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# Malaysia's Early Relations with Great Britain from 16th Century to Pre-Independence Era

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#### **Abstract**

This article analysed the nature of Malaya's early relations with British from the sixteenth century to the pre-independence era. It aims to provide a foundation for comprehending the historical relations between the two before the former's independence from the latter. Using documentary analysis as the research method, a few questions were addressed. Firstly, why and how did the British colonize Malaya? What was the structure of the British colonial government in Malaya in dealing with threats and challenges? And what was the significance of Malaya for the British? To answer these questions, the study focused on three main points. Firstly, it traced back the earliest setting of the British presence from the 16th century until the beginning of the British colonialism in Malaya. Secondly, it analysed the colonial structure of the British in dealing with threats and challenges, and thirdly it evaluated the significance of Malaya for British, especially in sustaining the latter's economy after the World War II. The notable contributions of this study vis-à-vis the existing literature reviews on Malaysia's relations with British are the emphasis on the Malaya's earliest interactions with the British as early as the 16th century, the highlight of Malaya's political and economic situation before gaining independence, and the role played by Malaya in reviving British economy after the World War II. Overall findings, the article discovered that the historical foundation of Malaya-British relations began as early as the 16th century, that British colonialism in Malaya had an effect on the construction and re-construction of Malaya political and economic settings not only materially but also from a non-material impact, and that British-Malaya relations have been one of love-hate relationships from their beginnings with one another are in need of each other.

# Keywords

Early Relations, Malaya, British Colonialization, Tin, Rubber

#### Introduction

Malaya's (known later as Malaysia) history begins with the Malacca Sultanate, which dates back to the 1400s. Malacca became a glorious kingdom as a result of its authoritative rulers, an efficient administrative and governance system, and a strategic location at the crossroads of East and West Asia. This situation facilitated Malacca's emergence as a major trading and Islamic centre, particularly for the Southeast Asia region (Andaya & Andaya, 1982; My Government, 2017).

The strategic location of Malacca within the Malay Archipelago, especially for commercial and trading activities, drew many outside powers to Malacca, beginning with the Portuguese in 1511. Then, in the late sixteenth and early seventeenth centuries, pushed by the bitter rivalry among European powers to acquire territories overseas, and to exclusively monopoly the spice trade route, another European power, the Dutch, entered the picture with the capture of Malacca in 1641. In 1824, Malaya officially became British territory following the signing of the Anglo-Dutch Treaty (or Treaty of London) in London on March 17, 1824. Through this treaty, British colonialism period officially began where it authoritatively intervened in all administrative affairs of Malaya, except on Malay religious and custom affairs, which were previously managed by the Malay Rulers with the assistance of state officials (Tarling, 1957).

This article examines the nature of Malaya early relations with British from the sixteenth century to the pre-independence era. It serves as an essential foundation for understanding the historical relations between Malaya and British prior to the former gaining independence from the latter . In analysing this, a few questions were discussed. Firstly, why and how did the British colonize Malaya? What was the structure of the British colonial government in Malaya in dealing with threats and challenges? And what was the significance of Malaya for British?

To answer the above questions, the study will focus on three main points. Firstly, it traced the earliest setting of the British presence from the 16<sup>th</sup> century until the beginning of the British colonialism in Malaya. Secondly, it analysed the colonial structure of the British in Malaya in dealing with threats and challenges, and thirdly it evaluated the significance of Malaya for British, especially in sustaining the latter's economy after the aftermath of World War II. The vital

contributions of this study vis-à-vis the existing literature reviews on Malaya's relations with British is the emphasis on Malaya's earliest interactions with the British as early as the 16<sup>th</sup> century, the highlight of its political and economic situation before gaining independence, and the role played by Malaya in reviving British economy after World War II. The research method of this study is based on the documentary analysis.

# **British Early Presence to the Colonialism Era in Malaya**

As a matter of fact, British's colonialism over Malaya was largely associated with the European powers' rivalries, specifically with the Dutch, in colonializing territorial overseas, and monopolizing the Indian Ocean passages to predominantly secure the spice and silk trade route (Anievas, & Nişancioğlu, 2015; Maloni, 1986). British's earliest journey towards colonialization of Malaya could be linked to Sir Francis Drake's, an English admiral, voyage into the Straits of Malacca in 1579 which was part of his global navigation from 1577 to 1580 during the Elizabethan period. In 1577, Elizabeth I secretly commissioned Drake to embark on an expedition against the Spanish colonies on the Pacific coast of America (Northern Whig & Belfast Post, 1932; San Francisco Call News, 1895; Plymouth Britain's Ocean City, 2022). On his voyages, he captured a few Spanish ships but was caught in severe storms which resulted in him and his famous Golden Hind ship being blown into the Pacific in 1579 and unable to find a way home (Meyer, 2017). His travels across the Pacific then took him to the Malay Archipelago, which included the Indonesian islands and Malaya. His visits there were accompanied by spice purchases in the Malay Archipelago (Ibid).

