# Evolution of Ethnic Patterns of Rural Land Ownership in Peninsular Malaysia: a Case Study\*

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Theoretically, land in Peninsular Malaysia is the domain of the Sultans, whose subjects were entitled to usufructuary rights of effective cultivation and occupancy of the land. The individualization of land ownership was initiated by the British colonial administration in the latter part of the 19th century in an attempt to modernize the customary or communall and tenure system to facilitate the development of commercial agriculture based upon private land ownership and security of tenure (Wong). The land administration procedure, modelled upon the Torrens system as practised in Australia, was introduced into the various States in the Malay Peninsula after 1890 for the purpose of alienation and registration of land to private persons. Each State capital has a central Registration of Titles Office to deal with large land grants, and each administrative district has its own Land Office to handle grants below four hectares in size. At the district level, land registration is based on areal sub-divisions of varying sizes known as mukims.

In a given mukim, the pace of land alienation depends on the demand for and the availability of State land.<sup>1)</sup> Land alienation in any mukim initiates the process of the individualization of ownership of State land and, upon registration, land becomes a transferable and negotiable commodity. The process of ownership changes is complex and goes on indefinitely. In a situation characterized by diversity in the ethnic composition of the population and with different systems of agricultural production (such as European plantations, medium-sized Asian estates and smallholdings, and Malay peasant farms), changes in land ownership involve competition among the ethnic groups and planting companies and inevitably produce cross-ethnic ownership transfers. The results of this process are imprinted on the landscape, in both the temporal and spatial contexts, and serve to increase the relative economic strengths or weaknesses among the ethnic/ownership groups, especially under different prevalent socio-economic conditions which often have different effects on the various ethnic/ownership groups. The unequal competition that took place between the non-indigenous groups on the one hand and the indigenous on the other in the early 1910s

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<sup>1)</sup> State land means all land in the State other than alienated land, reserved land, mining land, and any land which is reserved forest.

had produced undesirable consequences and had forced the colonial administration to legislate the Malay Reservation Enactment in 1913 to control this adverse trend of development (Voon, 1976a).

This paper examines the dynamic nature of land ownership changes and the resultant patterns of rural land ownership on the basis of ethnic origin and corporate organization over a 75-year period (1894 to 1968) in the *mukims* of Semenyih and Ulu Semenyih, Selangor State. Land ownership by individual persons falls outside the scope of this paper, rather, the different ethnic/ownership groups are treated as separate entities. The dominant ethnic groups are the Malays, Chinese, Indians, Chettiars or Indian money-lenders (who are treated separately because of their role in ownership changes) and Europeans, and the ownership group consists of planting companies. The focus of this study is centred on the role of each of the ethnic/ownership groups in relation to the dynamic nature of ownership changes over time and space.

The data on which this paper is based are derived from individual land titles in the mukims of study. These titles contain, among other things, the name(s) of the owner(s), the size of individual lots and the date of each ownership change. Despite the limitations in such a study based entirely on details extracted from land titles (see Voon, 1977), these titles nevertheless represent the only practical and reliable source of information on ownership changes involving the various ethnic/ownership groups. As this study is concerned with ethnic/ownership groups<sup>2)</sup> rather than on individual owners, the limitations in this context are minimal.

## The Growth of Land Ownership

Land alienation for agricultural production in the area of study commenced in the 1890s and the rate of development varied according to the interplay of economic and social conditions operating in different periods of time (Voon, 1976b). In the 1890s and 1900s, the two *mukims* formed part of the undeveloped backwater of Selangor, where coffee planting by Europeans had started in the Klang Valley 30 km to the north. Small-scale peasant cultivation and settlement were pursued by settlers who had migrated from Sumatra and who had colonized many river valleys in the State of Negeri Sembilan to the south. In the mid-1900s, the Semenyih valley attracted increasing attention from proprietary planters and planting companies, and the demand for land intensified as land in the more accessible Klang Valley and coastal areas became scarce. The years 1909 to 1914 also coincided with the escalation of rubber prices and the boom in the rubber trade triggered off a frantic scramble for land, especially by European applicants (Jackson, 1968 and Drabble, 1973).

<sup>2)</sup> The names of Malays, Chinese, Indians, Chettiars, and Europeans are distinctive and easily distinguishable from one another. In the case of a planting company, its registered name is entered in full.

The spread of land ownership in the quinquennum was unprecedented and the rate of expansion in European land ownership averaged 39 per cent per annum.

From the mid-1910s to the 1920s, the planting of rubber by Chinese and Malay small-holders contributed significantly to the growth and diversity of land ownership in the *mukims*. By 1920, 87 per cent of the land area alienated up to 1968 had already come under private ownership (Table 1).

As a group, the Chinese acquired the largest area through application to the State, particularly in the years 1915–1920, when Chinese ownership increased at an average annual rate of 32 per cent. During this period, 2,505 ha were acquired by Chinese settlers or almost three times the area alienated to them during the previous quinquennium. In 1960, 4,817 ha had been granted to the Chinese, compared with 3,251 ha given out to Europeans. Although Malay settlers acquired almost two-thirds of the number of individual parcels of land, these comprised only 16 per cent of the total alienated area in 1960. Malay ownership rose by more than 20 per cent per annum prior to 1910, by which year the Malay community owned 86 per cent of the alienated lots in the two mukims. When European, Chinese and planting companies participated actively in agricultural development, the role of Malay settlers declined in comparison. The Indians and Chettiars did not become noticeable as land owners until 1915; nevertheless, the high rate of growth in Indian land ownership in the years prior to 1915 was statistical.

