# The New Economic Policy and the Muda Irrigation Scheme: Research Agenda for Kampung Kubang Jawi

RAMLI MOHAMED\*

#### Situating the Research Agenda

### The Muda Irrigation Scheme

The Muda Irrigation Scheme was established to fulfill the goals of the National Rice Policy (NRP), i.e., to achieve self-sufficiency in rice production for domestic needs, to improve farmers' socio-economic well-being(visa-vis an increase in farm income) of padi farmers, and to supply rice at a reasonable price to consumers and at a minimal cost to the government. Since 1970 this has been a major component of the New Economic Policy (NEP), through which the government hopes to redress poverty by development of the rice industry.

The NEP-NRP-Muda Irrigation Scheme linkage has been evaluated in a corpus of research material. The verdict has not always been positive. As early as 1975, a FAO and World Bank study showed that although real income of the farmers increased by 2.4 times since the introduction of double cropping in the region, this increase was still insufficient to meet the requirement of an average income.

This problem was again highlighted in studies conducted by the Center for Policy Research (CPR) of the Universiti Sains Malaysia. These studies showed that, first, the gini index for land concentration in the region increased from 0.354 in 1966 to 0.360 in 1972/73, and to 0.445 in 1975/76 [Gibbons, Lim, and Sukur 1981].

Second, it was estimated that an average of about 1,000 farmers lost their tenancy each year between 1966 and 1975 due to concentration of land holdings. T. G. Lim *et al.* [1980] attributed this problem to the repossession of land by the owners. To be sure, high land concentration allows the owners to exercise their power and influence over production, marketing, transportation, and technology [Taussig 1978].

There are many ways in which the landed interests in the Muda area can exercise this power and influence. One is through the Farmers' Associations (FAs) and other rural institutions. This was shown by a subsequent World Bank study [1981] which reports that the FAs in the region had become bastions for the disbursement of the values, interests, and influence of the middle and rich farmers, while the small farmers are hardly represented.

Finally, the irrigation scheme also affected labourers adversely. The introduction of technology seriously eroded the income of wage-labourers in the area by half, which had not been compensated by an increase in

Rancangan Komunikasi, Pusat Pengajian Ilmu Kemanusiaan, Universiti Sains Malaysia, Penang, Malaysia

wages for the past six to seven years [ibid.].

#### The National Rice Policy

The contradictions existing within the Muda Irrigation Scheme cannot be attributed to the imperfections of the scheme alone. The scheme is a component of the NRP and therefore those imperfections should be seen within the weaknesses of the policy itself.

Since 1970 the government has frequently revised the NRP in order to accomodate rice farmers, shifting from an emphasis on production in pre-1970 to the need to increase farm incomes of the farmers after 1970 [Malaysia, Ministry of Agriculture 1979]. These revisions were also precipitated by the need to synchronize the rice policy with the poverty-eradication goal of the NEP.

There are four approaches taken by the government to fulfill the NRP goals. They are (1) promoting irrigation and the subsidy of water rates, (2) providing credit and marketing facilities, (3) providing input subsidies (largely fertilizers), and (4) providing price support.

With respect to *irrigation*, the existing system is often criticized as being very crude. Water is supplied simply by spilling it from one field to another. Where undulating land makes the flow impossible, farmers with fields adjacent to the delivery canals suffer a loss of income due to over-flooding. Similarly, those at a higher level receive no water for presaturation. To small farmers, such conditions can severely affect their income, and they may incur losses when they harvest under wet conditions. Besides, the flooding makes in-field transportation extremely difficult [Goldman 1975]. Water for field saturation is still a major problem in the Muda area. Farmers complain that the present distributary canals and drainage channels are too far apart, about 3/4 to 1 mile, so that water takes thirty days to presaturate one irrigation block. This has resulted in irrigation and planting delays. [Khor and Ramli 1988].

The other significant drawback in the irrigation infrastructure is that it does not allow farmers to switch to the production of other commercially-viable crops. In periods of higher production costs and lower rate of return, the irrigation infrastructure does not allow farmers to cultivate other more renumerative crops. Should farmers wish to cultivate these crops they have to move out of the irrigation scheme.