Since then, the British started to establish their political and economic rule over Malaya with a few signings and treaties, namely the lease of Penang by Sultan Abdullah of Kedah to Francis Light on behalf of the East India Company (EIC) or also known as British East India Company (BEIC) in 1786, and the attainment of legal authority by Stamford Raffles over Singapore in 1819. Fundamentally, British acquisition of these Malay states, both Penang and Singapore, were to serve its strategic purposes which ultimately to function as the major port trading centres in the Malay Archipelago (Rizal Yaakop, 2014). Furthermore, Singapore also possessed an abundance of portable water, a naturally sheltered harbour, and was conveniently located as a hub for trade with China and the eastern archipelago. It could be a free-trade zone that attracted merchants from a wide area. This would enable the British to not only break the Dutch trade monopoly, but also to exercise control over the security of the area between Penang and Singapore (Andaya & Andaya, 1982).

Then, from the nineteenth century onwards, British continued to expand its territorial conquest by gaining complete dominance over Malacca and the majority of the Malay Peninsula from the Dutch when both parties agreed to sign the Anglo-Dutch Treaty in 1824. This treaty officially outlined their respective areas of influence where the British acquired the Malay states on the peninsula, and the

Dutch obtained the right over the Indonesian islands (Andaya & Andaya, 1982; Asmady Idris, 2015). The treaty was actually intended to resolve a number of issues that had arisen as a result of the British occupation of the Dutch colonial possessions during the Napoleonic Wars (1803-1815) which primarily revolved around the two powers' rights to the spice trade in the Spice Islands, and the British legal authority over Singapore based on the 1819 treaty which had also aggravated tensions between them when the Dutch claimed that the British's treaty with the Sultan of Johor was invalid and that the Sultan of Johor was under the former's sphere of influence. Additionally, the fate of the Dutch trading rights in British India and the area's formerly Dutch possessions further became a point of contention between the British Calcutta and the Dutch Batavia (Andaya & Andaya, 1982).

With the separation of the British and the Dutch territory, the former then integrated the three outposts of Penang, Singapore and Malacca under one administration known as Straits Settlements (Negeri-Negeri Selat). In 1832, Singapore became the centre of Government for the three areas. In 1867, the Settlements were transferred to the Colonial Office as a Crown Colony (Turnbull, 1972; Tarling, 1957). The British also had an unprecedented authority to intervene in the Sultan states affairs, and eventually colonise them. It had interfered in all the administrative affairs of Malaya, except on religious and custom matters, which were previously managed by the Malay Rulers with the help of state officials. British's first colonial-political intervention in Malaya began with Perak where it was the first Malay state to receive a British resident. The British took advantage of what was going on in Perak turmoil, due to the rivalry for Perak's kingdom throne between Raja Abdullah and Sultan Ismail, as well as the major fights and hostility between the two gangs of Chinese miners, Ghee Hin and Hai San, around Kelian Puah and Kelian Baharu, which later spread to other states. The hostile situation was soon resolved with the signing of the Treaty of Pangkor on 20 January 1874, following which Raja Abdullah wrote to the British inviting them to send a Resident to Perak and requesting recognition as Sultan of Perak in exchange (Andaya & Andaya, 1982).

Grounded upon this Resident system, Sultans were required to consult the Resident on all matters, except religious and custom issues, pertaining to general administration, including maintaining peace and security, supervising tax collection, and encouraging economic development (Eunice Thio, 1969). Thus, the Residential system gave the British complete control over all aspects of administration except those involving Islam and Malay customs. The treaty marked a formal departure from the British's previously stated policy of non-intervention in the affairs of the Malay states.

As Perak received its first resident, J.W.W Birch, to administer the state, a similar situation occurred in other Malay states such as Selangor, Negeri Sembilan, and Pahang when they also accepted a British-appointed Resident. The residential system gave birth to the Federated Malay States (FMS) on July 1, 1896, which united the states of Perak, Selangor, Pahang, and Negeri Sembilan under a single

administration known as the FMS. Kuala Lumpur was then selected to serve as the administrative capital of the four British-protected states. The Federated Malay States were governed by a Federal Council chaired by a British High Commissioner and assisted by a Resident-General, with the United Kingdom in charge of defence and foreign affairs. Each state was administratively divided into districts monitored by British District Officers (Rizwanah Souket & Syed Arabi Ididi, 2020, p. 2). All in all, British successfully attained all the Malay territories under its colonialization ascendency.

