioned century the foreign colonizers, and the Chinese traders and entrepreneurs encouraged by them, undertook a more intensive exploitation of the region's natural riches, the construction of railroads, ports, warehouses, and administrative buildings, and the opening of new mines and plantations.
The productive activity of the native population of the region, on the other hand, continued in its previous natural state, with the peasantry being tied to the land. A similar situation obtained also during a considerable part of the first half of the 20th century.5

Under these conditions, the foreign and local Chinese entrepreneurs began to encourage the mass-importation of immigrant labor from China and India. About 90,000 Chinese workers arrived in Malaya in 1891 when over 1,000 Chinese miners had already been employed in the mining areas of the country.4 The importation of Indian coolies into Southeast Asia was initiated after the first foreign rubber plantations were opened in Malaya.

The free emigration from China was accompanied by large-scale recruitment of labor in the maritime provinces of the country.5 Two methods were used in this recruiting process, the "credit ticket system" and the "contract system." The difference between them was that in the first case all the "care and expenses" involved in the recruiting operations in China and the delivery of the coolie to Southeast Asia were assumed by special brokers, whereas in the second case the cost of transporting the coolie was assumed directly by the companies (usually foreign) in need of labor. The first system became most widespread in Southeast Asia. Actually, however, there was little difference between the two "systems," both of them amounting to camouflaged slave trade.

The credit-ticket system (which got its name from the special ticket issued by the brokers to the emigrants for travelling by junk or foreign ship to their port of destination) called for a large network of brokers and coolie-recruiting agents. The Chinese brokers of Singapore and Penang (the major centers of trade in "human beings" in Southeast Asia) were connected with the owners of special "inns" or doss houses in Swatow (Shantung), Amoy (Siamin), as well as Hongkong and Macao.6

Guided by the information received from the "markets" of Malaya or other countries, the doss-house keepers instructed their agents or "Ketow" (chief recruiter) to recruit a certain number of people in the villages of China's maritime provinces. The agents received a commission for each delivered "recruit." Moreover, taking advantage of the lack of control, they also pocketed the advance money issued for the emigrants. All that encouraged the agents to recruit as many people as possible, resorting even to bribery and cheating in the process. So great was the thirst for profit that even the free emigrants going to Malaya frequently fell victim to these agents, finding themselves at first in barracks for "recruits" and then on the plantations of Sumatra or British Borneo.7

Participating in the profitable trade in human beings also were certain banks of the maritime cities of China. Thus the Siamin brokers, making use of local bank credit to the extent of 4-5% per month (sometimes even less), would issue advances to the recruited emigrants charging them 10-50% above the bank interests.8 That was profitable for both the brokers and the maritime banks.
The coolies were first brought to the doss houses and then shipped by junk and foreign ship to the port of destination. The ship owners were interested in carrying as many coolies as possible. Their calculations, according to Campbell, were very "simple": "the owner of a ship capable of carrying only 300 people would find it more advantageous to take 600 people aboard and lose 250 of them en route than to carry the legal number (of coolies aboard) and deliver them intact, since in the first case he would deliver 350 people to the market and in the second only 300."9

Arriving in the colony, the ship was met by customers, local entrepreneurs, and the auction sale got under way. The "merchandise" was appraised according to its "use-value." The price of artisans, tailors, carpenters, jewelers, etc., ranged from 10 to 15 Malayan dollars, an ordinary coolie brought in 6 to 10 dollars, and sick and weak coolies only 5-6 dollars.10

The coolies not in demand for the moment were kept on the ships or in shore barracks awaiting customers. The barracks were under an armed guard maintained by the brokers. The latter as a rule were always backed by some branch of a secret society.11

Formerly the coolies entered into an agreement with their new masters for at least one year during which they had to work off their "debt" to the master which included their fare, the advance which they had never received in full, as well as all the profits of the brokers and their agents. But at the end of the year the coolie was still indebted to the plantation or mine owner (for the use of the barracks, for the clothes and food).

Before the end of the 1880s practically all the recruited coolies were brought first to the Singapore and Penang "markets" and from there to the Malayan principalities, to Sumatra, British Borneo, and Thailand. But since 1888 the planters of Deli (a principality in Sumatra) began to import the coolie directly from China and, as a result, the influx of coolies to Sumatra from the British colonies was rapidly diminished.12

In 1880 the Dutch introduced the so-called coolie statute known as the "penal sanction" law. At first it applied only to Sumatra but was later extended to the other Indonesian islands with the exception of Java. That Draconian law was the best possible safeguard of the interests of the rich entrepreneurs, legalizing their "right" to administer justice and inflict punishment on the helpless coolie at their own discretion.13 The importations of coolie under contract to Indonesia assumed unprecedented proportions. According to official figures alone, a total of about 225,000 recruited Chinese coolies were imported between 1912 and 1932.14 Having completed their labor period under the contract (up to 3 years), a coolie could get a certificate and settle in the country as a free immigrant. But the employers tried to keep the coolies on the plantation and in the mines as long as possible. They even went so far as to use force to achieve that aim.15
In the English colonies the credit-ticket system and the importation of coolies under contract were officially banned in 1914-1916, that is, when they had already outlived their economic usefulness. It was no longer profitable for the British entrepreneurs to bring Chinese workers to Malaya, as cheap labor had already become available within the country itself. As a result, the importation of coolies under contract to the Malayan principalities began to diminish even before the official ban. Thus if in 1900 there were 7,482 recruited Chinese coolies in the Federated Malayan principalities, their number in 1909 was only 884.\(^{15}\)

The situation in Dutch Indonesia was different. The labor of imported Chinese coolies was used on a very large scale on the plantations and in the mines of the outer provinces up to the 1920s.

About 28,000 of the 28,819 Chinese coolies working on the plantations on the east coast of Sumatra in 1930 had been recruited in China. About 15,782 coolies and a little over 3,000 free miners were working in the Bangka tin mines in 1929. A change in the situation came only with the 1929-1933 economic crisis. The reduction in the number of Chinese workers during the crisis affected primarily the recruited coolie. In 1934 coolie labor was practically no longer used on Sumatra, and only about 1,500 of them still remained on Bangka. The total number of recruited Chinese coolies working on the plantations, in the mines, and in the enterprises of the outer provinces was reduced from 82,000 in 1930 to 1,317 in 1935.\(^{17}\) Thus here too, the labor of Chinese coolies working under contract began to outlive its usefulness.\(^{18}\) Nevertheless, the "penal-sanction" law was officially abolished only on 1 January 1942.\(^{19}\)

Up to the first decades of the 20th century the Chinese working population accounted for most of the hired labor in Thailand. Already in the 1950s the Thai rulers began to hire Chinese labor even for such important public works as the construction of canals, which had previously been built by the forced labor of the Thai peasants. In the years that followed, Chinese workers were hired also for other types of public works.\(^{20}\) In the second half of the 19th century thousands of Chinese coolies were also working on Chinese sugar cane and pepper plantations in southeast Thailand and in Chinese tin mines on the island of Puket.\(^{21}\)

Chinese labor also played a prominent part in transportation, city, and other types of construction work which got under way in a number of countries in Southeast Asia in the second half of the 19th century and in the beginning of the 20th:

"Large and small cities were built by Chinese carpenters and workers," K. Lendon wrote about Thailand.\(^{22}\) The same may be said also of the other countries in Southeast Asia. The railroad construction initiated in Thailand in 1892 would have been almost impossible without the use of Chinese labor. About 2,000 Chinese workers were employed in the first year of railroad construction.\(^{23}\) Actually, the number of coolies at work was considerably larger. Semi-starvation and poor climatic and sanitary conditions proved fatal to many of them, but they were replaced by dozens and hundreds of new victims.
Up to the 20th century the Chinese workers played a more prominent part in the economic development of Malaya than any other country of Southeast Asia. The intensive exploitation of Chinese coolie labor brought enormous profits to the British administration. According to F. Swettenham, the former British governor of the colony, the exploitation of Chinese coolies (including the indirect exploitation through the tax machinery) accounted for nine tenths of all the income of the British administration.24

A similar situation obtained also in Thailand at the end of the 19th century. For example, 40% of all the money earned by the Chinese miners on Paket Island found its way to the government treasury (through the system of payoffs and taxes). It may be assumed that the mine and plantation owners received a considerable share of it.

The Numerical Strength and Structure of the Chinese Working Class in Southeast Asia

Unfortunately, there are no exact statistics on the size of the Chinese working in the countries of Southeast Asia; the available incomplete data can give us only a general picture.28

The most numerous Chinese working class in the prewar period was in Malaya, Indonesia, and Thailand. In Burma, Indochina, and the Philippines (especially the latter two) Chinese workers have never played any important part, before or now.27

In 1939 there were approximately 432,000 people working on the plantations, in the mines and in the processing industry in the Malayan Federation. Of that number, over 156,000 were Chinese, 234,000 Indian, and over 41,000 Malayan workers.

The distinctive feature of the working class in Malaya, in addition to its multinational character, was a sort of "national" division of labor within it. (That feature is in various degrees characteristic also of the other countries of Southeast Asia.) The overwhelming majority of the Indian and Malayan workers are engaged on plantations, while the Chinese workers are employed in the mining and processing industries. The total labor force employed on the plantations in 1939 consisted of 218,548, or over 93% of all Indian workers, 40,255, or 96% of all Malayan workers, and 76,376, or 48.6% of the Chinese workers. About 38,853 Chinese miners, that is, over 72% of the total number of workers employed in the mining industry, were working in various branches of the Malayan mining industry. The numbers of Indians and Malays employed in that industry were 7,467 and 7,448 respectively.

Still more Chinese workers were employed in the processing industry. Chinese workers accounted for 41,632 out of all the 55,648 workers employed in that industry.28
Predominant among the Indian workers on the rubber and other plantations of Malaya were Tamils. Their class-consciousness may be judged by the fact that they received the lowest daily wages. The Chinese workers, on the other hand, refused to do anything but piecework, were better organized, and frequently responded to the employers oppression with strikes.

The British colonial authorities encouraged the mass importation of Tamils to Malaya. They were used as an example for the other nationalities, which frequently kindled the flame of interracial dissension and detracted the workers from the struggle for their vital class interests.

Certain changes have taken place in the national structure of the Malayan working class during the postwar period. These were manifested, first of all, in the increasing number and relative strength of the Malayan workers and the reduction in the number of Indian workers. The process of depriving the Malayan peasantry of its land, begun during the 1929-1933 economic crisis, was continued and still further, intensified during the war; it was accompanied by a corresponding influx to the ranks of hired Malayan workers. While before the war the relative share of the latter amounted to less than 10%, it jumped to 17% in 1955. It should also be borne in mind that Javanese immigrants have always accounted for a certain percentage of workers of Malayan nationality.