The government sees the provision of rural agricultural *credit* as part of its poverty-eradication programme. Prior to 1981, the supervision of rural credit was entrusted to the Farmers' Organization Authority (FOA) which, in turn, delegated this task to the various FAs. After 1981, this was taken over by the Bank Pertanian Malaysia (BPM), which presently issues loans directly to farmers.

One major drawback to the provision of credit is that it is given to those who need it the least. To the extent that credit is furnished through the FAs, it is inevitable that middle and large farmers dominate this facility. If it is provided directly by BPM, it will invariably allow rural credit to be monopolised by large farmers.

The inability of small farmers to secure loans from accredited institutions leaves them with no option but to get loans from middlemen and shopkeepers. In most cases, the interest charged is to the detriment of the farmers' income. In his study, John Purcal [1971] found that 75 percent of the credit obtained by farmers was used to purchase food, services, and other non-farm social and religious needs. No credit institutions created by the government can fulfill these credit needs. The alternatives generally available to the farmers are two informal sources of loans, middlemen and shopkeepers, and they too are selective in issuing credits. Horii [1981] showed that shopkeepers are generally knowledgeable about the economic conditions of local farmers and do not usually grant credit to small farmers or wage-labourers.

In the area of marketing, the Padi and Rice Board (Lembaga Padi dan Beras Negara, LPN) was established to act as a purchasing monopoly of rice output in most irrigation schemes in the country. But its facilities are located entirely in the major double-cropping regions and its milling capacity can only accomodate between 20 to 30 percent of the total rice output in the country [Malaysia, Ministry of Agriculture 1979]. Therefore, in all single-cropping regions and for most output in double-cropping areas, farmers still rely largely on private millers and purchasers. This allows the farmers to be manipulated by private entrepreneurs.

The third approach of the NRP is the provision of *input subsidies*. In August 1974, due to rising petroleum prices, the government started to subsidize the retail price of fertilizer; farmers paid \$10.00 for a bag which had a market value of \$16.00 to \$18.00 [Goldman 1975]. In 1975 this programme was withdrawn as prices stabilized, but in 1979, as a result of severe drought and declining farm income, the government instituted a free fertilizer programme for up to 2.43 ha. (8 1/2 relongs) per farm operator in all padi farming regions in the country.

One critical weakness of input subsidies, as it relates to the poverty-eradication programme, is that many of the beneficiries are not necessarily poor. In the Muda region, for instance, small farms of less than 1.13 ha. (or 4 relongs) constitute about 62 percent of the total number of farms but operate only 22 percent of total land acreage [Gibbons *et al.* 1981]. The fertilizer subsidy programme therefore benefits the other 38 percent of padi farmers who operate about 88 percent of padi land in Muda. The poor farmers, therefore, are not necessarily the ones who benefit the most.

Finally, the price-support programme similarly benefits the middle and large farmers rather than small farmers. Without limits on how many relongs a farmer can operate or how many kilos he can produce, price support does not necessarily help the cause of the poor. Furthermore, pricesupport is in fact a blessing for the consumer, because the basic premise of pricesupport is to ensure a lower rice price in the retail market. As the urban population is the largest consumer, it follows that they benefit more when the price is controlled by the government. If the price of rice were not controlled (or controlled at a higher-level in order to reflect the market trend), the cost would have to be passed on to the consumer, who would have to shoulder a higher living cost. But the trade-off is to the benefit of the farmers who, over the years, have shouldered an increasing cost of production.

Ironically, price support works counter to the goals of NRP. By keeping the price in the retail market down, the government has increased the demand and consumption of rice by as much as 16 percent. A World Bank study on the incidence of poverty in Malaysia [Visaria 1981] showed that rice consumption increases with income. The study found that since 30 percent of the population lives below the poverty line and consumes only 26.8 percent of total rice production, the remaining 73.2 percent of total rice sold in the market in Malaysia is consumed by people who are not classified as poor. Perhaps if the price of padi were set at \$0.70 per kg (instead of \$0.63) to reflect the global market price and the increase were passed on to the consumer, the demand for rice would decrease. This would enable Malaysia to be self-sufficient in rice.

The above analysis of the National Rice Policy shows that the methods by which the policy is implemented do not necessarily reduce rural poverty among padi farm households. The approaches used to meet the goals have in fact accentuated the disparity between large and small farmers and between urban and rural sectors.