According to Andaya and Andaya (1982), the British were able to establish a dominant commercial, and later political position over other Europeans in Malaya areas for a number of reasons. First, by the middle of the eighteenth century, the English East India Company had gained tighter control over India's cloth-producing regions. With access to consistent supplies of cloth, English traders were able to squeeze out most of their Indian rivals in the vital piece-goods trade. Second, since the Malays had been smoking opium mixed with tobacco since the seventeenth century and consumption was still at an all-time high a century later, the British had an advantage because they had controlled the supply of opium to Southeast Asia and China. Third, it was because the English advance in maritime shipping techniques compared to other Europeans. As early as 1714, it was stated that the English navy was larger and better managed than any other in Europe, and that England was also superior in skills such as ship-building and cartography (Ibid). Finally, the British also had no objection about selling armaments, which the Dutch East India Company (VOC) had strictly prohibited. Moreover, the British were willing to trade their knowledge of gunpowder and cannon manufacture, concurrently allowing them to capitalise on the Malay desire for arms that had been denied by the VOC (Ibid).

Apart from the tangible factors discussed above, some intangible elements which involved perception and affectionate of the locals, especially those of the Sultans towards the British also played substantial roles. In principle, the Malay rulers relatively regarded the British as a 'friend' rather than a threat or an enemy. Andaya and Andaya (1982) argued that, "it is unsurprising that Malay rulers initially looked to the English with hope, as their representatives, the country traders, had been specifically instructed to 'conciliate the natives' esteem and affection and to teach them to regard the English as their friends and protectors" (p. 107). Because the Malayan people were socialised to view the British as 'friends' and 'protectors', they developed a greater affinity for Western values and cultures, as well as a greater reliance on the West, particularly the English. Moreover, this demonstrates that the Malayan people had long been instilled with images of the British as 'friends' and 'protectors', bringing them closer to the West.

Second, in comparison to other European colonial powers that ventured into Malaya, the British were indeed quite skilful at dealing with the indigenous people. The British were fluent Malay speakers and were occasionally linked to indigenous Malays through liaisons with their womenfolk. The English also developed close

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links with the Malay world through their involvement in Malay courts, serving as advisors on political and military matters, and frequently being on intimate terms with the Malay rulers. Thus, while the Malay continued to regard the Dutch as Europe's most powerful state, they were becoming aware of England's growing prestige. As a result of being taught that the British were a friend or ally, and that the British were skilled at approaching Malay rulers affectionately, the Sultans were more welcoming of the British presence in the early days. In other words, these intangible elements (perception and affection elements) had an indirect impact on the country, and the Malay rulers' behaviour towards the British.

## The British Colonial Government in Malaya

Until the early twentieth century, Malaya's relationship with the British was largely still one of coloniser and colony, with the British playing a significant role as protector of Malaya's defence. By the First World War, the British had established three distinct entities: the Straits Settlements (Penang, Singapore, and Malacca); the Federated Malay States (FMS) - Perak, Selangor, Pahang, and Negeri Sembilan; and the Unfederated Malay States (UMS) - Terengganu, Kedah, Kelantan, Perlis, and Johor. UMS was a latecomer to British rule, having been transferred from the Siamese in 1909 and subsequently signed treaties that accepted British advisors (Hutchinson, 2015). Unlike the FMS, the UMS had greater autonomy and were not bound by a common institution (Rizwanah Souket & Syed Arabi Idid, 2020). Although they had a similar legal status to the FMS, Hutchinson (2015) asserted that they were distinct for a number of reasons. First, these five states came under British control later. Johor, for example, accepted an Advisor in 1910 but only relinquished significant powers to the British in 1914. Second, the British were not as preoccupied with economic concerns in UMS areas as they were in FMS areas. Because of the scarcity of tin deposits in the UMS, the British presence was initially limited and later extended.

Third, between the 1870s and the turn of the century, British attitudes toward colonial administration shifted dramatically, with a greater awareness of and sympathy for local cultural institutions (Hutchinson (2015). Furthermore, the situation at the UMS was not the same. Because of their later incorporation into the British sphere of influence, local government organisations grew endogenously, frequently on the basis of ideas copied from either the Straits Settlements or the Federated Malay States. In comparison to the FMS, where state bureaucracies had to be built from the scratch, the British arrived in the UMS to find senior notables' councils and pre-existing civil services. Furthermore, Hutchinson (2015) stated that one of the most important factors that accounted for the limited British intervention in the administration of the UMS was that the Sultans in the UMS had exposure to the British through agents and had witnessed the changes that external control had brought to the FMS. They were fearful of losing sovereignty, resisting overt decreasing of their prestige or attempts to federate government services in Kuala Lumpur, which prompted the UMS Sultans to oppose a proposed decentralisation

plan in the 1930s.