The reduction in the number of Indian workers was due to their mass remigration to India at the beginning of the war and Japanese occupation of Malaya. Although the number of Indian workers showed some increase in the postwar period, they accounted for only 45% of the total number of plantation and industrial workers (including miners) in 1955 (54% in 1939).

**Number of Malayans, Chinese, and Indians employed in the basic industries of the Malayan Federation (as of 31 August 1955)**

<table>
<thead>
<tr>
<th>Industry</th>
<th>Total</th>
<th>Malayans</th>
<th>Chinese</th>
<th>Indians</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plantations</td>
<td>307,698</td>
<td>53,501</td>
<td>88,980</td>
<td>164,896</td>
</tr>
<tr>
<td>Mining industry</td>
<td>43,256</td>
<td>8,052</td>
<td>26,438</td>
<td>6,768</td>
</tr>
<tr>
<td>Processing industry</td>
<td>45,814</td>
<td>4,481</td>
<td>33,713</td>
<td>6,650</td>
</tr>
<tr>
<td></td>
<td>396,763</td>
<td>66,034</td>
<td>151,139</td>
<td>178,514</td>
</tr>
</tbody>
</table>

Source: Federation of Malaya, Annual Report, p. 36.
Note: Only the people engaged directly on the plantation, in the mines and other industrial enterprises are taken into account. In addition to workers, these figures include also overseers, subforemen, etc., totaling 42,000 people.
In 1955 the number of Chinese workers was reduced in comparison with the prewar period, although their relative strength was somewhat increased and amounted to 35% (56% in 1939). The number of Chinese workers was reduced primarily in the mining and processing industries. This brought about a corresponding change in the number of Chinese workers in the other industries as well. For example, before the war about 49% of the Chinese workers were employed on the plantations and 51% in the mining and processing industries combined. In 1955 these two industries accounted for only 41%, while the plantations accounted for 59%. The bulk of the Indian as well as Malayan workers still consist of plantation workers.

Very characteristic also is the distribution of the Chinese, Indian, and Malayan plantation workers by the size of plantation. The bulk of the Indian workers are employed on large plantations, while a considerable number of Chinese workers are engaged on small and medium-sized plantations. In 1955, for example, 56.5% of the 144,900 Indian rubber plantation workers were employed on plantations of 2,000 acres and more, 27% on plantations ranging from 1,000 to 1,999 acres, and only a little over 16.5% worked on plantations from 100 to 999 acres. Applied to the 82,000 Chinese employed on rubber plantations, that ratio was expressed by 45, 18, and 37% respectively.

This distribution of the Chinese workers indicates that the majority of them work on plantations belonging to the Chinese bourgeoisie, whereas the Indian workers are employed mostly by foreign companies.

The Chinese workers are the backbone of the working class in the Singapore colony. In 1947, 56,000 Chinese workers (of a total of 68,000) were employed in the island's processing industry and 31,000 (of a total of 52,000) in transportation.

Several thousand Chinese workers are found also in another British colony of Southeast Asia, British Borneo. The most important industry there is oil extraction and refining (in Brunei and Sarawak). In 1954 it employed approximately 4,000 Chinese and as many Malayan workers and over 1,500 Dyaks and Indians. About 5,000 more Chinese workers were employed on plantations and in other industries.

Of the other countries of Southeast Asia only Thailand has a fairly large number of Chinese workers now. Up to the end of the 1930s the Chinese workers accounted for 60 to 75% of all the workers in Thailand (with the exception of agricultural workers). The majority of them were workers of rice-milling and woodworking enterprises, rubber-processing and sugar-refining plants, as well as miners, construction, and transportation workers. No precise figures are available on the numerical strength of the Chinese working class in the processing industry. According to the 1937 census, that industry employed 129,954 people (including textile mill workers). K. Landon believes that the majority of them were Chinese workers. About 7,500 Chinese and 9,000 Thai workers were employed in Thailand's tin-mining industry in 1937. Although the Thai-born Chinese were officially listed as "Thai," the majority of the 9,000 "Thai" workers were actually Chinese workers.
The impoverization and ruination of the peasantry in Thailand during and after the war was considerably faster than in Malaya. The national composition of the Thai working class is now much different from its prewar structure. The Thai peasantry now accounts for the bulk of the labor influx to the rice- and saw-mills. This is particularly true of the enterprises located in the rural areas. About 10,000 "Thai" workers (according to official statistics) and only about 3,500 Chinese workers were employed in the tin-mining industry in 1950. The largest group of plantation workers consisted of Chinese. Before the Korean war there were about 60,000 tree tappers in the country, most of them Chinese. But the wartime boom and the accompanying rise in the price of rubber brought about a considerable increase in the number of Malayan and Thai workers on the plantations.  

The largest reduction in the number of Chinese workers in the past two decades has taken place in Indonesia. The 1950 census showed that over 81,000 Chinese workers in Indonesia were employed in large capitalist enterprises: 35,626 of them on plantations and 45,596 in the mining industry. Another 94,000 people were listed as employed in the processing industry. But small producers and artisans accounted for a very large percentage of those.

After the world economic crisis of 1929-1933 the number of Chinese workers was considerably reduced. The reduction was particularly appreciable in the mining industry and on the plantations. Of the 19,000 Chinese workers employed in 1930 in the tin mines on Billiton island, only 4,000 were left 4 years later. The other 15,000 were deported by the Dutch to China. During the same period the number of Chinese workers in the Bangka mines was reduced by 14,000, on the oil fields and in the coal mines of East Borneo by 2,500, and on the plantations, in the fishing industry, and sawmills of East Sumatra by 15,000. In all, the number of Chinese Coolies employed on plantations and in mines was reduced by about 23,000 by 1935. By the end of 1940 there were 22,000 Chinese plantation workers as against more than 308,000 Javanese.

There are no figures on the postwar number of Chinese workers in Indonesia. But some foreign writers believe that the relative share of Chinese worker in the country's working class is steadily getting smaller. The ugly, one-sided development of Southeast Asian economy, with its major emphasis on agriculture and the mining industry, was reflected also in the structure of the working class. The most conspicuous feature in this connection is the very insignificant percentage (in the total number of workers) of the modern-type industrial proletariat connected with large-scale mechanized production. Characteristic of the region as a whole is the insignificant concentration of industrial workers employed in small and widely scattered enterprises (especially in the rural areas). Typical of the countries with a considerable number of Chinese workers (mostly Malaya and Thailand) is the predominance of the latter among the industrial workers. The bulk of the Chinese workers in these countries consists of plantation workers and miners.
Characteristic of the working class in Southeast Asia is its multinational character which is sometimes combined with the "national" division of labor. That has been determined by the unique historic-political and socioeconomic development of these countries. In the last decades, however, that characteristic has been disappearing. In such countries as Indonesia or the Philippines it has come about through the complete replacement of the Chinese workers by the cheaper labor of the Javanese or Filipino peasants on the eve of the Second World War. The same happened also in Thailand after the war. Only in Malaya have the Chinese workers preserved their numerical strength and importance, but there too the Malayan peasantry accounts for most of the influx to the ranks of the working class.

Before the 1920s and 1930s, the emerging Chinese working class in the Southeast Asian countries drew its strength from the immigration. The reinforcement of the ranks of the workers provided by the ruined Chinese artisans and petty bourgeoisie was insignificant. The predominance of immigrant labor, in turn, accounted for the fluctuation of labor. After the 1930s, however, restrictions on immigration were introduced in all the countries, and the situation rapidly began to change. This resulted in greater manpower stability and the formation of permanent cadres of Chinese workers. But the economic crisis of 1929-1933 was followed by a sharp deterioration of the workers' conditions, which prevented a number of workers from becoming independent artisans and owners of small enterprises and contributed to the process of perpetuating the Chinese labor force. A steadily increasing proportion of the Chinese immigrants remained laborers for the rest of their working life.

This has been accompanied (particularly since the Second World War) by an intensified process of differentiation among the Chinese petty bourgeoisie many members of which are being ruined and becoming proletarians.

The Working Conditions of the Chinese Workers

The colonial situation obtaining in the countries of Southeast Asia found its concrete expression in the slave labor and life of the working class of these countries. For many decades the contract entered into by employer and employee had been the only written document regulating the relationship between both parties. Under such conditions, not only the conditions of work but frequently also the fate of the coolie depended on the whim of the planter or mine owner. The workers were forced to work 10-12 and sometimes 14 hours a day under unbearable unsanitary conditions. The coolies were subjected to fines and corporeal punishment for the slightest "misdemeanor." There were frequent case of coolies being beaten to death.41
The first so-called labor law in the federated Malayan principalities was adopted in 1904. It merely defined the contract period (one year, if the contract was concluded in Malaya, and 2 years outside of Malaya) and the right of the parties to appeal to court in case of contract violation. That "right" could usually be resorted to only by the bosses while the coolies could practically never benefit by it.

A more or less systematized law was adopted in the federated Malayan principalities in 1912, and in the Straits Settlement in 1920. But that law was of no practical importance for the Chinese workers, as the Department of Labor, created to administer it, was interested only in the problems affecting the conditions of the Indian coolies. (The laws had, in fact, been adopted under pressure from the Indian government.) The Chinese workers, on the other hand, were left under the care of the Protectorate, that is, at the mercy of the employers. It was only in January 1929 that the Federal Council of the Malayan principalities adopted a law under which the employers were obligated to pay the workers (or their families) a small "compensation" in case of work-connected injuries or death.

The situation in the field of labor legislation was still worse in Thailand. The employers were dead set against any labor legislation, and the government and parliament did not take any measures under the pretext that the bulk of the workers in the country consisted of Chinese immigrants.

The law requiring investigations of labor conditions was proclaimed in 1926 but it remained on paper. It was only in 1956 that the government was compelled to outline a labor law providing for the establishment of an 8-hour work day, the same wages for men and women, paid days' off and holidays, etc. But that law was abolished after the next coup d'état in Thailand in October 1958. Taking advantage of the almost complete lack of control, the employers have been keeping the wages at an unusually low level, retaining differential pay in regard to different nationalities, as well as to the work of men, women, and children.