As is obvious in Table 1, the active period of land alienation in the area of study was brief and lasted between the late 1900s and 1920. After 1921, only 837 ha of land had been alienated. European planters ceased applying for land in 1919, the planting companies in

| Table 1                                  | Land alienation by ethnic/ownership groups for selected years between |  |  |  |  |  |  |  |  |  |
|--|---|--|--|--|--|--|--|--|--|--|
| 1900 and 1960. Semenyih and Ulu Semenyih |   |  |  |  |  |  |  |  |  |  |

| Year  | Planting<br>Company | Euro | pean   | Chi | nese          | Ma    | Malay |     | Indian |     | xed | То    | tal    |
|-------|---------------------|------|--------|-----|---------------|-------|-------|-----|--------|-----|-----|-------|--------|
| 1 car | (1) (2)             | (1)  | (2)    | (1) | (2)           | (1)   | (2)   | (1) | (2)    | (1) | (2) | (1)   | (2)    |
| 1900  |                     |      |        | 16  | 293           | 64    | 150   |     |        |     |     | 80    | 443    |
| 1905  |                     |      |        | 22  | 305           | 172   | 340   | 1   | 3      |     | -   | 195   | 648    |
| 1910  | 2 409               | 14   | 1,079  | 48  | 642           | 477   | 819   | 10  | 29     |     |     | 551   | 2,978  |
| 1915  | 29 791              | 36 3 | 3,173  | 167 | 1,552         | 673   | 1,138 | 22  | 183    |     |     | 927   | 6,837  |
| 1920  | 31 813              | 39 3 | 3,251  | 457 | 4,057         | 820   | 1,420 | 40  | 313    | 1   | 4   | 1,388 | 9,858  |
| 1930  | 39 1,035            | 39 3 | 3, 251 | 676 | <b>4,</b> 602 | 991   | 1,759 | 69  | 409    | 3   | 8   | 1,817 | 11,065 |
| 1940  | 39 1,035            | 39 3 | 3, 251 | 678 | 4,817         | 1,137 | 1,834 | 73  | 424    | 3   | 8   | 1,959 | 11,370 |
| 1950  | 39 1,035            | 39 3 | 3, 251 | 678 | 4,817         | 1,170 | 1,861 | 73  | 424    | 3   | 8   | 1,992 | 11,396 |
| 1960  | 39 1,035            | 39 3 | 3, 251 | 678 | 4,817         | 1,172 | 1,863 | 73  | 434    | 3   | 8   | 1,994 | 11,398 |

<sup>(1)</sup> Number of Lots (2) Area in Hectares

The 'Mixed' group indicates joint ownership involving two or more ethnic groups.

Source: Compiled from land titles in the Registration of Titles Office, Kuala Lumpur and the Ulu Langat Land Office, Kajang.

1928, the Indians in 1931, the Chinese in 1942, and the Malays in 1960. The ethnic pattern of land ownership according to the process of alienation is shown in Fig. 1.

## Land Ownership Changes

The ethnic patterns of land ownership according to alienation, as shown in Fig. 1, existed only in the land registers but never in the spatio-temporal sense. Upon alienation, land is no longer a static but becomes a highly dynamic entity, each parcel having its own eventful history of ownership changes. In the context of a multi-ethnic society, in which ownership transfers of land granted on freehold titles are unrestricted (except for land in Malay Reservations where dealings are confined among Malays), cross-ethnic changes in ownership tend to enlarge the ownership of some groups at the expense of others.

There are four principal, legal ways of ownership changes and these are transfer, transmission, foreclosure, and reversion to the State. Transfer is a process by which ownership is exchanged for money in the open market; transmission results from the operation of the inheritance law and rarely entails cross-ethnic changes in ownership. Foreclosure occurs when the owner who has charged his land as collateral security for a loan defaults in his loan obligations, upon which the chargee invokes legal procedure to recover his registered interest in the land concerned either by public auction or by possession (National Land Code, pp. 132 and 140). The various land enactments also made provisions for the resumption of ownership of land by the State upon expiry of the term, if any, specified in the title, non-payment of rent or breach of conditions, death of a proprietor without successors or abandonment of title by proprietors, or when the land is required for any religious, educational, charitable or public purpose (National Land Code, pp. 25-26 and 105). While transmission normally involves ownership changes between persons of the same ethnic origin, transfers and forceclosure may involve owners of different ethnic/ownership groups. Land surrendered and resumed by the State from a given ethnic group may be re-alienated to the same or different group. The manner in which ownership of a parcel of land remains within or crosses the ethnic boundary is illustrated in Fig. 2.