While the British were considered as friends and defenders by the Malayan people, this did not mean that the British rule was without difficulties. There were resistances against British control by the locals especially after the residential system was established. The residential system provided the British unlimited right to act in the affairs of Sultans' states, rendering the Sultans powerless as rulers of their own territories. Although British resident was not supposed to intervene in matters relating to Islam and Malays customs, as witnessed in Perak, J.W.W. Birch did so anyway when he abolished the slavery system, which was considered as interference in Malay traditional customs (Cheah Boon Kheng, 1991). A number of Malay traditional leaders, such Dato' Dol Said (Naning), Dato Maharajalela and Dato' Sagor (Perak), Yamtuan Antah (Negeri Sembilan), Dato' Bahaman and Mat Kilau (Pahang), Tok Janggut (Kelantan) and Haji Abdul Rahman Limbong, demonstrated the beginnings of Malay nationalism (Azmi Arifin, 2014). Other examples of opposition to British authority include resistance in Sabah led by Mat Salleh and Antanom, Sharif Masahor, Rentap and Datuk Patinggi Abdul Ghapur in Sarawak and Raja Mahadi in Selangor.

Later during the World War II (WWII), however, Malaya subsequently entered the sphere of world war when the Japanese invaded Malaya in 1941. While WWII in Europe began in 1939, when Nazi Germany under Adolf Hitler occupied Poland, the wave of WWII in Asia erupted earlier in 1937, after Japanese troops invaded China, and later bombed the American naval base at Pearl Harbour in Hawaii, and occupied British colonies in Southeast Asia in December 1941. The Japanese also attacked the British colony of Hong Kong, and landed troops in the Philippines, British territories in Malaya and Borneo, and several Allied-held Pacific Island staging posts (National Army Museum, 2022). Moreover, Japan had joined the Axis alliance in 1940, signing the Tripartite Pact with Germany and Italy. The war in Asia lasted from December 1941 to August 1945, during which British Commonwealth forces and their allies fought against Japanese expansion in Asia (Ibid).

Since Malaya was known to be abundant in natural resources, particularly when the land was a significant resource for tin and rubber producers, the Japanese had been eyeing the land with the intention of invading and monopolising it for industrialization purposes. While the Japanese required these primary commodities for industrial purposes, they also required oil for militaristic purposes, particularly in preparation for the war they were about to enter (Chen, 2010). Malaya, by nature, did not have a large amount of oil in comparison to the islands of Borneo, Java, and Sumatera, so occupying Malaya would be a strategic base to support the Japanese further invasion of these islands. Hence, on December 16, 1941 Japanese forces landed in Miri, invaded Labuan on January, 1 1942, then Mempakul on January 2 in North Borneo, and finally occupied Jesselton on January 8 1942.

Despite the British hard-fought resistance to defend their colonial territories, Malaya, Singapore, and Borneo eventually fell into the Japanese hands. Multiple factors contributed to the British defeat in Malaya, including insufficient strategic planning, especially jungle training, poor intelligence, low morale, a confused command structure, and a lack of air cover (National Army Museum, 2022). Besides, the British underestimated their battle-hardened adversary. In comparison to the Japanese, they were well prepared, determined, and skilful at navigating the jungle. Their infantry soldiers advanced quickly on bicycles, and they deployed tanks deftly, which the British had deemed impractical in the dense jungle (Ibid). Their lightning-fast attacks also did not give the British forces a chance to regroup. This did not, however, deter the British, their Commonwealth forces, and their allies from reclaiming Malaya.

In order to defeat the Japanese, the British collaborated with the Malayan Communist Party (MCP), and the Malayan People's Anti-Japanese Army (MPAJA) to launch guerrilla warfare against the Japanese (Mohd Rizal Mohd Yaakop, et.al, 2020). The MCP agreed to help the British with the hope that they would be allowed to play a political role in the post-WWII Malaya, and that they would receive 'political concessions' particularly for the Chinese community. Furthermore, it was also stated in the nine-point of the MCP 'Anti-Japanese programme' in 1943, that its first objective was to drive the Japanese fascists out of Malaya and establish the Malayan Republic. At the same time, it also looked forward to co-operation after the war with Russia and China in supporting independence struggles in the Far East. The British, on the other hand, cooperated with the MCP solely to fight for and reclaim Malaya. Fighting continued until 1945, when the Japanese surrender in the aftermath of the US bombings of Hiroshima and Nagasaki on 6 and 9 August 1945, respectively. Malaya then was reclaimed by the British following the Japanese capitulation in Penang on September 2, 1945, followed by Singapore on September 12, and Kuala Lumpur on September 13 of the same year.

After the end of the Japanese incursion, Malaya was administered by the British Military Administration (BMA) until 15 June 1946, when civilian rule was restored. In April 1946, the British proposed a Malayan Union, in which all eleven states on the peninsula would be unified under a central administration administered by the British. Malayan Union, however, was viewed as a threat to the Malays' position and political future, as the plan included the granting of citizenship to all who were born in Malaya or had lived there for at least ten years, resulting in the Malay Rulers' sovereignty, the autonomy of the Malay states, and the Malay community's privileged position being demolished (Rizal Yaakop, 2014).