### The Research Agenda

This study investigates the socio-economic and cultural impact of the NEP on the village community in Kampung Kubang Jawi (KKJ), a not-so-remote village situated

in the northwestern corner of the Muda Irrigation Scheme. It asks, what does the NEP mean to the villagers in KKI? What benefits have accrued to them from the rural development programmes of the government since 1970? Is it true that inequality and poverty have persisted and been exacerbated, rather than redressed, as a result of the NEP? If it is true, how do the poor and destitute cope and survive? How do the well-to-do thrive? Why aren't the poor benefiting from the new opportunities offered by the government since 1970? Why has disparity come to be so? In what form does it exist? Are the poor aware of their state of being? If they are, what are they going to do about it? If not, why not? How do the changes in the socio-economic affairs of the village affect family and community re-What changes do the village lations? institutions-formal and informal-experience as a result of the NEP?

#### Notating the Research Agenda

This study will specifically look into a number of significant economic indicators such as land ownership and farm-size patterns, employment and income, and capital and credit. In addition, it will examine other factors that are often equated with socioeconomic and cultural matrix of a society impacted by the NEP.

Macro-level studies into the economic indicators within the Muda region are many; but studies aiming at understanding the socio-economic and cultural transformation of a village society are wanting. This Kampung Kubang Jawi study should thus fill the gap in our understanding of the impact of the New Economic Policy vis-a-vis the Muda Irrigation Scheme and the National Rice Policy at a micro village level.

# Land-ownership and Farm-size Patterns

Statistics of land-ownership and farmsize patterns in the Muda region have shown that these patterns have altered toward greater polarization and concentration. In 1975/76, a majority of farmers (about 50 percent) operated small farms (less than 4 relongs or 1.04 ha.); and small farms constituted about 62 percent of total farms in the region [Gibbons *et al.* 1981].

With regard to ownership, a gini index for 1975/76 was at 0.538 for the whole Muda region as compared to 0.354 for 1965/66. About 62 percent of the farms in the region were holdings of less than 4 relongs (1 ha. = 3.84 relongs), and they occupied less than 22 percent of the total padi land in the region. Furthermore, land holdings of less than 2 relongs (0.5 ha.) constituted nearly 40 percent of total holdings in the irrigation scheme. By contrast large holdings of more than 10 relongs (2.6 ha.) comprised about 11 percent of holdings but occupied 42 percent of total padi land in Muda [Gibbons *et al.* 1981].

Farm-size distribution is a more accurate measurement of disparity because it indicates the accessibility of padi land to farmers. Studies conducted by the CPR found that the distribution became even more unequal, especially after 1970 with the advent of the irrigation scheme and double cropping. Between 1955 and 1966, the distribution of farmland moved somewhat toward equality. The gini index during this period dropped from 0.396 to 0.354. Similarly, in this period the mean farm size for all categories (small, medium, and large) moved toward equality. For instance, the mean farm size for small farms increased from 0.56 to 0.73 ha. and for large farms the mean decreased from 4.98 to 4.0 ha.

But since 1970 the distribution has changed, moving toward polarization. In the early phase of double cropping, the mean farm size for small farms decreased slightly to 0.69 ha. but more so in 1975/76 (to 0.57 ha.). The number of small farms increased substantially (from 39.5 percent to 46.8 percent of total farms in Muda). The large farms, on the other hand, decreased in the early phase (12 percent) but rose in 1975/76 (from 12 percent to 14.6 percent). By the same token, the mean size and the number of large farms increased between 1972/73 and 1975/76.

According to the World Bank report [1981] repossession of farm lands from tenants by the landowners seems the major factor in explaining land concentration in Muda. The Bank reported that this took place between 1975 and 1976, coinciding with what it calls "second-round effects," a period that began a few years after the introduction of double cropping in the region.

### Employment and Income

In his study on labour utilization in padi farming in Malaysia, Purcal [1971] found that farm work per relong under manual cultivation utilized a total of 796 hours of labour; 48 percent for harvesting, 12 percent for nursery work and transplanting, 20 percent for ploughing and harrowing, and 20 percent for other miscellaneous activities such as fertilizing, weeding, making and preparing the field ridges. Out of this, 77.3 percent (615 hours) of the labour input was derived from members of the households and the rest (22.7 percent or 181 hours) from hired labour.