By far the most common method of ownership changes is transfer. It is difficult to generalize the causes of ownership transfers, while some may be definitive others are indeterminate. Often, the root cause of ownership transfers may be traced to the original intention of the applicants or owners. Land was applied for by a large number of persons of different ethnic origins with different motives. The majority were bona fide cultivators intending to invest labour and capital in land to create a permanent asset and a source of income. A few had different intentions, however. For instance, most European applicants were acquiring land as agents of local or foreign planting companies and they were also in a position to take advantage of opportunities in land acquisition during the rubber boom years and, within a year or two, the land was transferred to planting companies. Many

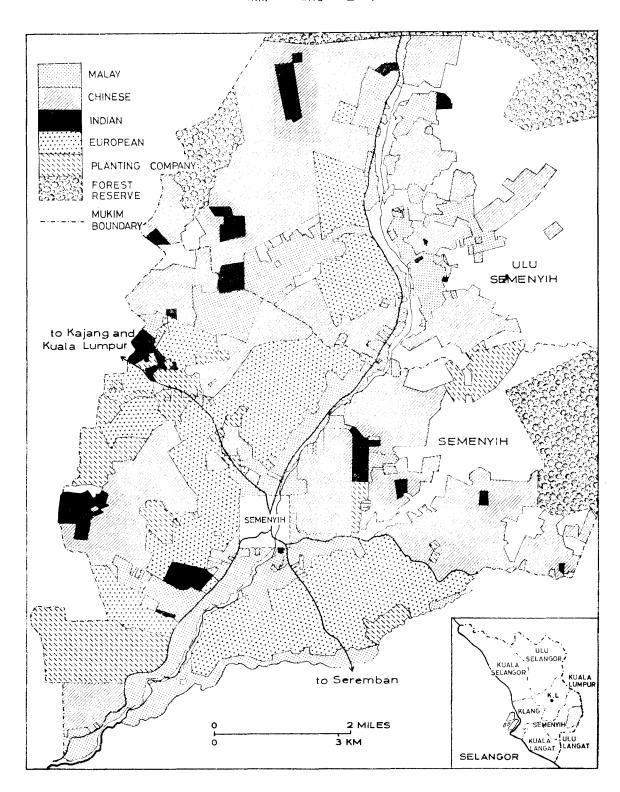


Fig. 1 Distribution of land alienated to various ethnic groups and planting companies, Semenyih and Ulu Semenyih mukims, 1960.

('Indian' also includes Chettiars).

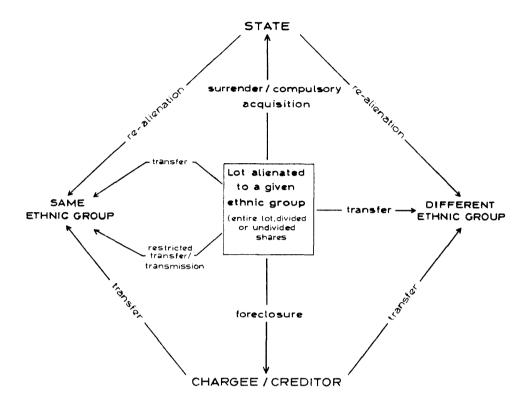


Fig. 2 Methods of land ownership changes

Asian applicants obtained land as a speculative venture and disposed of the land within the first five years of alienation, a period too short for the dominant crop, rubber, for which most of the land was intended, to come into bearing. Others might not be genuine speculators but nevertheless failed to prolong their ownership beyond the tenth year of alienation and were willing to sell their land when the opportunity of an attractive price offered itself. Both speculative and opportunistic dealings in land affected lots planted with rubber, a crop which matures at the sixth or seventh year after planting and reaches a maximum yield only in the 15th year. Of the land lots sold within the first five years of registration, 64 per cent were planted with rubber, while 45 per cent of all sales registered between six and ten years after registration were rubber lots.

The extent of land ownership changes in the two mukims is indicated by the fact that of the 1,994 lots alienated up to 1968, only 171 lots were still held by the original owners and were never sold at all. There was a total of 8,679 registered transfers during the 75 years between 1894 and 1968, averaging 116 sales per annum. This large number of transfers implies the diffusion of ownership among a large number of persons. In fact, 12,965 persons had been registered as owners of land, on a sole or joint ownership basis, for varying lengths of time. In 1968, the number of owners totalled 3,152, with the number of owners per lot ranging from one to as many as 40. Two-thirds of the lots were held on a co-ownership basis (two owners) and one-fifth had three or more owners each.

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The extent of cross-ethnic ownership changes depends on the duration of land ownership under each ethnic group. The permanency of ownership may be measured by the relative length of time during which a parcel of land was owned by a particular ethnic group and this may range from zero to 100 per cent of the 'age' of the parcel concerned (defined as the number of years between the year of alienation and 1968). In Table 2, it is clear that ownership under Chinese, planting companies, and Malays was more durable than that of Indian, Chettiar, and European ownership. For example, of the lots ever owned by the Chinese community, 80 per cent were held for half of the 'age' of the lots, while the corresponding figures for planting companies is 69 per cent and Malays 62 per cent.