Similar to the locals' resistance to the British residential system in the nineteenth century, resistances also occurred with the formation of Malayan Union. The United Malays National Organisation (UMNO), led by Dato' Onn Jaafar, was one of the earliest Malay nationalist movements that advocated for Malay interests and Malaya's independence from the British (Azmi Arifin, 2014). The Dato' Onn-led resistance was supported by the Malay society at large, including nobles, the radical Parti Kebangsaan Melayu Malaya (Malay Nationalist Party or MNP), Islamic organisations, civil officials, rural leaders such as penghulus (village heads), and

even police and ex-service personnel (Cheah Boon Kheng, 2007). Not only that, but the Dato' Onn-led resistance was also supported by well-known former British officials in Malaya, such as Frank Swettenham and Richard Winstedt, who took the agitation to the British Parliament, the Colonial Office, and the British public (Yeo Kim Wah, 1973). According to Mohd Helmi Abd Rahim et al. (2013), non-Malay communities (Chinese and Indian) had also criticised many Malayan Union provisions. Many of them realised that Malaya ought to be their homeland, and that instead of opposing the British and the Malays, cooperation and negotiations with them were essential. As a result, the Malayan Chinese Association (MCA) and Malayan Indian Congress (MIC) were incorporated into the Alliance, with MCA joining in 1952 and MIC joining in 1954, which was viewed positively by the British as a step toward the development of a united Malayan nation (Ibid).

However, further obstacles arose as a result of the MCP's dissatisfaction with the British. The MCP's high ambition to establish a communist government was dashed, and it promptly set up a communist insurgent army called as the Malayan National Liberation Army (MNLA) to launch guerrilla warfare against the British Malaya colonial government. This consequently led to the proclamation of the Malayan Emergency in 1948. During the Malayan Emergency, British military forces and those of its empire, along with those of Commonwealth countries, fought once more to defend Malaya. Only this time, the adversary was the MNLA, a communist-led pro-independence group, and many of its members had previously served in the Malayan People's Anti-Japanese Army (MPAJA), a guerrilla army previously trained, armed, and funded by the British to fight Japan in WWII (Mohd Rizal Mohd Yaakop, et.al, 2020).

To surmount the MCP and MNLA challenges, the British used both military and non-military strategy. For the military strategy, the British formed the first security arrangements to protect Malaya named as the Anglo, New Zealand, and Australia-Malayan Area or ANZAM in 1949 (Pek Wee Kian, 2016, p.1). ANZAM was an agreement between Australia, Britain, and New Zealand with a view to provide defence planning in the area which included the British territories in Malaya and Borneo (Rizal Zamani Idris, 2018). Furthermore, the Commonwealth Far East Strategic Reserve was also formed in 1955, and stationed in Malaya to contain the communist insurgency, to provide defence from external attack, and carry out SEATO commitments (Saravanamuttu, 2010).

Meanwhile, on the non-military strategy, it included instilling the perception, especially among the Malays, that the communist was a threat to the national security. The British also portrayed MCP as a Chinese attempt to undermine Malay political power. This was because the local Communist Party had always been predominately Chinese, and the majority of insurgents were also Chinese, though they had been joined by a small number of discounted Malays and Indians (Thompson, 1952; The Baltimore Sun, 1952). As a result of this, the MCP was rejected and distrusted by the Malays, and was overwhelmingly identified as a Chinese organisation. This approach of instilling Communist as a threat had helped

the British colonial government to suppress the communist insurgency in Malaya. To some extent, it indirectly shaped the behaviour of Malay political leaders who leaned to be pro-western in Malaysia's foreign policy after gaining its independence in 1957.

Apart from instilling MCP as a threat, the British also implemented the resettlement population programme called as the 'New Villages'. Sir Lieutenant-General Harold Briggs was appointed as the Director of Operations for this programme in 1950. Through this programme, Briggs realized the critical nature of isolating the guerrillas from their food sources, and fostering a sense of security in populated areas to encourage people to provide more information on MCP movements (National Army Museum, 2022). Thus, he concentrated on distancing the guerrillas from their support base, both by improving the Chinese community's overall position, and by resettling all the civilians living near guerrilla areas in 'New Villages' in order to separate active insurgents from their passive supporters (Pugsley, 2003).

By 1952, there were nearly 500,000 quarters, mostly Chinese who had been resettled on the 400 new and protected villages (The Baltimore Sun, 1952). Furthermore, when the guerrillas approached them in search of food, they were frequently arrested or killed. Many querrillas surrendered, but it took time to perfect these techniques, and the insurgents were able to continue their campaign (National Army Museum, 2022). When Sir Gerald Templer succeeded Sir Henry Gurney as the Director in 1951, Templer continued to monitor the new village project and refined the management system. He also increased Malay battalions and strengthened the Home Guard strategy for defending the new villages (Ibid; The Baltimore Sun, 1952). After the implementation of all these measures, the situation was improved, and the 'communist terrorists were forcefully relegated to the jungle, where they struggled to survive (Pugsley, 2003). Beside the successful new villages initiative, the British aided another project that was related with the establishment of a rural and industrial development authority with the primary objective of improving the rural and fishing community's economic prospects (The Baltimore Sun, 1952). This struggle against the communist guerrilla finally came to an end, when the 'Emergency Ordinance' was officially lifted in 1960. Throughout the Emergency, more than 500 soldiers and 1,300 police officers had been killed whereas communist losses were estimated to be over 6,000 killed, and 1,200 captured (National Army Museum, 2022).