With regard to hired labour, a related study found that 55 percent of the agricultural wage-labourers' income for work in manual (as opposed to mechanized) cultivation was derived from harvesting (which consisted of cutting, threshing, and in-field transportation) and another 35 percent from transplanting [World Bank 1981]. In other words, 90 percent of the income of wage-labourers was generated from harvesting and transplanting.

Equally important in padi cultivation, prior to the introduction of double cropping in the region, is the role of female labour. Prior to 1970, a noticeable feature was the presence of women in every phase of padi cultivation. This was most pronounced during transplanting and harvesting. For poor households, the role of female labour becomes most crucial because of the availability of surplus family labour. Most often, females were used to form the derau (reciprocal exchange of labour)or share workgroup. Purcal also found that, out of 77.3 percent (615 hours) of household labour put into farm activities, 25.6 percent (204 hours) was contributed by female members of the households.

The rapid mechanization and adoption of new farm practices in Muda since 1970

have changed the pattern of labour utilization and income. The demand for labour declined dramatically with double cropping, especially between 1975 and 1979. The World Bank [1981] notes that the real incomes of the farmers were 20 percent less in 1979 than in 1966, with small farmers losing the most. Owner-tenants, and owner-operators, by contrast, had greater incomes in 1979 (by 75 percent and 47 percent respectively). The decline of farm income of small farmers was first observed in the mid-1960s after tractors began to be used for land preparation. By the early 1970s, the rigour of double cropping intensified the use of tractors, leading to the elimination of kerbau. In the past, poor farmers who owned kerbau were able to supplement their income by ploughing the land of other farmers. This trend is now reversed. Large farmers who can afford to buy tractors are able to augment their income by providing tractor services to other farmers. Yamashita, Jegatheesan, and Wong [1978] found that large farmers in Muda received an average of \$334 per year for ploughing services while small farmers in Muda paid out an average of \$58.00 for these services.

Farm incomes of small and landless farmers have been further reduced in recent years by the introduction of combine harvesters in the late 1970s. According to the World Bank [1981], the net loss of hiredlabour income as a result of combine harvesters was 44 percent.

Besides tractors and combine harvesters, the income of small farmers and wagelabourers is further reduced by the adoption of direct seeding. If the World Bank study is correct, direct seeding in Muda will result in a further decline of 35 percent of the income of the farmers when it is fully implemented. Muda Agricultural Development Authority (MADA) estimated that in the off season of 1983, about 38 percent (34,300 ha.) of the fields were planted by direct seeding, and 35 percent in the main season. In 1984 the acreage under direct seeding increased to 53 percent. In the off season of 1987, MADA estimated that over 90 percent of the fields were planted by direct seeding [Khor and Ramli 1988].

# Capital and Credit

The capital input of the farmers was much smaller under single cropping. Land was still the biggest capital expense for the farmer, but, since then, spiralling costs have made it all but unattainable. Capital for tools and equipment was negligible and most often did not exceed a net value of \$100.00 [Barnard 1970]. Common tools used were plough, harrow, hoe, weeding knife, threshing tub, fork stick for transplanting, and so forth. The expensive items (besides land) were kerbau, which cost from \$200 to \$300 each. Many small farmers did not even own their own kerbau but found it easier to borrow from relatives and neighbours. Other capital equipment required for single cropping included a padi store (jelapang or kepok) and a kerbau stall.

Under single cropping, therefore, land rent, land preparation (ploughing, harrowing, and hoeing), transplanting, harvesting, and threshing were the largest capital expenses. In this regard Kuchiba, Tsubouchi, and Maeda [1979] found that between 1964 and 1970/71 capital requirements for land preparation, transplanting, harvesting, and threshing increased only marginally till 1968 but markedly during the inital phase of double cropping.

Double cropping in the Muda region has tremendously increased capital requirements and farm expenditures. Comparing farm expenses for the years 1964, 1968, and 1970/71, Kuchiba *et al.* found that the total expenditure for padi cultivation for the major phases of production has increased over the years. In 1964, the total capital costs for these four major phases (land preparation, transplanting, harvesting, and threshing) were \$57.00, increasing to \$63.50 in 1968. It remained at \$63.00 in 1970/71, the early phase of double cropping.