Up to 1968, 55 per cent of all the lots owned by Malays had never passed out of their possession, while that for the Chinese was 37 per cent, and companies 17 per cent. Remarks on Malay ownership must be qualified because Malays owned land situated both within and outside Malay Reservations, and Reservation land can only be legally owned by Malays. With reference to non-Reservation lots, a substantial proportion (47 per cent) of the lots were owned by Malays for up to only a third of the 'age' and 71 per cent less than half the 'age' of these lots. Only 15. 3 per cent of the non-Reservation lots never passed out of Malay control, compared with 37 per cent for Chinese owners (Voon, 1976a). In sharp contrast, land ownership by Indians, Chettiars, and Europeans was largely transient in nature. Four-fifths of the lots ever owned by Indians were held up to 20 per cent of the 'age' of the lots and only six per cent for more than half the 'age' of the lots. Similarly, 88 per cent of the lots ever owned by Chettiars lasted up to less than half the 'age' of the lots concerned. European ownership was the least durable, 98 per cent of the lots being owned up to 20 per cent of the 'age' of the lots.

Table 2 Duration of ownership of lots under different ethnic/ownership groups, Semeyih and Ulu Semenyih 1894-1968

| Ethnic/            | 'Age' of Lots |       |                   |                    |        |      |       |  |  |
|--------------------|---------------|-------|-------------------|--------------------|--------|------|-------|--|--|
| Ownership<br>Group | Nil           | 1-20% | 21-50%<br>(Number | 51-70%<br>of Lots) | 71-99% | 100% | Total |  |  |
| Malay              | 789           | 299   | 156               | 44                 | 44     | 662  | 1,205 |  |  |
| Chinese            | 730           | 108   | 136               | 118                | 399    | 443  | 1,204 |  |  |
| Indian             | 1,801         | 153   | 28                | 3                  | 6      | 3    | 193   |  |  |
| Chettiar           | 1,701         | 184   | 75                | 25                 | 9      |      | 293   |  |  |
| European           | 1,910         | 82    | 1                 | 0                  | 1      | 0    | 84    |  |  |
| Company            | 1,858         | 28    | 14                | 7                  | 64     | 23   | 136   |  |  |
| Mixed              | 1,945         | 27    | 11                | 7                  | 3      | 1    | 49    |  |  |

Nil=number of lots never owned by ethnic/ownership group concerned.

The 'Total' column does not include figures in the 'Nil' column.

Source: As Table 1.

## Evolution of Ethnic Patterns of Land Ownership

The dynamic nature of land ownership changes is such that it is not possible to portray any permanent pattern of ownership except at fixed points of time. For the purpose of illustration, the changing patterns of ownership among the various ethnic/ownership groups at selected years will be examined.

In the initial period of development and land alienation in the two *mukims*, the frequency of changes in land ownership was low, due largely to the abundance of land and the ease with which it could be obtained. In 1900 the land ownership pattern featured Malay and Chinese ownership with the latter dominant but with very little actual transfer of land from one group to another (Fig. 3A). It was the intrusion of European and planting company participation in agricultural development that large-scale cross-ethnic changes

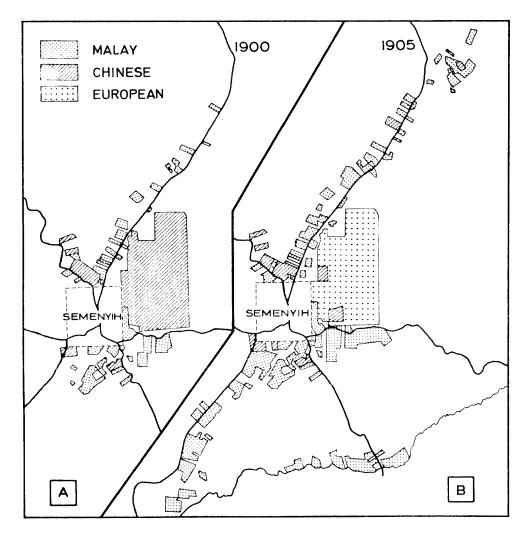


Fig. 3 Distribution of land owned by Malays, Chinese, and Europeans, Semenyih *mukim*, 1900 and 1905.

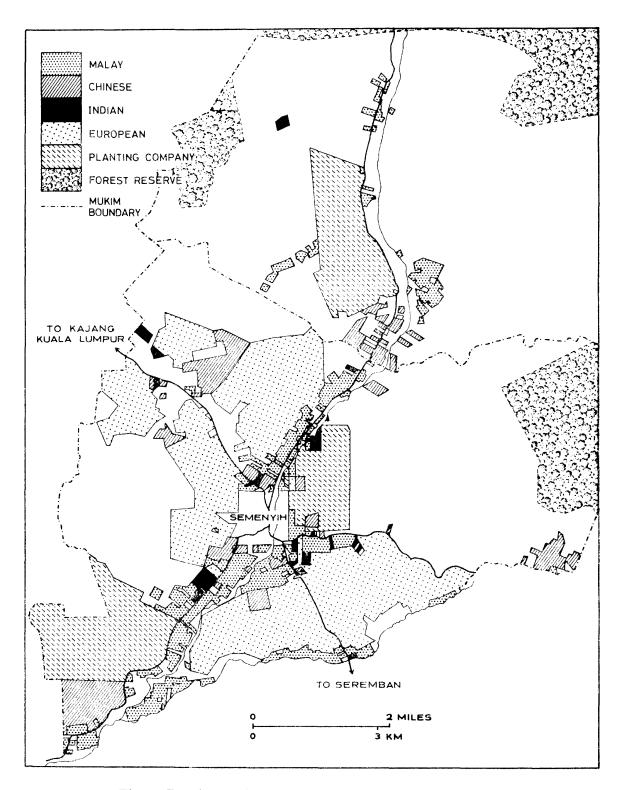


Fig. 4 Distribution of land owned by different ethnic groups and planting companies, 1910.