The conditions of the working class in Southeast Asia have deteriorated particularly since the Second World War. The employers are trying to solve all the difficulties connected with the reduced demand for the region's products at the expense of the workers. Thus in 1952-1953 alone the wage rates paid on the Malayan rubber plantations were reduced to one fifth. But the reduction of prices on the major consumer products was very insignificant, and in some cases such prices were even raised.
Retain price index of some foodstuffs
(1939 = 100)\textsuperscript{47}

<table>
<thead>
<tr>
<th>Food products</th>
<th>1950</th>
<th>1951</th>
<th>1952</th>
<th>1953</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rice (obtainable with ration cards)</td>
<td>508</td>
<td>514</td>
<td>524</td>
<td>560</td>
</tr>
<tr>
<td>Rice (on the free market)</td>
<td>579</td>
<td>631</td>
<td>729</td>
<td>760</td>
</tr>
<tr>
<td>Fresh fish (six kinds)</td>
<td>367</td>
<td>613</td>
<td>513</td>
<td>467</td>
</tr>
<tr>
<td>Dried fish (four kinds)</td>
<td>412</td>
<td>614</td>
<td>611</td>
<td>598</td>
</tr>
<tr>
<td>Sugar (obtainable with ration cards)</td>
<td>485</td>
<td>564</td>
<td>571</td>
<td>571</td>
</tr>
<tr>
<td>Sugar (on the free market)</td>
<td>519</td>
<td>638</td>
<td>595</td>
<td>591</td>
</tr>
</tbody>
</table>

An idea of the wages paid to the workers in the Malayan Federation may be gleaned from the figures of the investigation carried out in August 1955 at some of the country's tin mines and rubber plantation.\textsuperscript{48} (We should point out beforehand that according to the calculations made by the Singapore newspaper Strait's Times of 24 October 1955, it took 146 Malayan dollars a month to meet the minimum requirements of a family with one child\textsuperscript{49}.) Thus at the investigated mines using the dredging method of mining,\textsuperscript{50} and employing 1,696 workers and employees the average monthly wage (for all categories) amounted to 126 Malayan dollars and 77 cents. Actually, however, 1,184 workers (almost 70% of the total number) received less than 118 dollars a month. Those included 546 laborers working on the dredging machines and receiving 98 dollars a month. While the average daily wage of a male laborer was $3.09, the wage of a women worker was $2.87.

The situation was still worse at the tin mines belonging to the small and middle class Chinese employers. Seventy-seven of the investigated mines employed 3,094 workers and employees whose average monthly wage amounted to 107.76 dollars (19 dollars less than in the foreign mines). Almost 81% (!) of the workers and employees received less than 118 dollars a month and over 83% between 67 and 97 dollars. In most cases these figures included also the pay for overtime work. The difference between the wages paid to men and women was also more substantial. The average daily wage earned by an Indian man laborer was 2.55 dollars and an Indian woman 1.09 dollars.

Some of the Chinese miners are also employed and paid under the "pok chow" system. Over 11.5% of the total number of workers and employees of the mentioned 77 mines came under that category. The gist of the "pok chow" system is that the worker gets a certain part of the enterprise's "profit" as wages (usually after 6 months) after all the expenses and the fixed interest have been paid to the landowner or the person financing the enterprise. The enterprise provides for the workers "quarters and food." Frequently the enterprise does not bring in any profit, in which case the worker does not get anything. But the owner of the enterprise is doing "business" just the same, by supplying the workers with food and quartering them in old barrack.\textsuperscript{51} The conditions of the workers are further aggravated by the fact that they are not affected by the laws providing insurance and the payments of "compensations" to workers or "benefits" to mothers which are operative in the Malayan Federation.\textsuperscript{52}
The wage level of the plantation workers in the Federation is still lower than in the mining industry, as is clearly shown by the official figures cited below which had been obtained after an investigation of 441 rubber plantations. But these figures do not provide a complete picture of the conditions of all the plantation workers in the Federation. They cover only 15% of the total number of rubber plantations and a little over 50% of the total number of workers and employees working on them. Moreover, the investigation had been carried out primarily on the large plantations, while most of the small and medium plantations where the conditions of the workers are particularly poor were not affected. Thus the investigation covered all the plantations of 5,000 acres and more, 50% of the plantations ranging from 2,000 to 409 acres, 33.5% of the plantations from 100 to 1,999 acres and so on by a diminishing progression.

Average monthly wages of tree-tappers
(piecework in Malayan dollars)

<table>
<thead>
<tr>
<th>Tree tappers</th>
<th>Indians</th>
<th>Chinese</th>
<th>Malayan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hired directly</td>
<td>72.00</td>
<td>88.92</td>
<td>62.23</td>
</tr>
<tr>
<td>Hired through contractors</td>
<td>74.85</td>
<td>88.12</td>
<td>66.24</td>
</tr>
</tbody>
</table>

The main type of work on the rubber plantations is tapping and latex-collection. The tappers therefore represent the basic nucleus of the workers performing that job. Tappers accounted for 70% of all the workers employed in the investigated 441 plantations. The monthly wages of the tappers working by the day are still lower. The average for men is 68.78 dollars and for women 64.92 dollars. Field work (weeding, cleaning, etc.) is the lowest paid of all. The men are paid 57.23 dollars a month for that work, the women 42.22 dollars and the adolescents 32.77 dollars. The gap is particularly wide between the wages paid to men and women among the workers employed in the enterprises for the processing of raw rubber (located on the plantations). The men earn an average of 83.86 dollars a month and the women less than 54.75 dollars.

As may be seen from the above table, the plantation workers hired through contractors earn a little more money than the other workers. Actually, however, they never receive their wages in full, as the contractors deduct their "commission" for finding employment for them. In the sparsely populated and remote districts of Malaya the contractors deduct up to 10% of the wages and, in addition, a lion's share of the remaining wages (if not the total amount) for the food and other consumer goods which the workers are forced to buy from them. Since the contractors cannot have a monopoly on the supply of food and other consumer goods to the workers in the economically advanced districts of the western Malayan coast, their "commission" is often as high as 25% of the wages.53
The total number of rubber plantation workers hired through contractors in 1955 was 70,300 or more than 25% of all the workers. The bulk of them (over 77%) consisted of Chinese workers (65% of the Chinese population employed on the rubber plantations), while the Malayans accounted for 14.5% (less than 10% of all the Malayans employed on the rubber plantations) and the Indians for only 8.5% (7% respectively).\footnote{54}

The situation in Singapore is not much better. In 1955, about 40% of the 120,000 workers of the island received less than 120 Malayan dollars a month. In 1956, almost every fourth person of the Singapore workers' families suffered from hunger.\footnote{56}

The postwar period has been characterized by an unusual growth of unemployment in Southeast Asia. Thailand had 50,000 fully unemployed workers in the 1950s.\footnote{55} According to official figures, the maximum number of unemployed in 1953 in Singapore alone exceeded 2,000 (in July), while the actual average monthly number of unemployed during the year was between 4,000 and 5,000. The number of unemployed workers in the rubber industry of the Malayan Federation was over 16,500 and in the tin-mining industry more than 7,500.\footnote{57} The number of fully unemployed workers in Singapore (according to official data) in 1955 was between 6,000 and 7,000.\footnote{58}

The sharp drop of world prices on tin at the end of 1957 resulted in a mass bankruptcy of small and medium Chinese tin-mine operators and brought about a rapid increase in unemployment. In December 1957 the International Tin Council adopted a decision to reduce the production of tin in the member countries from 15 December through 14 March of the following year. The quota established for the Malayan Federation was 10,125 tons, which amounted to a reduction of production by 32.4% as compared with the corresponding periods of the preceding 4-5 years. At the beginning of 1958 the decision was revised again and the quota reduced to 8,625 tons (58.19% of the production during the corresponding quarter of 1957).\footnote{59}

Such a sharp curtailment of production was not long in producing its results. In the northern part of Malaya alone the number of operating mines using the dredging system was reduced from 44 in January to 31 in May, and the number of the other operating mines from 497 to 353 respectively. As a result, 4,635 miners (21.3% of all the workers employed in the tin mines of northern Malaya in January 1958) were thrown out on the street. Unemployment in the Federation as a whole affected 20% (!) of all the workers in the tin mines.\footnote{60}
The Participation of the Chinese Workers in the
Labor Movement and National-Liberation Struggle
in Southeast Asia

The characteristic features of the formation, structure, and
conditions of the working class in Southeast Asia, described in the
previous chapters, had for a long time impeded the development of a
class ideology of the proletariat and an organized labor movement.

A negative influence on the ideology and organizational forms
of the Chinese workers in the countries of Southeast Asia was pro-
duced by the existence of various kinds of secret societies, dialect
associations, and trade guilds. Those institutions united both the
worker and the exploiter classes: in addition to other disputes, they
handled a number of problems connected with the length of the working
day, wages, etc.

Essentially class organizations, the secret societies, associa-
tions, and guilds reflected, first of all, the interests of the wealthy
classes of the Chinese population and encouraged the illusion on the
part of Chinese workers of equal rights and community of interests of
all the members of these associations. Defending their own interests
before the authorities of a particular country, the leadership of the
secret societies did in some measure express the interests of the entire
Chinese community. All this, in addition to the ancient customs,
traditions and religious-mystic spirit permeating these organizations
served to block the development of class consciousness among the Chi-
inese workers and paralyzed their initiative. And despite the Chinese
workers' frequent strong opposition to the miserable wages and unbear-
able conditions of work since the end of the 19th century, the employ-
ers had no trouble in dealing with such mass movements.

The influence of the secret society was considerably reduced by
the beginning of the 20th century, but until World War II the numeri-
cally predominant form of organization of the Chinese workers was still
the trade guilds which united also the employers and owners. In Mal-
aya, for example, where the Chinese working class is most numerous,
there was no organization at all before the 1920s, not even of the hired
workers. Before the Second World War there were 144 trade guilds in
the country uniting employers and workers. But at the same time, there
were only 92 trade unions uniting only the workers or employees.

The poor development of proletarian consciousness among the work-
ing masses of the Chinese population in the second half of the 19th
century and first half of the 20th century was due also to the economic
backwardness of Southeast Asia and the underdeveloped capitalist rela-
tions. The bulk of the industrial Chinese workers, as in Malaya and
Thailand, for example were employed in small and medium plant-type en-
terprises which depended on manual labor to a considerable extent. That
served to perpetuate the traditional relations of personal dependence
between the worker and the boss. V. I. Lenin wrote in this connection that "in the small enterprises and shops we always see the remnants of patriarchial relations in various forms of personal dependence which, under the general conditions of the capitalist economy, serve to aggravate the situation of the workers, humiliate and pervert them."63

A considerable part of the workers still cherish the illusion of accumulating "wealth" and "moving up" the social ladder. To most of them the greatest desire was to own at least a small store or business, and such desires were encouraged by the still existing possibilities in business, trade, and small-scale entrepreneurship in Southeast Asia.

The consciousness of the working people underwent considerable changes during the economic crisis of 1929-1933 and the Second World War. The crisis and the war inflicted a shattering blow on the petty bourgeois illusions, accelerated the process of absolute and relative impoverization, and therefore also the proletarianization of the bulk of the Chinese workers in these countries.

At any rate, the national community interests of the Chinese workers prevailed over the international proletarian interests for a long time. That was in large measure abetted by the discriminatory policy of the colonial governments toward the Chinese population.