The above expenses do not include other capital costs such as fertilizer, insecticide, infield transportation, and transportation to the mills. For landowners, the land tax and irrigation fees have to be paid. Also not included are non-farm capital equipment such as bicycles, boats, fishnets, and other tools used by low-income farmers to supplement their household income through fishing and retailing.

Indebtedness is generally higher among the Muda padi growers than farmers cultivating other crops. This problem is not, however, related to the high cost of production because farmers rarely seek credit for farm expenses.

Before the introduction of the fertilizersubsidy programme, farmers were extensively indebted to the Chinese shopkeepers because of the purchases they made. In the nearby Kampung Padang Lalang, Kuchiba et al. [1979] found that farmers usually paid the fertilizer purchase in kind (padi) at the end of the harvesting season and they did so rather dearly.

The introduction of the fertilizer-subsidy programme removed this source of indebtedness among the village community to a certain extent. The only item of capital expenditure that remains is the purchase of pesticides and herbicides. All other expenses are service capitals; payments are often deferred until the end of the harvest-Expenses for ploughing, for ing season. instance, are a service capital and so are expenses for transplanting, harvesting, and transportation. These services are seasonal in nature and all of them, except for harvesting, are now rendered by the farmers themselves. Harvesting is still a monopoly of the Chinese entreprenuers, and the combines are largely owned by Chinese contractors.

The government has made a number of institutional changes to remedy the problem of indebtedness among farmers in general. In the late 1950s, it encouraged the formation of rural cooperatives and continued to do so until 1970. The low-interest loans provided to the village communities could be used for land purchase, house construction and other capital needs. The membership of these cooperatives were not restricted to the villagers and farmers. This has resulted in the domination of these cooperatives by what Afifuddin Omar [1978:168] calls "urbanbased" elites such as bureaucrats, school teachers, and politicians.

With the inception of double cropping, the government decided to change its emphasis

on rural credit institutions because cooperative movements did not seem to solve the problem of rural indebtedness. In addition, the World Bank pressured the government to diversify its rural lending facilities before it would agree to finance the Muda project [Doering 1973]. This led to an emphasis on FAs rather than cooperatives. The rationale for this is that membership in an FA is restricted to farmers and farm operators, thus eliminating the source of the abuse and corruption that plagued the cooperatives.

Concurrently, the government established the BPM and later the FOA. The BPM channels credit through the FAs. The FOA, on the other hand, is specifically entrusted to supervise and administer the activities of the FAs. This supervision includes the power to audit the records and accounts of the associations as well as to study the minutes of their meetings.

Credit provided through the FAs by BPM, unlike that of cooperative societies, is limited to farm expenses alone, specifically tractor rental costs, fertilizer, pesticides, and transplanting. Evaluation of the World Bank with regard to credit provision seems to be favourable, but in 1982 BPM restructured its credit scheme and administered its lending programme directly to the farmers.

# Social Structure and Relations

Kinship bonds among village communities in Malaysia are considered strong. As Syed Husin wrote about Malay villages in general

Many people in a village thus tend to

consider themselves be relatives to (saudara), while a majority refer to each other as 'relatives-in-one-village' (saudara sekampung). There are two types of relatives that they distinguish. One is 'close relatives' (saudara dekat), who include parents, grandparents, children, grandchildren, parents' siblings, in both the paternal and maternal lines, and parents and siblings of spouses. The line between 'close' and 'distant relatives' (saudara jauh) is not clearly defined. Often when a person vaguely knows that another individual is his relative, he often refers to him as a distant relative. There are, however, two other refers to him as a distant relative. There are, however, two other expressions that are used to describe both close and distant relatives. The very close kinsmen, especially those who are related to one another consanguinely, are often referred to as being 'of one blood and flesh' (sedarah sedaging), while those who are very distant relatives frequently describe their relationship merely as being a 'smell of mango' (bau bacang) [1975: 45].