in land ownership began to take place. While applying for suitably located land from the State, planting companies were always ready to acquire land already given out under private ownership. The purchase of existing holdings offered many advantages. It obviated the often protracted procedure of application for land and expedited the process of land acquisition, especially during times when land was urgently required to exploit favourable economic conditions. It enabled the purchase of land that was favourably located in relation to the town or existing roads or in terms of the rational layout of the plantation. Hence as early as 1904, a very substantial block of Chinese-owned land situated at the outskirts of Semenyih town had been acquired by a British company for rubber cultivation (Fig. 3B). Direct purchase also speeded up development in that the land had already been partly or wholly cleared or even planted up with suitable crops.

The years 1909-14 was one of intense activity in land acquisition by a small group of European planters who applied and obtained an aggregate of 2, 536 ha of State land in the period (Fig. 4). Some of these were proprietary planters operating with their own financial resources or in partnership with professional colleagues. They were, however, severely handicapped by their inherent inability to withstand the financial and organizational requirements of the increasingly complex plantation industry. Others were applying for land in the capacity as agents of local syndicates or for speculative purposes and they were able to acquire from the State sizeable acreages of land with extensive road frontages. Although land ownership under individual Europeans was a temporary phenomenon, yet it played a significant role in the changing ethnic land ownership patterns in the two mukims. It was the vigorous European participation in land application that had made possible the rapid ownership gains by planting companies in the early 1910s, when the rubber boom necessitated urgent demand for land for planting. The purchase of European proprietary estates by planting companies often involved part payment in shares to the vendors; in some cases, the original owners were appointed managers or even to the board of directors. By 1915, planting companies controlled five times more land than was alienated to them and the replacement of European ownership by company ownership was rapid and complete (Fig. 5). The decline of European land ownership was as abrupt as its rise, and by the early 1910s it had almost ceased as a feature in the ownership patterns in the mukims.

The rubber boom period of 1909-1911 was also characterized by a feverish speculation in land by many Asian land applicants. The willingness of Asians to sell and European companies to buy land sustained a high level of speculative land transfers. In the early 1910s, planting companies registered land ownership gains at the expense of Chinese and Malay ownership,<sup>3)</sup> which consequently showned a net deficit between the area alienated to and actually owned by these groups in 1915. Among the original owners of land, the

<sup>3)</sup> In Selangor State, 1,854 agricultural holdings comprising 3,027 ha were transferred from Malays to planting companies and other ethnic groups in 1909 and 1910. Selangor Secretariat Files, No. 3170, 1910.

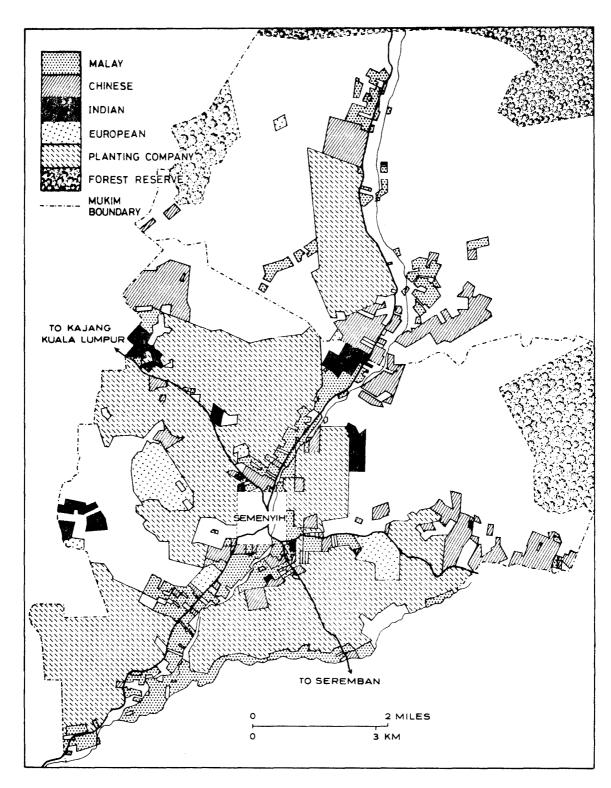


Fig. 5 Distribution of land owned by different ethnic groups and planting companies, 1915.

Chinese and Indians engaged in land speculation relatively more frequently than Malay owners, though the number of Malays involved in this activity was considerable. Half of the lots owned by Chinese and 74 per cent owned by Indians were sold off by their first owners within five years of registration, while the corresponding figure for lots owned by Malays was 13 per cent. Nevertheless, opportunistic transfers, which occurred within six to ten years of registration, were common among Malays and affected 28 per cent of their lots, compared with 19 per cent of the lots originally alienated to Chinese and Indians.