Overall, upon the British colonialization of the Malay states, it had drastically changed the governance of Malaya from the Sultanate royal settings to the British Residence system. It was also seen as successful in overcoming threats and challenges, especially ending the Japanese invasion as well as demoting the Communist threat. Furthermore, it can be observed that Malaya-British relations in the early days were constantly in some sort of love-hate relationship, in which while there were resistances to British authority, but with both sides were still able to negotiate and cooperate with each other.

# The Importance of Malaya for British Economy

Apart from changing the Malaya's political-government structure, British also monopolized the economic sector. Fundamentally, British predominance in southern and eastern Asia economy had been built on the back of its conquests in India and its control of the Chinese trade, which had always been a primary target of European commercial ambition in the Far East. Until 1833, the British East India Company had controlled the majority of its trade, particularly that between Canton and Great Britain (Tarling, 1957). This also inevitably led to the British monopoly in Malaya's economy since its presence as early as 16th century. Undeniably, its presence in Malaya had transformed the latter's economy from a primarily trading post to an important producer of capitalist primary goods, and a significant earner of valuable foreign currency towards the twentieth century. British had turned Malaya as one of the wealthiest regions of its Empire, and as the vital centres for generating commercial and economic interests in Asia (Mills & Blagden, 1925; The Scotsman, 1936). This was largely due to the discovery of the abundance of natural products, for example, camphor, beeswax, dragon's blood (a resinous gum derived from the rattan palm), birds' nests, and agar-agar (seaweed); agriculture products such as coffee, cotton, gambier, tea, tobacco, gutta percha, and spices; and mines such as antimony, gold, and tin (Andaya & Andaya, 1982).

Basically, Malaya's economic activities flourished steadily in the nineteenth century, transitioning from being a vital trading post to a primary good for capitalist production. This was closely linked to the world's enormous expansion in global trade started from1815 until 1914, which grew on average at a rate of 4-5 percent per year. The driving force was the Western Industrial Revolution, which mainly based on the innovation of large-scale factory production of manufactured goods. Thus, with the advent of the industrial revolution, many industrialised countries including the British required massive supplies of raw materials and food stuffs to feed their growing populations, which Malaya provided in abundance, in addition to its strategic location for trade routes that positioned it well to meet this demand. The advancement and development of British economic or trading relations with Malaya in the nineteenth century were also aided by the importation of foreign workers, primarily Chinese and Indians, from their homelands to work on plantations and mines in Malaya, which lacked adequate wage labour.

To illustrate how Malaya's natural resources were important to the British in the nineteenth century, antimony, for example, had a limited market in parts of the eastern archipelago but was in high demand in Europe as a component of certain alloys, and deposits had been discovered in Sarawak as early as 1824 (Andaya & Andaya, 1982). Another example of Europe's influence on indigenous product trade was the meteoric rise of the market for gutta percha, particularly in the 1840s, when Europeans recognised the potential of a product that could be moulded into any shape with heat and would harden upon cooling, making it ideal for underwater cables. Other than that, Gambir was also widely used in pre-plastic

Britain for dyeing and tanning leather at the time, and the appeal to investors was heightened following the abolition of Gambir duties in 1834. Furthermore, crops such as pepper, Gambir, tapioca, sugar, and coffee were grown for export to markets in Asia (e.g., China), and later to the West after 1850 when Britain adopted a free trade policy, for which these crops were also highly sought after, resulting in significant profits for Malaya-British trade relations (Ibid).

Simultaneously, as a more efficient method of producing tinplate was discovered, international demand for tin increased gradually throughout the nineteenth century, particularly for canned food (Drabble, 2004). Concurrently, deposits in major suppliers such as Cornwall (England) had been largely depleted, allowing new producers such as Malaya to emerge. Profits from tin trading increased in the 1850's, and the British expanded their tinplate manufacturing around this time, and with the repeal of all duties on tin imported into the United Kingdom in 1853, sales soared (Andaya & Andaya, 1982; Drabble, 1974).