Kinship ties help people to ameliorate economic difficulties. Studies [Syed Husin 1975; Kuchiba *et al.* 1979] have also found that kinsmen, especially *sedarah sedaging* and *saudara dekat* relations, are important to livelihood activities. Syed Husin explains:

The basic unit of production in the past, as it is to a great extent today, is the household unit, and its head provides the main source of labour. He may be helped by his wife and some grown-up children at different stages of agricultural production. In padi growing especially, there are definite stages of work that need to be done quickly, such as transplanting of seedlings and harvesting. A man may be able to cope with the work of ploughing by himself ... but he cannot harvest his crops alone, not even with the help of his wife, at the time of the short dry season during which the rice needs to be harvested quickly. Harvesting needs to be done immediately when padi is ready, and a little delay can cause damage and incur losses. The need to do a job quickly which is beyond the capacity for a farmer and his family helpers gives rise to the demand for outside labour [1975: 54].

The role of the *homesteads* is also a factor to be considered in any analysis of village social relations. A homestead, or, as Kuchiba *et al.* [1979] call it, a "compound household group," is made up of households whose members are related to one another. In most Malay villages a homestead is usually made up of three to five households.

The function of these homesteads varies from one village to another and with the level of income of the members. The homesteads of small farmers and landless labourers are more densely populated and serve numerous socio-economic functions. The range of services exchanged has no limit from borrowing a pinch of salt to loaning a tractor. It works on the basis of reciprocity and mutual understanding. They usually form a *derau* group for nursery and transplanting work. The labour exchanged between members of a homestead of smallcultivators is calculated not in monetary terms but in reciprocal-exchange value.

By contrast, the homesteads of larger farmers have larger areas but fewer households. This is because their children, who are generally well-educated, migrate to other parts of the country. These homesteads also serve limited socio-economic functions because the members are self-sufficient socially and economically.

### Conception of Injustice

In the preceeding discussion, it was noted that contradictions and imperfections in the Muda Irrigation Scheme in particular, and the National Rice Policy in general, have resulted in the deterioration of the economic standing of a majority of the population in the Muda Region. Macro-level studies, especially the ones by the World Bank and the CPR, seem to prove this point quantitatively.

But a fundamental question here is, are these findings and the expressions of concern by scholars similarly shared by the people in the area? In other words, are the people aware that there is a high level of land concentration, depleting sources of employment and income, displacement of labour power, and growing control and influence of large farmers over the shrinking resources? If they are, at what level of awareness do they perceive these problems? What are they going to do about it? What might explain the inertia and oblivious attitude of the people? What makes some of them just sit around and hope for better things in the future?

These questions will be addressed in this study from the standpoint of one fundamental issue : defiance or obedience. My objective is to explain why the villagers express so little anger, disgust, and indignation with the social order that has apparently exacerbated their hardship and plunged them into Following oblivion. deeper economic Barrington Moore [1978], the analysis begins with a synthesis of the concept of injustice as it is perceived by the villagers in Kampung Kubang Jawi.

This synthesis is crucial because it will serve as a bridge to our assertion of the expropriation of moral anger of the people. Just because there has been no defiance to the system, we cannot assume that there is no injustice or moral outrage in the village. The deterioration of the economic standards in Muda is extensive enough to warrant some expression of outrage. "After all, says Moore, with the rise of mass production, the mass market in capitalist societies, government control of the economy in socialist ones, and huge powerful bureaucracies in both of them, the whole context has changed in which moral anger arises and finds expression" [1978: 501].

In the absense of peasant protest and rebellion in Malaysia, let alone in the Muda region, this study will examine the reasons why peasants, vis-a-vis villagers in Kampung Kubang Jawi, express so little anger, disgust, and indignation with the social order. To this end, it is postulated that three factors may work against this tendency. First, the relationship between the rich and the poor has yet to reach the exploitative level at which outrage can become uncontrollable. For this study it is proposed that an analysis of the ethical mores of the villagers should be undertaken. These ethical mores include the notion of "exploitation" from the standpoint of *nasib* (fate), *rezeki* (luck), and *ketekunan* (diligence). Other mores will be included as well.

Second, it is also plausible that there exist in the village mechanisms which enable the villagers to cope with the deteriorating village economy. These "coping mechanisms" are a form of support system emanating from the economic, social, religious, and political structure and makeup of the village. They can explain why the moral outrage of the villagers has yet to be articulated into a struggle which challenges the social order.