After 1915, the unfettered expansion in company ownership was restrained by the 1914–18 War in Europe which placed severe strains on the financial and manpower resources of planting companies. The 1916–20 quinquennium was dominated by Chinese activities in applying for land for rubber smallholding development. By 1920 fresh alienation of land to this community was sufficient to compensate for the losses in ownership incurred in the early 1910s. The Malays, on the other hand, who had enjoyed a net gain in land ownership for a brief period in the 1900s, had since 1910 experienced a long-term decline in land ownership. Consequently, in terms of the area of land actually owned, it was the Chinese who could match the rapid cumulative gains in ownership registered by the planting companies in the early 1910s, while all the other ethnic groups were relatively insignificant by comparison (Fig. 6).

In the decades 1920 to 1950, the role of the planting companies in ownership transfers was inconsequential and land ownership of the Asians, especially the Chinese and Chettiars, fluctuated from time to time. In general, fluctuations in the actual areas owned by the Chinese and Chettiars were complementary. In the period of economic depression in the 1920s and early 1930s and the Japanese Occupation of 1940-454, the Chinese suffered net losses in land ownership. In 1925, the most conspicuous feature of the ethnic ownership patterns is the several fold increase in Chettiar ownership, due largely to foreclosure of land belonging to Chinese smallholders (Fig. 7). In the late 1910s and early 1920s, a large number of smallholders resorted to borrowing from professional money-lenders (commercial banks normally accepted mortgages on houses but not agricultural holdings) before their holdings came into production. Unlike commercial banks, the Chettiar were prepared to take risks and it was maintained that Chettiars 'played a very important, perhaps both necessary and beneficial, part in the economic development of Malaya' (Rowe, p. 17). Owing to the high rates of interest levied by Chettiars, many indebted Chinese smallholders were unable to discharge their loan obligations. Up to 1922, for example, when the average price of rubber was 2s 8d per kg, compared with £17s per kg at the height of the rubber boom in April 1910, it was believed that 'probably 20,000 acres of Chinese holdings had

<sup>4)</sup> The rubber industry in Malaya experienced financial difficulties throughout the period. The Stevenson Rubber Restriction Scheme (1922-28) was introduced to check production and export in an attempt to raise rubber price (Whittlesey). The International Rubber Regulation Scheme (1934-1943) had a similar aim (McFadyean).

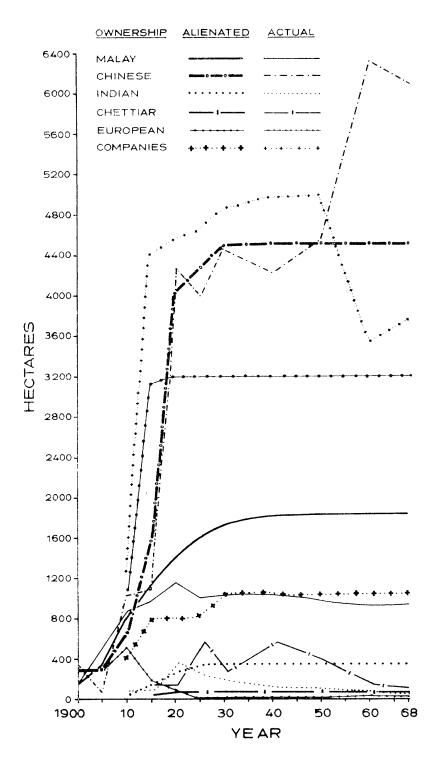


Fig. 6 Land areas alienated to and actually owned by various ethnic/ownership groups, Semenyih and Ulu Semenyih *mukims*, 1900-1968.

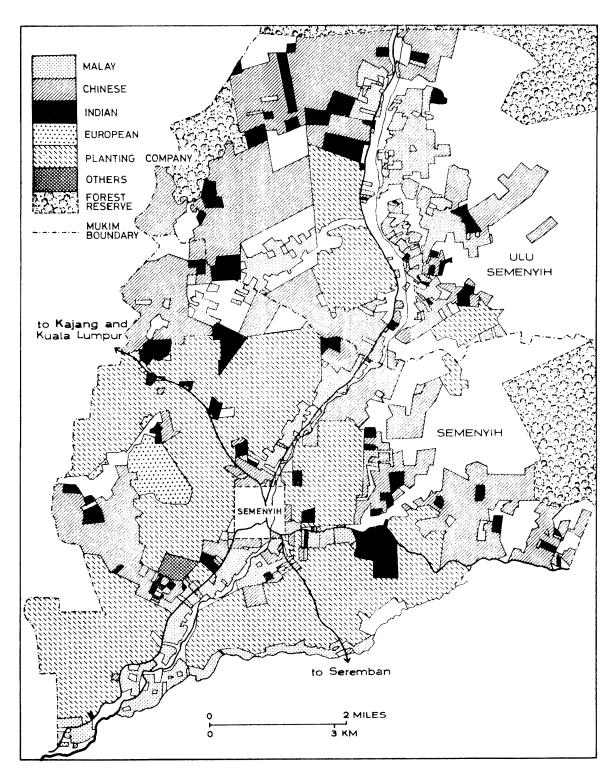


Fig. 7 Distribution of land owned by different ethnic groups and planting companies, 1925.

been foreclosed by Chettiars in the country' (Rowe, p. 18).