The Chinese worker was under worse conditions, in comparison with the Annamese, Thaiander, or Filipino who enjoyed certain privileges in his country in the field of hiring, taxation, conditions of work, etc. For example, the taxes levied in Indochina on a Chinese coolie were 7 times as high as those of an Annamese worker.64

A law adopted in Thailand in the early 1930s restricted the hiring of Chinese workers in the rice-milling industry and fishing enterprises to 50%.65 And in 1939 the government of Thailand adopted a law guaranteeing protection in case of accidents at work only for workers of Thai nationality.66 Under the law to help Thai people to find work, adopted in February 1953, any enterprise or institution could be required to see that Thailanders account for 50% of their entire labor force.67

Early in the 1930s, the National Federation of Labor (an association of conciliatory trade unions) of the Philippines conducted a noisy campaign, with the full approval of the government, for the "nationalization of the labor force" or, in other words, for the removal of Chinese and other non-Filipino workers from the enterprises.68

All these measures were demagogic and nationalistic in nature and were designed to split the ranks of the working class. V. I. Lenin frequently pointed to the necessity of "warning the proletariat and the working classes of all nationalities against being deceived by 'their own' bourgeoisie which uses sweet words and passionate speeches about the 'motherland' with a view to dividing the proletariat and detracting its attention from the manipulations of the bourgeoisie and its economic and political union with the bourgeoisie of other nations."69
As the world revolutionary movement continued to develop under the influence of the Great October Socialist Revolution, the first progressive trade unions came into being in Southeast Asia and the first organized labor strikes began to take place. Of exceptional importance for the development of the labor movement was the emergence of the Communist parties in all the countries of that region in the 1920s and 1930s. During the Second World War the working class of Malay, Indonesia, and Indochina acted as one of the most important political forces which undoubtedly was responsible for the considerable growth of class consciousness on the part of the workers in these countries.

The Chinese workers were among the first to join the national-liberation struggle and the labor movement in many countries of Southeast Asia. The fact that the Chinese immigrants in Southeast Asia had come from the southern provinces of China, the centers of a revolutionary and labor movement early in the 20th century, was a contributing factor. Quick to respond to the revolutionary events in China and better equipped to understand the revolutionary ideas brought to them by the Chinese political emigrants, they actively cooperated in the dissemination of these ideas among the working people of Southeast Asia. In his article "The Awakening of Asia," V. I. Lenin noted in 1913 the upswing of revolutionary-democratic movement in Asia, particularly in Indonesia, and pointed out that the "fairly large Chinese population in Java and on the other islands" which "had gone through the revolutionary movement in their own country" was among the initiators of that democratic movement.

As the numerical strength and living conditions of the Chinese workers in the countries of Southeast Asia varied, the parts they played in the national liberation struggle and labor movement of those countries were also different. We shall only dwell on two countries, Malay and Thailand, where the Chinese workers have been and still are playing the most important part.

Chinese workers represent the progressive and best organized contingents of the Malay working class. The first democratic trade unions in Malay were organized in the early 1920s under the direct influence of the great Chinese revolutionary democrat Sun Yat-sen. At first the Malay trade unions consisted almost exclusively of Chinese workers and employees. Before the Second World War the trade unions combined workers and employees of various nationalities. The Singapore association of city transport workers is an example of such an organization.

The formation of the Communist party of Malay (KPM) in July 1931 produced an enormous influence on the further development of the labor movement. Although the bulk of the party members consisted of Chinese workers, all the KPM activities were imbued with the spirit of internationalism. It has waged a consistent struggle for the consolidation of all the national contingents of the Malay working class against any attempts of the imperialist forces to split the ranks of the working class. The KPM headed the organized struggle of the Malay working class throughout the prewar period. During the Japanese occupation it was the only force in Malay capable of organizing the population of the country for an armed struggle against the interventionists.
The labor movement under the leadership of the KPM had risen to a new level during the short postwar period prior to the proclamation of a "state of alert." About 2,000 strikes took place in Malaya in 1946. The 1947 strikes affected 350,000 people. The working people were highly successful particularly in overcoming national animosities. The rail workers of Kuala Lumpur, the miners of Batu-Arang and Ipo, and the Singapore dockworkers -- Chinese, Indians, and Malaysians -- organized joint strikes. The persistent striving of the workers of various nationalities for unity of action clashed with the bitter resistance of the employers who were supported by the colonial authorities.

"The better the progress of the labor movement," V. I. Lenin wrote, "the more desperate the attempts of the bourgeoisie and serf-owners to suppress it and break it to pieces. Both of these methods, the suppression by force and decentralization by bourgeoisie influence, are always practised throughout the world, in all countries; they are used alternately by various parties of the ruling classes."74

In addition to the cruel suppression of the strike movement by military policy in postwar Malaya, the British colonizers attempted to undermine the labor movement from within. In their attempt to split the ranks of the workers in March 1946, the Malayan planters did everything they could to induce the plantation workers to leave the trade unions in which the Chinese workers were in the majority. But the colonizers were compelled to make the "alarming admission" that despite their machinations, the Chinese workers had been elected to the leadership of the trade unions in which the Indian workers were in the majority.

In addition to their purely economic demand, the workers also came out with political demands. In January 1946 the Singapore workers declared a protest strike against the arrest of trade union leaders by the British military administration, and the Singapore dockworkers refused to load the military supplies which were to be used for the suppression of the national-liberation struggle in Indonesia.75

The all-Malayan Federation of Trade Unions numbering in its ranks 483,000 workers -- Chinese, Malaysians, and Indians -- was organized in February 1946.76 It demanded the elimination of unemployment and the system of contract-labor, the establishment of minimum wages, a ban on child labor, etc. The federation repudiated the "white book" which the British colonizers had intended to use for the perpetuation of their domination in Malaya and demanded a democratic self-government for the country. It also proposed to extend assistance to the national liberation struggle of the Indonesian people, to bring about the fair settlement of the relations between the Chinese and Malayan population of the country which had been deliberately strained by the British military administration.77

Trying to consolidate their positions in Malaya, the British imperialists introduced a "state of emergency" in July 1946. They had hoped to smash the KPM and all its progress organizations in Malaya.
But the Malayan people were not frightened. In January 1949 the Communist Party proclaimed a political program reflecting the aspirations of all the nationalities in Malaya. Outlined in that program were the following basic demands: "The formation of a Malayan people's democratic republic; the creation of a new democratic economy; the abolition of heavy taxes and requisitions; the improvement of the population's living standard; the improvement of social security; the creation of a new democratic culture; the organization of a national defense army; the introduction of a foreign policy based on the principles of equality, peaceful coexistence, and good-neighbor relations." The people of Malaya rose to the armed struggle against the British colonizers.

In its desire to avoid bloodshed, the KPM made frequent proposals for a peaceful solution of the conflict in 1952, 1954, and 1955. It was only in December 1955 that the British were compelled by the pressure of progressive Malayan and world public opinion to agree to negotiations which were held in Baling (northern Malaya). The Central Committee of the KPM held a plenary conference prior to the negotiations adopting a program declaration of the Party. It included the following basic points: the cessation of military action by way of peaceful negotiations; the realization of Malayan independence; the institution of a fully elective legislative council which would adopt a constitution and appoint a government; a guarantee of the people's sovereign rights; the strengthening of the unity of all of the country's nationalities behind the major nucleus, the Malayan nation, and the recognition of the Malayan language as an official language; the improvement of the people's welfare; the encouragement and development of a national industry, agriculture, and trade; the strengthening of international peace.

That program reflected the actual relation of forces in the country. Despite the considerable concessions made by the KPM, the British colonizers broke up the negotiations.

The abolition of all the progressive trade unions included in the all-Malayan Federation of Trade Unions in 1948 inflicted a tremendous blow on the labor movement in the country. Only the organizations more or less loyal to the authorities continued to exist. But the labor movement was slowly but steadily gaining strength. The number of trade unions has been increasing. In 1953 the membership of 231 registered trade unions amounted to only 109,000 people. In 1956, 235 trade unions already included over 232,000 workers and employees. It is quite important to point out in this connection the growing relative strength of the Malayan and Chinese trade union members. Thus in 1953 the Indians accounted for 72.8% of all the workers and employees of the trade unions, the Malays for 14.4%, and Chinese for 12%; in 1956 the Malays already accounted for 21%, the Chinese for 16%, and the Indians for 62%.

The trade unions revealed considerable growth also in Singapore. In 1954 there were 136 organizations in the colony totalling more than 76,000 members, and in 1955 the 187 trade unions included over 139,000 people.
The strike wave which reached its largest proportions in 1955-1956 continued to spread despite the repressions and arbitrary police action. The 276 strikes that took place in Singapore in 1955 involved a loss of more than 946,000 working days, or 7 times as much as in 1954 and even more than in 1946 (852,000).82

There was a total of 213 strikes in the Malayan Federation in 1956 (72 in 1955) resulting in the loss of more than 562,000 working days (only about 80,000 in 1955). That was the highest strike wave since 1947.83 In 1956 about 320,000 workers were on strike on the Federation's rubber plantations alone.84 In the fall of the same year the workers of the Singapore gas enterprises carried a 45-day strike which ended on 10 October with 13 of the workers' 18 demands being granted.85

In December 1957, after Malaya had received its independence, a big strike broke out at the British Eastern Tin-Smelting Company on Penang and ended only after 7 weeks of bitter struggle against armed police forces which resulted in the arrest of 11 workers (six Malays, two Chinese, and three Indians) on a charge of "obstruction."86

The progress of the labor movement in Thailand before the Second World War was considerably lower than in the other countries of Southeast Asia. The largest strike in the history of Thailand was staged by the workers of the rice-milling enterprises in the spring of 1934 when the Chinese workers demanded an increase in the bonuses usually payable at the end of the (Chinese) year.87 The workers appealed in particular to the Thai government.

But the government did not intend to meet the workers' demands but instead used the strike as an excuse for striking a blow at the labor movement. A few workers of Thai nationality simulated a "submission of a petition" to the government demanding the establishment of a guaranteed percentage of jobs for Thai workers at the rice-milling enterprises. As a result, the strike was broken and seven of its most active organizers were deported to China and the new law was adopted in the following year, whereby the owners of rice-milling enterprises had to hire at least 50% of Thai citizens.

While the strike of the workers of the Bangkok rice-milling enterprises was still in progress, the workers of the government railroads went on strike for better working conditions. Participating in that strike were both Chinese and Thai workers. They demanded that the government guarantee the conditions they were striking for. But the government, always trying to prevent the formation of labor unions based on the principles of international solidarity, again resorted to a divisive policy. It created a special commission for the study of the workers' demands; the "most important" outcome of that commission's efforts was the dismissal of the Chinese workers (beginning with the strike leaders) and their replacement with Thai citizens.88

Both of these strikes graphically revealed to the workers (who accounted for the bulk of the industrial proletariat of Thailand before the war), the illusion of their hopes that government interference would help them achieve their demands. Having learned their lesson, the Chinese workers never again appealed for "help" to the Thai government.
The "apartness" of the various national groups of the Thai working class before the Second World War found its synthesized expression in the fact that the prewar as well as the first postwar years saw the actual formation of three independent Communist parties, Chinese, Thai, and Malayan.99

The organizations that came into being in the course of the war, however, united both Chinese and Thai workers who fought the Japanese occupiers under the leadership of the Communist parties. Particularly active at that time were the Chinese Communist Party of Thailand which published the underground paper Chenhuapao /True Word/.90

The labor movement in Thailand assumed an enormous scope in the first postwar years. About 175 strikes were staged in the country in 1945-1947 alone. The most important of them was a series of strikes initiated by the Chinese workers of the Bangkok rice-milling enterprises in the fall of 1945. On 16 November of the same year the workers of the Thai Rice Company went on strike demanding higher wages. The workers of other government and private Chinese rice-milling enterprises struck in their support. The total number of strikers soon went up to 4,000. In the end the workers managed to get certain concessions.