Finally, it is also conceivable that the diversity of the village population in Malaysia, as typified by Kampung Kubang Jawi, has resulted in the emergence of different sets of class, and class structure has presumably acted as an impediment, rather than as a catalyst, to the expression of anger, outrage, and disgust.

# Class in a Malay Village

With respect to class structure in Kampung Kubang Jawi, the study will focus on the income and living standards of the villagers rather than to follow the conventional definition of class (which features the mode of production, the mode of surplus appropriation, and the insertion of the societal economy into the capitalist world system).

Taking the cue from some scholars, I find this conventional definition of class wanting and inadequate. James Scott [1985:42] dismissed this definition as reductionist and mechanistic; reductionist because it assumes that once the whole is determined all the parts will fall in place, and mechanistic as it dehumanizes actors and turn them into puppets ("to omit the experience of human agents from the analysis of class relations is to have theory swallow its own tail"). For Immanuel Wallerstein, class analysis which is anchored in formal models has less explanatory power. He believes that

classes do not have some permanent reality. Rather they are formed, they consolidate themselves, they disintegrate or disaggregate, and they are reformed. It is a process of constant movement, and the greatest barrier to understanding their action is reification [1979:224].

It is particularly difficult to apply the conventional definition in an agrarian setting, especially where large and small-scale cultivators exist side by side. Some small-scale cultivators do own the land they operate, but this does not necessarily mean they are capitalists. In his study of a Malay village in Kelantan, Clive Kessler [1978: 95] found the categorization of landlords, smallholders, and tenants to be obscure.

Class analysis in Malaysia, let alone in a Malaysian village, is complex because of the absence of class consciousness and solidarity. According to Bartell Ollman, class consciousness is the outcome of "such purposive activity with the self as object, of workers using their reasoning powers on themselves and their life conditions...they are, both as calculating human beings and as workers caught up in inhuman conditions" [1972: 6]. For him, class consciousness is attained through the following steps:

First, workers must recognize that they have interests. Scond, they must be able to see their interests as individuals in their interests as members of a class. Third, they must be able to distinguish... their main interests as workers from other less important economic interests. Fourth, they must believe that their class interests come prior to thier interests as members of a particular nation, religion, race, etc. Fifth, they must truly hate their capitalist exploiters. Sixth, they must have an idea, however vague, that their situation could be qualitatively improved. Seventh, they must believe that they themselves, through some means or other, can help bring about this improvement. Eighth, they must believe that Marx's strategy, or that advocated by Marxist leaders, offers the best means for achieving their aims. And nineth,...they must not be afraid to act when the time comes.

But these steps are not easily achieved. Ollman offers several reasons, which include (1) conflict among workers because they are competing for scarce resources such as jobs, (2) excessive attachment to nation, religion, and race, (3) inability of workers to recognize capitalism as a "sufficiently encumbered target to hate," and (4) workers fail to recognize that their situation can be qualitatively improved.

In post-independent Black Africa, Wallerstein [1979: 181] found status group (i.e. race, national identity, etc.) to be a major barrier to the formation of class consciousness. In Malaysia, kinship relations, rather than class, appears to be the most important and immediate cognizance of social ties [Syed Husin 1975: 67-68].

It is conceivable that there are other factors, besides kinship identification, that could deter the formation of class consciousness and alliance in the Malaysian villages. They include competition among members of a similar class—the lower class in particular for the depleting village economic resources, differences in the problems and complaints among the poor against the social order because they are afflicted rather differently, and political differences and competition.

#### References

- Afifuddin H. Omar. 1978. Peasants, Institutions, and Development in Malaysia: The Political Economy of Development in the Muda Region. Ph. D. dissertation, Cornell University.
- Barnard, R. E. 1970. Organization of Production in a Kedah Rice Farming Village. Ph. D. dissertation, Australian National University.
- Doering, O. C. 1973. Malaysian Rice Policy and the Muda River Irrigation Project. Ph. D. dissertation, Cornell University.
- FAO; and World Bank. 1975. The Muda Study —A First Report, 2 volumes. Rome: Food and Agriculture Organization (September).
- Gibbons, D. E.; Lim, T. G.; and Sukur Kasim. 1981. Land Tenure in the Muda Irrigation Area, Final Report: Part 2, Findings. Penang, Malaysia: Center for Policy Research, Universiti Sains Malaysia.
- Goldman, R. H. 1975. Staple Food Self-Sufficiency and the Distributive Impact of Malaysia Rice Policy. Stanford Rice Project. (Draft)
- Horii, K. 1981. Rice Economy and Land Tenure in West Malaysia: A Comparative Study of Eight Villages. Tokyo: Institute of Developing Economies.
- Jegatheesan, S. 1977. The Green Revolution and

the Muda Irrigation Scheme. Monographs No. 30 (March). Alor Setar: Muda Agricultural Development Authority (MADA).