Although the main markets for Malay tin remained India and China, the steamship revolution reduced the distance between Singapore and London to just five weeks by sea, and the passage was further reduced with the opening of the Suez Canal in 1869 (Andaya & Andaya, 1982). Furthermore, as communications improved, Straits merchants were able to take advantage of more favourable prices in England and Europe. Singapore, on the other hand, had served as a primary centre for smelting the ore into ingots. Furthermore, British investors introduced new technology that would accelerate and operate mining activities in Malaya at deeper levels, such as high-pressure hoses to wash out ore, the steam pump, and beginning in 1912, the bucket dredge floating in its own pond. According to The Scotsman news, there were approximately 1,200 tin miners in Malaya with a potential output of 100,000 tonnes of tin per year and an export of canned pineapples amounting to over two and a quarter million cases in 1935, making Malaya the world's second largest exporter of canned fruit tin (The Scotsman, 1936).

Then, in the early twentieth century, mining activities gradually slowed due to the fact that tin and gold are non-renewable resources and, secondly, no major new ore deposits were discovered. Commercial agriculture, particularly rubber, had risen to prominence as Malaya's primary raw material export. Rubber had previously experienced a brief boom but struggled to survive severe price swings and the endemic pests as well as diseases that plagued tropical agriculture. According to Drabble (2004), in the 1870s, the British government organised the transport of specimens of the tree *Hevea Brasiliensis* from Brazil to colonies in the East, specifically Ceylon and Singapore. The trees flourished there, and after some hesitation over the five years required for the trees to reach productive age, Chinese and European planters rushed to invest. The boom reached epic proportions when the rubber price reached an all-time high in 1910. By 1921, Malayan rubber acreage (mostly on the Peninsula) had reached 935,000 hectares (about 1.34 million acres), covering approximately 55% of the total in South and

Southeast Asia, with output accounting for 50% of global production (Ibid).

Rubber then quickly overtook tin as Malaya's primary export product. The British owned the majority of the larger rubber estates, which were financed through British-registered public joint stock companies. Between 1903 and 1912, for example, approximately 260 companies were registered to operate in Malaya (Ibid). In 1921, approximately 60% of the planted area in Malaya was estates (with 75% European ownership) and 40% smallholdings (Drabble, 1991). Adding to this, by 1936, Malaya had three million acres of rubber tree plantation, producing nearly half of the world's total supply of rubber (The Sphere, 1936).

Nonetheless, when the Japanese invaded Malaya during World War II, they took control of the Malayan economy, which meant that Malayan exports of primary products were limited and produced in relatively small quantities for the Japanese economy. As a result, this had led to the large abandonment of large areas of rubber and the closure of many mines (Sutton, 2019). The Japanese also took over Chinese businesses and reassigned them to Japanese interests (Drabble, 2004). During this time, Malaya's export economy had declined, and there had been widespread destruction of infrastructure (roads, bridges, etc.), and a decline in public health standards. Furthermore, there had been an increase in the tense situation between inter-ethnic relations due to the Japanese's harsh treatment of some groups, most notably the Chinese, compared to a more favourable attitude toward the Malays, which had instigated a growing sense of ethnic nationalism (Ibid).

After World War II ended in 1945 and the British reoccupied Malaya, the primary objectives were to rebuild Malaya's export economy, which had deteriorated during the Japanese occupation, and to rationalise the fragmented administrative structure (Ibid). The first goal was achieved in the late 1940s, when estates and mines were refurbished, production resumed once the labour force was restored, and adequate rice imports were revived. The second was a complicated political process that led to the establishment of the Federation of Malaya in 1948, from which Singapore, with its majority Chinese population (approximately 75 percent), was kept separate. In 1946, both Sarawak, which had been a private kingdom of the English Brooke family since 1841, and North Borneo, which had been administered by the British North Borneo Company since 1881, were transferred to direct British rule.

On top of that, the British had recognised that Malayan rubber (along with tin) was in high demand in the US and would be critical in earning the US dollars required to rebuild the British economy following the war (Sutton, 2019). This was especially apparent when new industries, such as the automated tyre industry, were thriving in the United States, making the cultivation of rubber-yielding trees commercially appealing. The consideration was so critical that Commonwealth troops tasked with retaking Malaya were to be accompanied by a rubber mission. This mission was to uphold the responsibility of co-opting rubber planters and plantation workers and putting them together to work immediately resuming

rubber production.

Thus, the British-owned Dunlop Rubber Company, Ltd. was in charge of controlling and managing the rubber plantations in Malaya, and to export rubber to the United States. The Dunlop plantations in Malaya was able to sell more than three and a half million dollars' worth of rubber to the United States and Canada during 1948, and these sales aided the sterling area economy (Dundee Evening Telegraph, 1949). The role played by the Dunlop rubber plantation in Malaya was regarded as one of the most important British assets in terms of Malaya's rubber trading relations. It was so vital that the British even opened and continued to conduct intensive research on natural rubber at their Research Centre at the Dunlop Estate in Malaya (Belfast Telegraph, 1954). With increased research and development (R&D), some progress was made when the British developed a tubeless tyre in 1953, "Extron" conveyer belting, Fortiflex industrial containers (marketed first in 1954), "Rubbaseal" protective coating for motor cars and "Polimul" emulsion for use in the textile, paper, paint and cement industries (Ibid). The outcome of extensive R&D conducted at the Dunlop Plantation in Malaya indirectly witnessed the transfer of technology, knowledge, and skills which certainly benefitted Malaya.