The next strike began in April 1946 when the workers demanded that the rice shipped to help China be justly distributed among the suffering population and not turned over to the Chiang Kai-shek troops or used by the Chiang Kai-shek officials for black-market speculations. As the abuses in China continued, the workers staged another strike in June, insisting that thereafter the rice shipped to the Chinese population be placed in charge of persons specially sent to China by the Thai committee of overseas Chinese for aid to the starving population under the chairmanship of the famous Chinese public leader Sun Tin-lin.

Considerable successes were achieved also in strengthening the international solidarity of the Thai working class. In 1946, all the Bangkok workers celebrated May First, the day of international workers' solidarity, for the first time in the history of Thailand. In the fall of the same year, the Chinese and Thai workers staged a number of joint strikes. The All-Thai Association of Trade Unions, numbering about 50,000 people and including both Thai and Chinese trade unions, was created on 1 January 1947. The Chinese Communist Party of Thailand took an active part in the establishment of that association. At first the Chinese workers accounted for about two fifths of all the trade union members. Eventually their numbers increased and by 1948 the association included almost all the most important Chinese trade unions. The All-Thai Trade Union Association joined the World Federation of Trade Unions and in October 1949 sent its delegates to the World Trade Union Congress in Peking.

The progressive trade unions were actually outlawed with the assumption of power by Piibun Songgram's reactionary government early in 1948.

In 1955-1956 the progressive and international forces of the Thai labor movement began to reorganize and gain strength. An important landmark on that road was the Thai government's official recognition of and permission to celebrate May First, extended under pressure of the workers in 1955.95
CONCLUSION

The construction now under way in the Chinese People's Republic on a grandiose and almost fabulous scale serves as a solid guarantee of the continuous and rapid improvement of the welfare of all the Chinese people. And that means that the hopeless poverty and hunger which had forced hundreds of thousands of Chinese peasants and artisans to abandon their native land in search of "happiness" in overseas countries have receded into the irretrievable past.

The Chinese government has shown untiring solicitude for the Chinese emigrants returning to their homeland. It has been successful in providing work for 200,000 returning emigrants in the last few years. Over 10 million families of Chinese emigrants residing in the CPR are taking an active part in the socialist construction in the country.

In its policy toward the Chinese residing in the Southeast Asian countries, the government of the CPR is guided primarily by the consideration that their productive activity is an integral part of the general economic development of those countries. It therefore encourages in every way the Chinese immigrants' participation in the economic development of those countries within the framework of the local laws and customs. This position of the Chinese government is fully in keeping with the spirit of Bandung and the traditional friendly relations between the peoples of China and Southeast Asia.

The legacy colonialism left in the countries of Southeast Asia was an underdeveloped (or practically undeveloped) industry, on the one hand, and an excessively developed colonial-type middleman trade tying the region's trade to the world capitalist market and producing its own effect on it, on the other.

Another painful heritage of colonialism is the continuing domination of the Southeast Asian economy by the monopolies. The governments of the countries of that region, sincerely striving to develop a new independent national economy, are now facing unusually difficult and complex problems. One of them is industrialization. At the same time, it is also necessary to reduce the scale of the local and foreign bourgeoisie's business operations in order to subordinate the trade to the interests of industrial construction and stimulate the flow of free capital to the sphere of production.

The Chinese bourgeoisie, representing the chief nucleus of the local bourgeoisie in some countries of the region, could play a very appreciable part in the solution of the above-mentioned problems (given, of course, a positive attitude on the part of the respective Southeast Asian governments). The large-scale participation of the Chinese bourgeoisie in the construction of the national economy could be all the more useful, as it had acquired a great deal of experience in the field of entrepreneurship. Moreover, it still maintains its old-established connections with the markets of Southeast Asia and the Far East.
In its policy toward the Chinese immigrants residing in Southeast Asia, on the other hand, the government of the CPR cannot ignore the fact that a certain number of Chinese citizens in that region motivated by patriotic considerations or striving to ensure the material security of their families in China, have expressed a desire to participate in the economic and cultural construction in the CPR. The Chinese government welcomes the efforts made in this direction by the Chinese emigrants.

The wide scope of socialist transformations taking place in China in 1955-1956 made it necessary to work out new regulations governing the Chinese emigrants' capital investments in the CPR. They were published on 2 August 1957 and provide for the organization of government companies to administer the funds of the Chinese emigrants. Under the regulations, the capital invested in such companies by the Chinese emigrants will remain under their ownership even after the construction of socialism has been completed in the CPR. The emigrants may withdraw their capital after 12 years; they will receive an annual interest of 8%, and may transfer up to 50% of their annual profit abroad.

Thus the policy of the Chinese government toward the Chinese population residing abroad takes into account the interests of socialist construction in the Chinese People's Republic, on the one hand, and the interests of the Chinese emigrants, on the other, serves the cause of peaceful coexistence, and meets the vital national economic requirements of the Southeast Asian countries.
NOTES TO INTRODUCTION


5. Cf., for example: W. Thayer (ed), Southeast Asia in the Coming World, p. 292; V. Thompson, R. Adloff, Minority Problems in South- east Asia, Stanford, California, 1955, p. 3; H. Tinkeo, Union of Burma, London-New York-Toronto, 1957, p. 188.


7. Druzhaba (Friendship), 19 February 1957.


11. F. H. H. King, The New Malayan Nation, p. V. (sic!)

12. Ibid, p. VIII


NOTES TO CHAPTER I


2. Source shipped from Footnote 1 to 3


4. Ibid., p. 80.


7. Ibid., p. 8.

8. F. Hirth, W. Rockhill, Chau Ju-kua, St. Petersburg, 1911, p. 77.

9. V. Purcell, The Chinese in Malaya, p. 5; P. Guru also points out that the ancient Chinese colony Sambas (not far from Pontianak) in Indonesian Borneo (Kalimantan) "has already existed for an entire millennium." (P. Guru, Asia, Asia, IL, 1956, p. 300).

10. It was only after the victory of the people's revolution that the population of the southern provinces under the guidance of the KPK (Communist Party of China) developed a campaign for the complex mastery of the natural wealth of this area.

11. It is characteristic that such a position was maintained to a considerable degree into the 20th century. Thus if in the province of Fukien arable land constituted only about 12 percent of the total territory, then in the neighboring province of Chekiang it was 26.3 percent (Ta Chen, Emigrant Communities in South China, N.Y., 1940, p. 32).

12. V. Purcell suggests that San-fo-ts'i was settled on the territory of Malaya (V. Purcell, The Chinese in Malaya, pp. 13-14). However almost all the Chinese and the majority of Western scholars identify San-fo-ts'i with Palembang or Sumatra. See F. Hirth, W. Rockhill, Chau Ju-kua, p. 63, and also Chhu Se, Drobtestvenye Svyazi 1 Kul'turnyy Obmen Mezhdou Kitayskim i Indonezyiskimi Narodami (Friendly Relations and Cultural Exchange Between the Chinese and Indonesian Peoples), p. 10.


16. V. Purcell, The Chinese in Malaya, p. 16.


21. As early as 1567 the governor of the province of Futszyan permitted the inhabitants to go abroad for trade purposes and according to special licenses (N. F. MacNair, The Chinese Abroad, Their Position and Protection, Shanghai, 1925, p. 3).


23. N. F. MacNair, The Chinese Abroad, Their Position and Protection, p. 4.


25. Ibid., pp. 100-103.


27. K. Marx, Revolyutsiya v Kitaye i v Yeurope (Revolution in China and in Europe), K. Marx and F. Engels, Soch. (Collected Works), V. 9, p. 100.


30. Ibid., p. 568.

31. See K. Marx, Pis'mo k Engel'su ot 8 Oktyabrya 1856 g. (Letter to Engels of 8 October 1856), K. Marx and F. Engels, Izbrannyye Pis'ma (Selected Letters), Gospolizdat, 1953, p. 106.

32. Lin Fan-shen Malaya (Malaya), II, 1956, p. 22. (For more details on this question see Chapter 3 of this work).


37. H. P. MacNair, The Chinese Abroad, Their Position and Protection, pp. 109-110. This, of course, did not mean that these Chinese received equal rights with the rest of the Dutch subjects. As distinct from the "native population" and "Europeans," the Chinese were segregated into a special group of "foreign Asiatics."

38. G. W. Skinner, Chinese Society in Thailand: an Analytical History, p. 165. An exception was made only in the case that the children registered at the embassy or consulate of a country with which Thailand had diplomatic relations. The first diplomatic relations between China and Thailand were established only in 1946, but after the formation of the People's Republic of China the Thai government, following a decree of their transoceanic patrons, refused to recognize it.

39. V. Thompson, R. Adloff, Minority Problems in Southeast Asia, p. 44.


41. According to the 1948 law on English citizenship, persons under the English protectorate were not considered foreigners any longer and received (with a number of reservations) the right of naturalization. See The Colonial Territories (1948-1949), L., 1949, p. 16.
42. Thus, for example, they could travel with an English passport and
could not be exiled from Straits Settlements.


45. R. Emerson, *Representative Government in Southeast Asia*, Cambridge,
    Massachusetts, 1955, p. 55.


47. *Malayan Mirror*, V. 6, 1958, No 1, p. 5.

48. *Sbornik Materialov po Voprosam Politiki v Otmoshenii Zarubezhnykh
    Kitayskikh*, (Collection of Materials on Problems of Policy in Rela-

49. *Ibid.*, pp. 20-25. When Sastromidjojo, the Former Premier of Indo-
    nesia, visited China on 6 June 1965, an agreement was reached (by
    an exchange of notes) which formalized some articles of the treaty.
    In particular, it has agreed that persons with dual citizenship,
    who in view of their social or political position had in practice
    chosen Indonesian citizenship need not make the choice again (*Ibid.*;
    pp 29-30).