- Kessler, C. S. 1978. Islam and Politics in a Malay State: Kelantan 1838–1969. New York: Cornell University Press.
- Khor Y. L.; and Ramli Mohamed. 1988. A Report of the Focus Group Interview on the Strategic Extension Campaign on Integrated Weed Management in the Muda Irrigation Scheme, Malaysia. A consultants' report submitted to the Muda Agricultural Development Authority and the UN/FAO Inter-Country Programme for Integrated Pest Management in Rice in South and Southeast Asia, (January).
- Kuchiba, M.; Tsubouchi, Y.; and Maeda, N. 1979. Three Malay Villages: A Sociology of Paddy Growers in West Malaysia. Honolulu: The University Press of Hawaii.
- Lim, T. G.; Gibbons, D. S.; and Sukur Kasim. 1980. Accumulation of Padi Land in the Muda Region: Some Thoughts of their Implications for the Peasantry and Development. Revised version of a paper presented at the Conference on Development, "The Peasantry and Development in the ASEAN Region," May 26-29. Bangi, Selangor.
- Malaysia. 1971. The Second Malaysia Plan, 1971-1975. Kuala Lumpur : The Government Printer.

- Malaysia, Ministry of Agriculture. 1979. Dasar Pertanian Negara: Dasar Kemajuan Tanaman Padi. Lapuran Kumpulan 3, Kementerian Pertanian, (January). (Draft Proposal)
- Malaysia, Ministry of Finance. 1982. *Economic Report 1982/83.* Kuala Lumpur : The Government Printer.
- Moore, B. 1978. Injustice: The Social Bases of Obedience and Revolt. New York: M.E. Sharpe Inc.

- Ollman, B. 1972. Toward Class Consciousness Next Time: Marx and the Working Class. *Politics and Society* 3 (1).
- Purcal, J. T. 1971. Rice Economy: Employment ant Income in Malaysia. Honolulu: The University Press of Hawaii.
- Ramli Mohamed; and Khor Y. L. 1988. A Report of the Knowledge, Attitude and Practice on the Strategic Extension Campaign on Integrated Weed Management in the Muda Irrigation Scheme, Malaysia. A consultants' report submitted to the Muda Agricultural Development Authority and the UN/FAO Inter-Country Programme for Integrated Pest Management in Rice in south and Southeast Asia, (March).
- Scott, J. C. 1985. Weapons of the Weak: Everyday Forms of Peasant Resistence. New Haven: Yale University Press.
- Syed Husin, A. 1975. *Malay Peasant Society and Leadership*. Kuala Lumpur: Oxford University Press.
- Taussig, M. 1978. Peasant Economies and the Development of Capitalist Agriculture in the Cauca Valley, Columbia. Latin American Perspectives 3 (Summer).
- Visaria, P. 1981. The Incidence of Poverty and the Characteristics of the Poor in Peninsular Malaysia, 1973. Staff Working Paper No. 460. Washington, D. C.: World Bank.
- Wallerstein, I. 1979. Social Conflict in Post-Independence Black Africa: The Concepts of Race and Status Group Reconsidered. In The Capitalist World Economy : Essays by Immanuel Wallerstein, edited by I. Wallerstein. London: Cambridge University Press.
- World Bank. 1981. Impact Evaluation Report, Malaysia : Muda and Kemubu Irrigation Projects. Operation Evaluation Department, Report No. 3587. Washington, D. C.
- Yamashita, M.; Jegatheesan, S.; and C. Y. Wong. 1978. Agro-Economic Studies in the Muda Region—Farm Management Report. Muda Agricultural Development Authority, Alor Setar (May).