Except for minor variations in ownership, the ethnic land ownership patterns between 1925 and 1950 remained relatively static (Fig. 8). Underlying the fluctuations in Chinese and Chettiar ownership and a gradual decline in Malay and Indian ownership was the unstable political and socio-economic conditions prevailing in the country during this period. Owing to the world-wide economic depression in the early 1930s, rubber price plummeted to an average of 5d per kg in 1932. With the introduction of the International Rubber Regulation Scheme (1934–1943) to restrict rubber production (McFadyean), rubber land lost much of its appeal as a form of rural investment. The second World War in 1941–1945 and the immediate post-war period of political instability and socio-economic disruptions throughout the country further retarded dealings in land.

Throughout the 1920–1950 period, the role of the Chettiars was significant in the process of land ownership transfers. They often provided an intermediate link in the transfer of ownership involving different ethnic groups. As money-lenders, their chief concern was to earn interests from loans advanced to land owners and they possessed little time or inclination to manage agricultural holdings. During the 75-year period of study, Chettiars came into possession of 309 different lots of land at some point of time, and all but a few of these had been acquired as a result of the debtors' failure to settle their charges. More than half of these lots were originally owned by Chinese and a tenth by Malays and Indians. In 1940, Chettiars controlled a maximum of 536 ha of land, compared with 230 ha alienated to them. Upon possession of agricultural land, Chettiars disposed of it at an opportune time to recover their capital and to make some profits. Hence Chettiar ownership was impermanent; out of the 309 lots ever owned by Chettiars, ownership lasted only two years for 41 per cent of the lots. As they foreclosed land on the one hand and disposed of it one the other, the aggregate area owned by Chettiars fluctuated from 27 ha to 536 ha during the study period.

The majority of Chettiar-owned lots were subsequently purchased by Chinese buyers, who as a whole eventually acquired 44 per cent more lots than the number foreclosed by Chettiars. Indeed, through the activities of Chettiars, the Chinese came into possession of a considerable number of lots previously owned by other ethnic groups. The largest net loss attributable to the activities of Chettiars was incurred by Indian owners: of the 30 lots amounting to 276 ha that passed over to Chettiars, only 139 ha reverted to Indian ownership. Europeans also experienced a net loss of 96 ha and Malays 49 ha, while the 'mixed' group showed a deficit of 60 ha.

The post-independence period after 1957 saw radical changes in land ownership that brought about drastic spatial re-distribution of the ethnic land ownership patterns. This was not a unique development in the *mukims* but occurred in many parts of the country with comparable patterns of ownership. The late 1940s and early 1950s in particular was a period of political and social instability, caused by the threat posed by internal communist

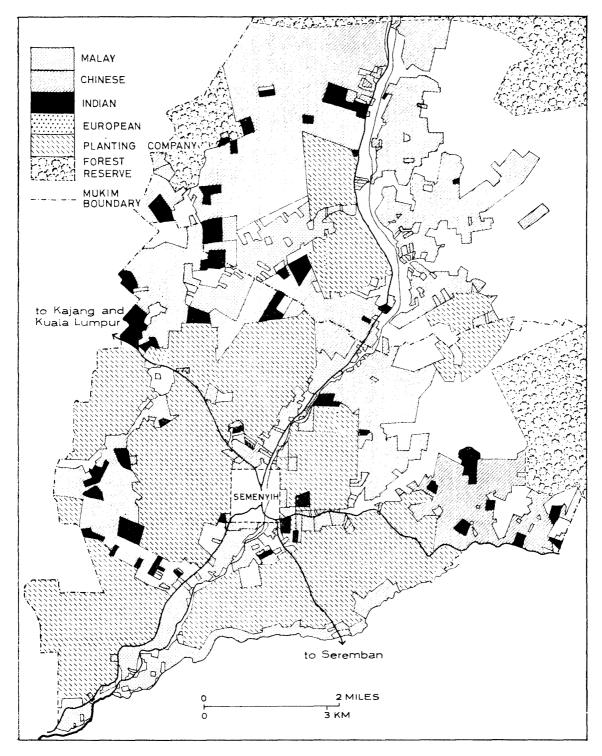


Fig. 8 Distribution of land owned by different ethnic groups and planting companies, 1960.

activities. The insecurity to life and property in rural areas throughout the 1950s compelled a considerable number of planting companies to withdraw operations from the country and offered plantations for sale at low prices. The majority of these were purchased by local syndicates and subsequently subdivided for re-sale to individual buyers (see Ungku Aziz). In Semenyih *mukim*, this phenomenon began in 1957 and 1958, when two European plantations established in the 1910s were sold to Chinese *in toto* and another one disposed of a portion of its property. A total of 709 ha in five parcels of land was acquired by Chinese syndicates which eventually subdivided the land into 279 new lots for sale to Chinese buyers (Title grants 4325, 5135, 5159, 6216, and 7502).

While the spate of disposal of rubber estates was motivated by political reasons, the purchase of these properties was prompted by favourable rubber prices. Among the Chinese, especially those dependent on the rubber industry for their livelihood, a rubber holding represents a reliable form of rural investment. Also, in an area deficient in alternative avenues of employment and agricultural land, there was a constant demand for rubber holdings. Rubber yielded a reasonably high cash income which compared favourably with returns from other sources of agricultural production. The financial appeal of rubber had been enhanced by the introduction in 1953 of official subsidies at a rate of £173 per ha (now about £500)<sup>50</sup> to enable smallholders to replant senile holdings with high-yielding clones. With this very substantial assistance in cash and kind, the incentives for owning a rubber holding became even more compelling than before.