50. According to the 1931 census, more than one million Indians lived
    in Burma as opposed to 194,000 Chinese). After the war the number
    of Indians was sharply reduced, and in 1947 there were about 700,000,
    and in 1955, 600,000. (V. Purcell, *The Chinese in Southeast Asia*,
    p. 691; *Britannica Book of the Year 1956*, Chicago-London-Toronto,

    of the 1947 Census of Population*, L., 1949, p. 132; *Federation of
    Malaya, Annual Report, 1955*, Kuala-Lumpur, 1956, p. 7; *Colony of

      176; *Britannica Book of the Year 1956*, p. 94; *State of Brunei, Annual
      1956, p. 11.

      Thailand: *Asian Annual, 1956*, L., 1956, p. 100; *Britannica, p. 446;

      Indonesia: *Volkstelling 1930*, Deel VII, Landsdrukkerij - 1935 -
      Batavia, p. 17; *Britannica, p. 234.

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52. The total population of the Malayan principalities then was about 200,000 persons. (V. Purcell, The Chinese in Malaya, p. XI).

53. E. Dobbi, Yugo-Vostochnaya Azia (Southeast Asia), II, 1952, pp. 103-104.


55. [Source shipped from footnote 54 to 56.]

56. The production of rubber in Malaya was increased from 430 tons in 1906 to 200,000 tons in 1920. Jen Mei-o, Geografiya Yugo-Vostochnoy Azii (The Geography of Southeast Asia), Peking, 1954, p. 138 (in Chinese).

57. In August 1933 it was replaced by the Law on Foreigners.

58. V. Purcell, The Chinese in Malaya, pp. 203, 205, 206.


60. [Source shipped from footnote 59 to 61.]

61. The table was drawn up on the basis of data from foregoing tables.


64. Ibid., p. 16.


69. The ratio of persons (of all nationalities), born in the colony of Singapore, to the total population was expressed by the following figures (in %): in 1926--31, in 1931--39, in 1947--50, 70.7 in 1955--73 (approximately). (Annual Report 1955, p. 20).

70. Volksstelling, 1930, p. 48.

71. Of those about 80,000 received immigration certificates for the duration of their contracts between 1918 and 1933. (Volksstelling, 1930, p. 49).

72. Ibid., p. 156.

73. Ibid., p. 49.

74. Ibid., pp. 22, 31.

75. W. J. Cator, The Economic Position of the Chinese in the Netherlands Indies, p. 41. Actually indirect control over the immigration of Chinese laborers in Indonesia was established as early as 1922 when immigration taxes were raised 50 percent. (Problemy Kitaya, (Problems of China), 1933, No 12, p. 119.).

76. The number of Chinese immigrants in 1928 was (at a maximum) 41,671, and in 1932 it was reduced to 5,989 and it continued to be reduced further. (Volksstelling, 1930, p. 49).


79. Ibid., p. 184.

80. G. W. Skinner, Chinese Society in Thailand: an Analytical History, p. 188.

62. An idea of the degree to which the increase in Chinese immigration was connected with the growth of commodity production may be gained from the following figures concerning the development of the rice hulling industry and trade in rice, which were the most important areas of activity for the Chinese population: there were only five large rice-hulling enterprises in Bangkok in 1867, whereas in 1889 there were 23 of them. At the beginning of the 1860's the annual export of rice averaged 100,000 tons, whereas at the beginning of the 1890's this figure had quadrupled. (J. C. Ingram, Economic Change in Thailand Since 1850, Stanford, 1955, pp. 70, 38).

83. Prior to 1 January 1941 in Thailand the Buddhist system of chronology was in existence, according to which each year began on 1 April and ended on 31 March the following year.


97. Ibid.

98. Vestnik Man'chzhurii (Herald of Manchuria), Harbin, 1929, No 6, p. 28.


100. L. A. Bagramov, Immigzanti v SShA (Immigrants in the USA), IMO Publishing House, 1957, pp. 23, 33, 37, 40.


102. Vestnik Man'chzhurii (Herald of Manchuria), 1929, No 6, p. 28.


108. Chao Sung-ch'iao, Geogafiya Birmy (The Geography of Burma) p. 11.


110. Data from the 1930 census (Volksstelling, 1930, pp. 159-160, 136-137).

111. The census did not count several tens of thousands of Chinese small producers in remote places of several Indonesian islands.


113. Just how inexact this figure is can be judged by data given by B. Lasker; in 1937, 87 percent of the Chinese immigrants were engaged in trade; in 1938, 68 percent, and in 1939, 49 percent. (B. Lasker, Asia on the Move, Population, Pressure, Migration and Resettlement on Eastern Asia Under the Influence of War and War, N.Y., 1945, p. 79).


122. Skinner points out that one-fifth of the total Chinese population of Thailand resides in Bangkok.


126. V. Purcell, op. cit., p. 57.

127. In 1953, according to approximated calculations, as much as 56 percent of the total Chinese population lived in this area. (Tsao Sun-chiao, Geografiya Birmy (The Geography of Burma) p. 113).


130. V. Purcell, The Chinese in Southeast Asia, p. 575.
NOTES TO CHAPTER II


2. By separate countries this amount is distributed as follows: the Philippines 100 million dollars, Indonesia 150 million dollars, Malaya 200 million, Thailand 100 million, and Indochina 80 million, while Burma accounted for only 2-3 million pound sterling (Ibid., pp. 21, 35, 57, 69, 85, 96).

3. Ibid., p. 69.


5. Foreign Affairs, 1933, July, No 4, p. 711.


9. According to approximate figures, the total amount of private foreign capital investments in Thailand as of 30 November 1949 was 458 praser baht (11 baht equal 1 pound sterling). Of these, 70% consisted of Chinese capital, 4% British, 3% Indian, and 1% American and Swedish (Yang Shu-chin, "A Multiple Exchange Rate System," An Appraisal of Thailand's Experience, 1946-1955, Madison, 1957, p. 8). Of the total amount of private capital investments in the Philippines registered between 1945 and 1956, Filipinos accounted for about 1.1 billion pesos (69.99%), Chinese over 431 million pesos (26.53%), Americans more than 37 million pesos (2.34%), and all others 37,737,000 pesos (2.14%). (Economic Research Journal, Vol. 4, No 2, p. 76).


17. J. C. Ingram, Economic Change in Thailand Since 1850, p. 17.

18. It was only in Thailand, the only country in Southeast Asia that remained politically independent throughout the colonial domination by Europeans in that region, that the Chinese business bourgeoisie retained its positions in the foreign trade, at least until the middle of the 19th century. It suffered its first blow in 1855 when Thailand and England signed an unequal treaty abolishing, among other things, the royal monopoly and with it also the privileges of the Chinese buyers in the field of foreign trade.


20. Although the gradual abolition of the buying (market cornering) system in various countries of Southeast Asia was introduced as early as the middle of the 19th century, certain monopolies (as, for example, the monopoly on opium trade, alcoholic beverages, etc.) managed to exist until the first decades of the 20th century (W. J. Cator, The Economic Position of the Chinese in the Netherlands Indies, pp. 37-38; G. W. Skinner, Chinese Society in Thailand: An Analytical History, pp. 120-123; V. Purcell, The Chinese in Malaya, p. 189).

21. The hieroglyphs for the word "kansi" in Chinese stand for the word "company." Their original meaning was monopoly trade and other entrepreneur organizations of the feudal epoch. Later, with the development of capitalist relations, these same hieroglyphs were used to denote modern capitalist companies. In this work the term "kansi" will be used with reference to pre-capitalist forms of organization.

22. It should be pointed out that the term "kansi" originated from a changed transcription of the foreign word "company" "kun-pan-ya."


25. The Chinese secret societies in Southeast Asia represented branches of societies operating in the southern maritime provinces of China. They pursued the same political aim: the overthrow of the Manchu domination and the restoration of the Ming dynasty. But in the course of time and in view of the long distance from their homeland, the secret immigrant societies began to pay increasing attention to the domestic, particularly the economic, needs of the Chinese communities.
26. As an example, suffice it to cite the "famous vendetta" between two Chinese dialect groups in Malaya for the tin deposits in Perak which lasted from 1862 through 1874. (Far Eastern Economic Review, Vol. XXI, 1956, No 19, p. 592).


28. The Word "comprador" originated from the Portuguese "comprar" (to buy) and means a representative of native capital acting as a middlemen in the trade conducted by foreign firms in colonial and dependent countries. A detailed description of the functions and methods of comprador operations in China, which can be successfully applied also to the countries of Southeast Asia, is contained in the book by the Russian scientist A. E. Khodorov World Imperialism in China, Shanghai, 1922, pp. 287-293.

29. An exception in this respect were the Dutch banks in Java which never hired any compradors, but outside of Indonesia, particularly in Singapore, they too were forced to resort to their services. (G. C. Allen, A. G. Donnithorne, Western Enterprise in Indonesia and Malaya. A Study in Economic Development, p. 206).

30. Only a member of the rich bourgeois could usually become a comprador, as the foreign firms required a substantial amount of money as "collateral security."


33. Ibid., also C. Robequain, The Economic Development of French Indo-China, p. 44.


Indies, p. 58.

Change in Thailand since 1850, p. 71.

41. This phenomenon was less characteristic of Thailand, Burma, and Indo-
china in view of the fact that the entire processing of the major
product, rice, represented an independent industry in the single-crop
economy of these countries, and the operations of the rice buyers
were limited to the sphere of trade and transportation to the mar-
time cities. At the same time Chinese business capital plays a
substantial part in the preliminary processing of rubber products
produced by the small farmsteads in Thailand and Indochina.

42. G. C. Allen, A. G. Donnithorne, Western Enterprise in Indonesia and

43. J. Shepherd, Industry in Southeast Asia, 1941, p. 38.

44. V. I. Lenin, The Development of Capitalism in Russia, Works, Vol. III,
p. 520.

45. V. Thompson, Labor Problems in Southeast Asia, p. 137.

46. G. C. Allen, A. G. Donnithorne, Western Enterprise in Indonesia and

47. See G. W. Skinner, Chinese Society in Thailand: An Analytical History,
pp. 348-349.

48. J. C. Ingram, Economic Change in Thailand Since 1850, p. 68; G. W.

49. Ibid.

50. Agricultural Development of Thailand, ECAFE/FAO, Bangkok, 1955, pp. 22,
43.

51. G. T. Kahin, Nationalism and Revolution in Indonesia, Ithaca, (N. Y.),
1952, p. 21.


53. V. Thompson, Labor Problems in Southeast Asia, p. 177.

54. G. T. Kahin, Nationalism and Revolution in Indonesia, p. 41. The
historical events in some countries of Southeast Asia showed that no
"buffer states" can protect the colonizers from the revolutionary
movement of the people's masses.

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58. Ibid., p. 8.


61. One of the sources of accumulation, in addition to trade and usury, was the semi-feudal exploitation of the Javanese peasants by the Chinese owners of "charter lands" in Indonesia.