Meanwhile, during Malaya's first emergency (also known as the Anti-British National Liberation War), which lasted from 1948 to 1960, the British were primarily concerned that the MCP would destabilise Malaya or jeopardise rubber and tin production, on which the British had been relying to rebuild their economy. Just prior to the Second World War, British had established the Sterling Area in order to pool colonial currency reserves in order to bolster its own reserve position. Malaya was the Area's highest net dollar earner, earning more than the remainder of the Area's members combined.

As already known too, Britain suffered massive consequences in the aftermath of World War II, including 264,433 military deaths and 60,595 civilian deaths; an increase in national debt from €760 million to €3500 million; the loss of 177 merchant ships and two-thirds of the Navy, and so on (BBC, 2022). The war had rendered the British economy incapable of accumulating US dollars as a result of the damage caused by warfare. Subsequently, the British state became heavily reliant on its empire to sustain its precarious post-war position. Hence, Malaya's economic contribution was obliquely significant in sustaining the British imperial system and its economic development in the post-WW2. More importantly, however, Malaya's economic development also had shifted from merely an important trading post to a producer of primary goods, and finally to a significant earner of valuable foreign currency through the sale of those primary goods (Sutton, 2019). As with the peninsula, the Bornean islands (Sabah and Sarawak) had a similar range of mining and agricultural industries, but their geographical isolation from the main trade route and the rugged internal terrain made them less attractive to foreign investment (Drabble, 2004). Nevertheless, since the establishment of the oil industry by Royal Dutch-Shell (a British-owned company) in Sarawak and the start of oil production in 1907, it simultaneously lured British to pay more attention to the Borneo Islands, especially to Sabah and Sarawak.

In addition, engineering machinery is another industry in which Northern Ireland, as part of the United Kingdom, was interested in as the British Malaya had imported up to 70% of British machinery (Northern Whig, 1936). This figure demonstrated that, in terms of machinery, British-made machinery was widely used in many Malayan industries, probably used in factories, construction or military engineering. Adding to this, Malaya had also imported food stuffs, machinery tools, cycles and motor-cars, paper and stationery, cement, cotton piece goods, native clothing, silk piece goods, earthenware, ironware, petroleum, vegetable oils and coal from the British (Whitby Gazette, 1911).

Interestingly, one of the rarely heard trading goods that accounted was the Photographic and Cinematograph Material. The cinematography had gained a stronghold on the native races throughout the Far East, including Malaya, and there was scarcely a town of any pretensions without one or more "pictures houses" (The Bioscope, 1917). The United Kingdom, on the other hand, was the leading supplier, with exports primarily to British India and Burma, the Federated Malay States, the Netherlands, India, and Siam. It was also reported that there was an exchange of cinema to photograph films between them and the Strait Settlements, which showed that this industry was in high demand in Malaya (Ibid).

To some extent, though trade relations between Malaya and the Britain might appear to be a materialistic relationship solely based on profits and markets, it could not be denied that the British viewed Malaya as a reliable source of income to assist their economy. This was demonstrated in a news article published by the *Birmingham Daily Post* that "The many thousands of people who make up the firm of Dunlop thank Malaya for its tenacity. Malaya has saved one of the world's vital assets - rubber - and has upheld our way of life. Dunlop owes Malaya a deep debt of gratitude. We will repay - by directing knowledge and skill to find new uses for rubber and to create growing markets for an ever-increasing range of products. Thus, we will again contribute to prosperity for the people of Malaya" (Birmingham Daily Post, 1954). In hindsight, the British had not merely valued their trading or economic relations with Malaya in terms of materialist-profits driven in nature, but it had also cherished the cooperation, warm and comforting supports of Malaya who played a vital role in revitalizing British deteriorating economy in the post-WW2.

# **Conclusion**

In sum, Malaysia's relations with Great Britain which began as early as 16<sup>th</sup> century until the era of the British colonialism, to some extent, had shaped and restructured some fundamental political and economic settings. The British had altered the Sultanate governance of Malay states to a British Residence system. This system allowed the British to fully intervene in all administrative matters except in regards to Islam and Malay customs. While continuing with its

colonialization governance over Malaya, it faced many daunting challenges, specifically to end the Japanese invasion, and to subdue the Communist threat. With the right approaches and efficient strategies, the British had successfully overcome both challenges. On another note, Malaya had supported British's efforts in stimulating its economy to be back on track after experiencing slump progress during the war period. Malaya's notable role in the post-war efforts was an enormous contribution to the British and its people that deserved to be cherished for both countries in the years to come.

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