The radical changes in ethnic land ownership in the 1950s reversed the trend of ownership gain by planting companies in the early 1910s. By taking over European plantations, the Chinese acquired ownership of land which possessed locational advantages astride or near the main roads. These advantages are now bringing additional benefits to the new owners in the form of appreciation in land values. By 1968, the land ownership patterns underwent further evolution and accentuated the predominance of Chinese ownership (Fig. 9).

As a group, the Europeans experienced the most considerable loss in land ownership up to 1968, a loss equivalent to 99 per cent of the area alienated to them. Most of this loss became the gain of the planting companies and, indirectly, that of the Chinese. Although company ownership suffered a drastic setback in the 1950s, the planting companies (in the 1960s some companies had come under Asian control) retained ownership of 3, 372 ha or land in 1968, an area 2. 3 times more extensive than that originally alienated to them. This was by far the largest absolute gain in ownership registered by all the ethnic groups in the *mukims*. On the other hand, while the Chinese represented the principal ownership group in the two *mukims*, they owned only 28 per cent more land in 1968 than the area obtained through application, that is, 6, 167 ha compared with 4, 817 ha. In fact, it was only in the

<sup>5)</sup> At an exchange rate of M\$8.57 per pound sterling in 1953 and M\$4.50 now.

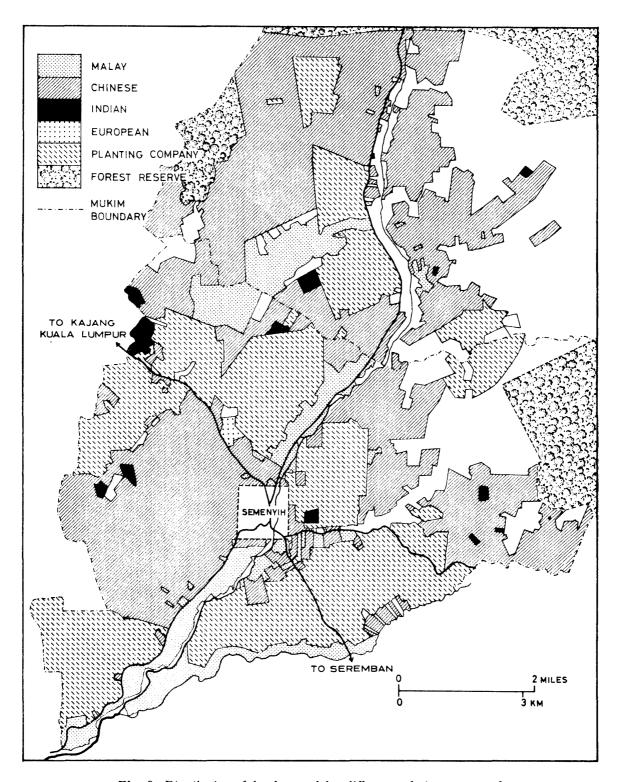


Fig. 9 Distribution of land owned by different ethnic groups and planting companies, 1968.

late 1950s that the Chinese were able to purchase substantial areas from planting companies and were able to consolidate their gains by retaining ownership of land alienated to or purchased by them. Actual Malay ownership reached maximum areal extent in 1925 and had since than undergone a period of secular decline, with an increasing proportion of their 950 ha of land being confined to four Malay Reservations (Voon, 1967a). In 1968, the area owned by Malays was equivalent to half the area acquired by them through application. Indian ownership was inconspicuous throughout the period of study, yet Indian owners retained only 13 per cent of the area originally alienated to them. By 1968, the Chettiars had ceased to play a meaningful role in ownership transfers, and they controlled only a fifth of the area previously under their ownership in 1940.

## Conclusion

The present study reveals the potentiality of land titles for micro-geographical research on aspects of the complex process of ownership changes. Investigation into the evolution of ethnic land ownership patterns in two *mukims* highlights the dynamic nature of this process and shows the distinctive role played by each ethnic group and planting companies.

The constant reshuffling of ethnic ownership patterns spatially and in areal extent may be viewed as a process of 'adjustment' by the various groups in conformity with their economic strengths and weaknesses and in keeping with changing political and socio-economic realities prevailing from time to time. This process of 'adjustment' has given rise to a situation in which the area alienated to each group differed considerably from the area actually owned by it.

The overall effect of land ownership changes was to widen the gap in land ownership by the various ethnic groups. The four main groups of Chinese, Europeans, Malays, and planting companies applied for and were granted land in the ratio of 4.9:3.3:1.9:1. In 1968, these same groups were in possession of areas of land according to a radically different ratio of 282: 172: 44: 1 in the order of Chinese, planting companies, Malays, and Europeans. It is apparent that whereas the area alienated to the largest of the ownership group was only five times more than that of the smallest, in 1968 this discrepancy had increased to 282 times as a result of the ceaseless process of cross-ethnic ownership changes in the 75-year period. The more equitable distribution of land ownership according to alienation by the State had become one of concentration of ownership by some ethnic/ownership groups and the greatly reduced significance of other groups.

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