63. J. C. Ingram, *Economic Change in Thailand Since 1850*, p. 100.


74. Thus 15 of the 32 members of the Singapore Chamber of Commerce in 1932 represented the "Hokien" group, another 15 the "Canton" group, 1 the "Sankiang" group, and 1 the "commercial organizations" (Far Eastern Economic Review, Vol. XXI, 1956, No 19, p. 591).


77. For more details on the discrimination against the Chinese bourgeoisie see the special section of this chapter.

78. G. W. Skinner, Chinese Society in Thailand: An Analytical History. The facts and figures cited below were taken from the concluding chapter of the mentioned work (pp. 347-362).


80. Ibid.

81. The issue under consideration is local capital, not counting the foreign banks and firms.

82. Curiously, Skinner is very much amazed at the fact that the clash between the two "antagonistic" forces, "Thai economic nationalism" and Chinese capital, resulted in such a paradoxical finale: a "union" between the hostile camps (p. 360).

It should be emphasized, however, that the nationalist tint imparted to the policy of the Thai government only served to make it easier for the ruling group to achieve its selfish aims.

83. V. Purcell, The Chinese in Modern Malaya, p. 51.

84. V. Thompson, R. Adloff, Minority Problems in Southeast Asia, p. 38. Incidentally, Purcell himself is "modestly" silent about that fact in his brochure The Chinese in Modern Malaya, published in 1956.


90. The national bourgeoisie is a historical, that is, a passing phenomenon. To the extent that any country becomes economically (and, of course, politically) independent, with the national bourgeoisie as the major exploiter class in it, the objective basis for the term "national bourgeoisie" will begin to disappear.


102. There is no such spot in Southeast Asia where one cannot see a Chinese retail store. The most widespread Chinese stores are of the grocery-type, but the population can acquire all their daily necessities in them.


113. Ibid., pp. 170-171.


119. It was thus that the largest Chinese concern now functioning in Indonesia, the "Asian kuan", had grown up; before the economic crisis its interests were connected with one of the most important Indonesian products of the time, sugar (ibid., p. 237).
120. Ibid., p. 245.

121. V. Purcell, The Chinese in Southeast Asia, p. 651.


124. J. C. Ingram, Economic Change in Thailand Since 1850, p. 87.

125. The government "income" produced by the introduction of a monopoly was made up not only of the difference between the cost of the rice purchased from the rice merchant and its sale to foreign firms, which was 20%, but also from the sale of part of the foreign currency on the free market (ibid., p. 89). But the difference between the official rate of the foreign currency (1 dollar equals 12.5 baht) and the exchange rate on the free market (1 dollar equals approximately 21 baht) was not small (Food and Agricultural Price Policies in Asia and the Far East, 1958, p. 183). The monopoly was actually abolished only in 1955, but the government continued to make a fortune on the payments for export licenses and on the part of the currency submitted by the exporters to the State Bank at the official rate of exchange (Agricultural Development in Thailand, p. 9).

126. J. C. Ingram, Economic Change in Thailand Since 1850.

127. J. C. Ingram, op. cit., pp. 90-91. Thus a license for 10,000 tons of rice could bring in a round sum of 350,000 dollars of "net income."

128. Ibid., p. 92.

130. J. C. Ingram, Economic Change in Thailand Since 1850, p. 91.


138. Ibid.


140. This industry is also one of the most important in the mining industry of the region as a whole. In the postwar period Southeast Asia accounted for over 60% of the world production of tin. (see P. D. Dolgorukov, Foreign Monopolies in the Countries of Southeast Asia, in the collected works entitled The Economic Problems of the Oriental Countries. IMO Publishing House, 1956, p. 106).

141. The Dutch government companies in Indonesia monopolized the entire mining industry as far back as the 18th century. But even the admission of private entrepreneur capital into this industry at the end of the 19th century did not affect the situation in any way. At present the Chinese are engaging in tin mining only as sublessees (G. C. Allen, A. G. Donnithorne, Western Enterprise in Indonesia and Malaya. A Study in Economic Development, p. 170). Several small mines in Burma also belong to the Chinese (H. Tinker, The Union of Burma, p. 283).

142. The first dredging machine went into operation in Malaya in 1913, and in Thailand in 1907.

143. The parties to the agreement, in addition to Malaya, were Bolivia, Netherlands Indies (Indonesia) and Nigeria. The agreement did not affect the interests of the Thai tin mining industrialists, as the total production of ore in the country was insignificant. In 1936-1937, for example, it amounted to a little more than 12,000 tons. (J. C. Ingram, Economic Change in Thailand Since 1850).

144. Economic Development of Malaya, p. 345.


147. J. C. Ingram, Economic Change in Thailand Since 1850, p. 100.


152. V. Thompson, Labor Problems in Southeast Asia, p. 29.

153. G. T. Kahin, Nationalism and Revolution in Indonesia, p. 29.


160. Ibid., Vol. XXV, 1958, No 2, p. 64.

161. Ibid.


164. J. C. Ingram, Economic Change in Thailand Since 1850, p. 71.


166. J. C. Ingram, op. cit., p. 71.


171. V. Thompson, Labor Problems in Southeast Asia, p. 29. Furnivall cites the following figures on the number of rice-milling enterprises in Burma for 1939: 27 European, 164 Chinese, 190 Indians, and 311 Burmese. (J. S. Furnivall, Colonial Policy and Practice. A Comparative Study of Burma and Netherlands Indies, p. 189).
180. V. Thompson, Labor Problems in Southeast Asia, p. 29. In the post-war period the Burmese government nationalized the British Bombay-Burma Trading Company which had large interests in that industry.
185. J. C. Ingram, Economic Change in Thailand Since 1850, pp. 125-127.
190. J. C. Ingram, Economic Change in Thailand Since 1850, p. 121.
192. Despite the fact that the Dutch began to redeem the lands of that
category in the 1950s, there were still about 500,000 hectares of
"charter" lands by the beginning of the war of which at least 41% 
belonged to Chinese. (W. J. Cator, The Economic Position of the

193. For example, of the total investments made in the large plantations
in Indonesia in 1921 (1,823 million guilders), Dutch and British
capital accounted for 67 and 13.5% respectively, whereas Chinese
capital accounted for only 11.3% (mostly sugar-cane plantations).
(W. J. Cator, The Economic Position of the Chinese in the Nether-
lands Indies, pp. 104-105).

Indies, pp. 104-105. It is interesting to point out that this
"touching solicitude" for the Javanese peasantry was displayed by
the same East Indian Company which, according to Stamford (Raffles?),
the former British governor of Java (1811-1816), "had been moved
exclusively by the spirit of profit and cared for its subjects con-
siderably less than the old West Indian planter cared for the slaves
working on his plantation, as the latter paid money for the people
whom he had acquired as his own property, whereas the former never
paid anything. This same company made full use of the existing ma-
chinery of despotism in order to squeeze the last penny out of the
population through various extortions and to force it to work to
complete exhaustion." (Quoted from K. Marx and F. Engels, British

195. It is interesting to point out that a similar picture is observable
also in the Philippines where the remote and once unsettled areas
of Mindanao Island contained the largest concentration of Chinese
agricultural communities. (Foreign Affairs, 1933, July, No 4,
p. 711).

Indies, pp. 138, 163.

197. The law on land reservation published in the Federated Malayan
principalities in 1913. Eventually similar laws were introduced in
the principalities of Kelantan (1930), Kedah (1931), Perlis (1935),
Johore (1936), and Trengganu (1941). The new constitution of indi-
pendent Malaya not only failed to abolish the institution of "land
reservations" but also extended it to Penang and Malacca (Malayan
Mirror, Vol. VI, 1938, No 1, p. 4).

198. The chauvinistic trend of the "land reservations" policy is further
punctuated by the fact that the land within the reservations could
be transferred to Indonesian immigrants (Malayans), whereas that
right did not apply to the many people of Chinese nationality per-
manently residing in Malaya (The Economic Development of Malaya,
p. 311).

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199. In view of the land policy maintained by the French Administration of Indochina, the Chinese entrepreneur had no right to acquire any fertile terra rosa suitable for the cultivation of rubber trees. As a result, the Chinese own only 70 small rubber plantations in the Saigon suburbs (V. Purcell, The Chinese in Southeast Asia, p. 233).

200. In Malaya and the other British possessions a piece of land of 100 acres and more is called a "plantation," and anything less than 100 acres is referred to as a "small" plantation. In Thailand, such size demarcations are considerably smaller -- 50 rai (about 20 acres).

202. Before the war (1939), the Chinese entrepreneurs accounted for less than 17% of the rubber plantation area. (Dun J. Li, British Malaya: An Economic Analysis, N.Y., 1955, p. 61). Their share was somewhat increased after that due to the fact that some English companies sold their small and unprofitable plantations. The fears engendered by the national liberation struggle that got underway in Malaya in 1948 played an important part in this connection. The Chinese were the principal buyers of the rubber plantations that had belonged to Japanese capital before the war. (G. C. Allen, A. G. Donithorne, Western Enterprise in Indonesia and Malaya: A Study in Economic Development, pp. 130-131.) The same tendency was observed in the following years. The total plantation area sold by Europeans in 3 years alone amounted to 244,000 acres. But some of the plantations were broken up into small sections and sold to small producers (Malayan Monitor, Vol. II, 1958, No 1, pp. 14).

203. There are no official data on the relative share of each nationality. In his brochure, The Dominant Position of the Chinese in the Malayan Economy: A Myth, one of the leaders of the Chinese association of Malaya wrote that more than half of the 3 million acres covered by rubber trees in Malaya belongs to Europeans and the remaining area is distributed among Malayanas (22%, that is 660,000 acres), Chinese (20%, or 600,000 acres), and Indians (6%). (Quoted from V. Thompson and R. Adloff, Minority Problems in Southeast Asia, p. 40). If we deduct the known data on the size of the area consisting of large plantations, we can get the following tentative data on the area made up of small rubber plantations and the nationality of their owners: Malayan, approximately 800,000-850,000 acres, Chinese about 140,000, and Indian approximately 30,000-40,000 acres.

205. The Economic Development of Malaya, p. 250.


207. At about the age of 30 a rubber tree begins to decrease its yield.
208. The Economic Development of Malaya, p. 250.

209. Ibid., p. 252.


218. J. C. Ingram, op. cit., p. 103.

219. 1 rai = 0.4 acre.


222. Just as in Malaya, the Chinese succeeded in acquiring several European rubber plantations in Indonesia after the war (G. C. Allen, A. G. Domithorne, Western Enterprise in Indonesia and Malaya. A Study in Economic Development, p. 136).


224. Lin Fan-shen, Malaya, p. 60.


226. V. Purcell, The Chinese in Malaya, p. 236.


228. Lin Fan-shen, Malaya, p. 97.


234. Ibid., p. 206. The names of the banks are rendered in English transliteration.


239. Existing along with the local Chinese banks in many countries of Southeast Asia were the bank branches of the Chiang Kai-shek government. Thus one of the two banks which handled almost all the credit operations of the Chinese business bourgeoisie in the Philippines before the war was a branch of the Chinese Communications Bank (opened in 1939 in Manila) (V. Purcell, The Chinese in Southeast Asia, p. 628). Branches of that bank, as well as of the Chinese bank, were opened at different times also in the other countries of the region. Money transfer operations were one of the most important functions of the Chinese bank. (G. C. Allen, A. G. Donnithorne, Western Enterprise in Indonesia and Malaya. A Study in Economic Development, pp. 194, 206, 208).


243. In the Philippines, for instance, Chinese capital controlled up to three quarters of all the country's commercial credit before the war (Foreign Affairs, July 1933, No 4, p. 711).
The greatest progress in the field of cooperative credit operations after the war was made in the Philippines. In 1953 the Philippines held second place (after Japan) in Asia and the Far East in point of the average amount of all types of non-interest credit per capita of rural population in the country (12 American dollars). But here too the activities of the above-mentioned AKKFA organization (the major source of agricultural credit in the country) extended to only 250,000 peasants in 1956 (mostly the well-to-do class) (Food and Agricultural Price Policies in Asia and the Far East, 1956, p. 176).


K. P. Landon, The Chinese in Thailand, pp. 219-233, 231-236. It should be pointed out that formerly all the mentioned economic measures in Thailand (as well as in South Vietnam and the Philippines) were allegedly directed against all foreigners. But all the bourgeoisie writers without exception are compelled to admit that the Chinese citizens are primarily affected by the discriminatory measures in these countries.


V. Purcell, The Chinese in Southeast Asia, p. 190.


Ibid., p. 335.

Ibid., p. 337.

Drushba, 24 January 1956.


258. V. Purcell, The Chinese in Southeast Asia, pp. 651, 652.


262. Ibid., p. 327. The opinion of the bourgeois American scientists who could hardly be suspected of pro-Communist sympathies is in this case particularly interesting.

263. Ibid., p. 376.


NOTES TO CHAPTER III

1. E. Dobbie, Southeast Asia, p. 328.


3. This evidenced by the following figures alone. Permanent agriculture in Southeast Asia covered an area of 39 million hectares. Two thirds of that area are still devoted to consumer production with very little or no production for commercial purposes. Besides, the crop-rotation type of agriculture accounts for an average annual area of almost 2 million hectares (E. Dobbie, Southeast Asia, pp. 298-299).


5. It should be borne in mind that the bulk of the emigrants from China have always been free immigrants. Thus the recruited Chinese coolies who did not pay their own fare accounted for 27% of all the Chinese emigrants to Singapore in 1877, and only 8.4% in 1880 (P. C. Campbell, Chinese Coolie Emigration to Countries Within the British Empire, London, 1925, p. 2). The coolies formed the backbone of the labor force on the plantations and in the mines while the other immigrants soon became petty traders and artisans.

6. In 1876 there were between 20 and 30 such doss-houses in Shantow alone (P. C. Campbell, Chinese Coolie Emigration to Countries Within the British Empire).

7. P. C. Campbell, Chinese Coolie Emigration to Countries Within the British Empire, p. 7.


9. P. C. Campbell, Chinese Coolie Emigration to Countries Within the British Empire, p. 4.

10. V. Purcell, The Chinese in Malaya, p. 60.


13. According to official statistics, the number of workers punished in 1928 under the "penal-sanction" law was 34,210 or over 10% of the total number of workers under contract (H. Musso, Forced Labor in Indonesia, published by the All-Union Central Council of Trade Union, 1950, pp. 10, 23).


15. About 500 case of illegal retention of Chinese coolies took place between 1913 and August 1919 on Bagka island alone (Ta Chen, Chinese Migra-408
tions, with Special Reference to Labor Conditions, p. 65).

16. P. C. Campbell, Chinese Coolie Emigration to Countries Within the British Empire, pp. 20, 25.


18. It is characteristic that it was precisely during the period of eco-
nomic crisis that the highest percentage of coolies received their immigrant certificates upon the "expiration" of the contract period. Thus 80,000 Chinese coolies received their certificates in 1913-1933. Fifty four percent of them got the certificates between 1929 and 1933. (Volkstelling 1930, p. 49).


20. J. C. Ingram, Economic Change in Thailand Since 1850, pp. 57, 59.

21. In 1870 the Chinese population of this island amounted to 28,000 and by 1884 it increased to 40,000 (G. W. Skinner, Chinese Society in Thailand: An Analytical History, pp. 110-112).


26. It should be borne in mind that the number of Chinese workers in various countries of Southeast Asia before the end of the 19th century was considerably larger than in the 20th century. This was particularly due to the fact that the majority of the Chinese miners and plantation workers in that region were employed in enterprises belonging to the Chinese bourgeoisie and operating primarily on manual labor.
But to the extent that Chinese capital was being kept out of the production industries and replaced by foreign enterprises, equipped with the latest machinery, the number of Chinese workers in South-east Asia began to decrease. If the average number of miners employed annually in the Malayan mining industry during the first decade of the 20th century amounted to 200,000, their number in the following decade was reduced to one half. The number of miners employed in the country's tin mines in the post-depression year 1934 was 53,000; even in the "prosperous" year 1937 there were only a few more than 89,000 miners, 71,000 of which were Chinese workers (Dun J. Li, British Malaya: An Economic Analysis, pp. 86, 87).

27. Before the Japanese occupation, Burma's processing industry employed 15,000 Chinese workers and the mining industry about 4,000 (Chao Sun-tsiao, the Geography of Burma, p. 147). Between three and four thousand Chinese workers were employed in the mining industry of Indochina (V. Ya. Vasile'yeva, Indochina, Moscow-Leningrad, 1947, p. 136). About 4,000 skilled workers were employed in machine shops, ship-building and ship-repairing plants in the Philippines at the very beginning of the 20th century. Another 1000 workers were employed as stevedores and wood-cutters. Eventually the number of Chinese workers in the Philippines was reduced still further (Ta Chen, Chinese Migrations, with Special Reference to Labor Conditions, pp. 105-106). The Chinese working people made a substantial contribution to the economic development of these countries in the 17-19 centuries. Eventually, however, their role was reduced to insignificant proportions. There were specific reasons for that in each country. In Indochina, for example, that fact that Vietnam had for a long period of time been a vassal of China was an important factor. It had greatly affected the general level of the country's economic development. When the French colonizers seized the country and began to exploit it, they were able to make wider use of the cheaper labor of the Annamites and Tonkinites in the mines and on the plantations. Of no little importance also was the policy of the French administration toward Chinese capital which, in effect, made it impossible for the Chinese bourgeoisie (the major "consumer" of Chinese labor) to own mines or plantations.

28. Indians in Malayan Economy, New Delhi, 1950, p. 16. It should also be borne in mind that a fairly large percentage of the so-called industrial workers consisted of artisians and members of their families. Thus even according to the postwar figures obtained by the Internal Bank for Reconstruction and Development in its 1954 economic investigation in Malaya, the mentioned category of people accounted for 40% of all the industrial workers in the country. (See The Economic Development of Malaya, p. 422)
29. There has been a considerable fluctuation of the number of Chinese workers in the postwar period. Thus in 1953 their number was considerably higher than the prewar level (1939) and only a little less than the number of Indian workers (Federation of Malaya. Annual Report 1953, p. 24).

30. Annual Report 1955, p. 44.


34. K. P. Landon, The Chinese in Thailand, pp. 120-121.


37. Volkstelling 1930, pp. 159-160.


41. Ta Chen, Chinese Migrations, with Special Reference to Labor Conditions, p. 65.

42. P. C. Campbell, Chinese Coolie Emigration to Countries Within the British Empire, p. 22.

43. Dun J. Ii, British Malaya: An Economic Analysis, pp. 91-93.

44. V. Thompson, Labor Problems in Southeast Asia, p. 230. For instance, the labor law submitted for the consideration of Parliament in 1938 was rejected for that reason by a majority of 62 to 28 (G. W. Skinner, Chinese Society in Thailand: An Analytical History, pp. 220).

45. N. Rebrikova, Thailand, pp. 50-51, 91.


49. V. S. Rudnev, Singapore. See The Last Colonies in Asia. IL, 1958, p. 162.

50. The figures cited on foreign and Chinese mines cover only 12% of all the tin-mine workers in the Federation.

51. F. Swettenham, British Malaya, p. 234.


53. V. Thompson, Labor Problems in Southeast Asia, p. 92.

54. Annual Report, 1955, p. 44.

55. V. S. Rudnev, Singapore, p. 162.


57. Lin Fan-shen, Malaya, p. 84.


60. Malayan Monitor, Vol. 11, 1958, No 5, p. 10 and No 4, p. 8.

61. The only exception was the association of Chinese pinable-plantation workers registered in 1908 in Singapore. In 1913, however, it went out of existence (V. Purcell, The Chinese in Malaya, pp. 207-208).


64. V. Purcell, The Chinese in Southeast Asia, p. 232.

65. Pacific Affairs, June 1932, No 2, pp. 196-197.


70. The Communist Party of Indonesia was founded on 23 May 1920. (D. N. Aidit, Short History of the Communist Party of Indonesia, IL, 1956, p. 0). The Communist party of Malaya was organized in July 1931 (Short Reports of the Institute of Oriental Studies, KSIIV, 1956, Vol. XX, p. 19). The Communist party of Indochina came into being in 1930 (G. I. Levinson, the Labor Movement in the Philippines, IVL, 1957, p. 36). Only in Thailand did the independent Thai, Chinese and Malayan Communist parties emerge before and during the Second World War. (See N. Rebrikova, Thailand, pp. 22, 52).


73. Lin Fan-shen, Malaya, pp. 90, 92.


75. V. Thompson, Labor Problems in Southeast Asia, pp. 110, 111, 114, 255.


77. V. Thompson, Labor Problems in Southeast Asia, p. 113.

78. Lin Fan-shen, Malaya, p. 100.


80. Federation of Malaya, Annual Report 1953, p. 66; Annual Reports 1956, pp. 72-73, 84.


82. Ibid., pp. 23, 37.


87. The Chinese New Year comes early in spring.


89. The first circles disseminating the ideas of Marxism within the Thai working class were organized by the Chinese immigrants as far back as 1928 (N. Rebrikova, Thailand, p. 52).

NOTES TO CONCLUSION


2. See Jen Min Jih-pao, 13 August 1957.

3. In his speech to the Burman Chinese in Rangoon of 18 December 1956 Premier Chou En-lai emphasized that, from the point of view of future prospects, the interests of the interests of the Chinese bourgeoisie and the Burmese economy as a whole call for the development of a national industry. He called on the Chinese traders to invest their capital in various branches of Burmese industry. (See the Collection of Materials on the Policy Toward Chinese in Foreign Countries, p. 5).

4. See the Collection of Materials on the Policy Toward Chinese in Foreign Countries, pp. 96, 97.
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