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TAMILS IN MALAYSIA: PROBLEMS IN SOCIO-ECONOMIC DEVELOPMENT FOR AN IMMIGRANT MINORITY GROUP

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TAMILS IN MALAYSIA:

PROBLEMS IN SOCIO-ECONOMIC DEVELOPMENT FOR AN IMMIGRANT MINORITY GROUP

by

DENNIS E. SUPERNOR

A THESIS SUBMITTED
IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR THE DEGREE

DOCTOR OF PHILOSOPHY

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MAY 1983
Abstract

PROBLEMS IN SOCIO-ECONOMIC DEVELOPMENT FOR AN IMMIGRANT MINORITY GROUP

Dennis E. Supernor

Malaysian Tamils are in an unenviable position for socio-economic advancement in this relatively prosperous southeast Asian peninsula. Locked into a more or less permanent minority representing only about ten percent of the population, they are caught between Malay majority political power and a large, highly competitive, economically entrenched Chinese population. Avenues for societal integration and upward mobility are blocked at every turn by government legislation, the Tamils' inability to influence government decisions, racial-cultural discrimination, and the relatively poor economic position of the majority of Malays. Fearful of losing "control" of their country, to the economic hegemony of the Chinese, the Malays have reserved three quarters of the land mass of west Malaysia for themselves. Apart from the subdivision and sale of rubber estates there is no suitable land available to the non-Malay populations. Malaysian government efforts to rectify the "economic imbalances" among the races, manifested in the Bumiputra ("sons of the soil") movement with a four-to-one hiring quota favoring the Malays in all public agencies, has further diminished employment possibilities for Tamil socio-economic advancement.

The Tamils' pursuit of socio-economic improvements has, nevertheless, been impressive. Active in the labor movement from its inception, Tamils built the largest and best organized union in the country;
formed a national political party in coalition with the ruling Alliance party to represent their interests at the highest levels of government; created a cooperative society that succeeded in buying twenty plantations, covering more than 30,000 acres; and many individuals sacrificed and worked hard to acquire housing lots and ten acres of rubber land per family on state and federal agricultural land development projects. The cumulative effects of these impressive accomplishments, however, have succeeded only in maintaining a subsistence survival level for the vast majority of Tamil laborers.

Their reform agencies and political associations are monopolized by a small group of urban literate elites, individuals from the small "middle class" of Tamil businessmen. Plagued by incessant political factional infighting at all levels of society the laboring masses have been manipulated into a dependent passivity by the impotency the politics of exclusion and parochial divisiveness. Entrenched, self-interested elitist leaders have grown fat on the largesse of organizational assets and the Tamil laborers on neglected rubber estates run by their union and cooperative society are "worked for profit" as they were on European plantations. There are no programs of self-help, upliftment or retraining for alternative employment and their organization's promising potential is being squandered by a heedlessly indolent, greedy leadership.
ACKNOWLEDGEMENTS

It is a pleasure to have this opportunity to express my appreciation and heart-felt thanks to all those many people who contributed, each in their own way, to make this dissertation a shared, rewarding experience. I am truly grateful for the sustained encouragement, moral support, humor, patience, and many forms of assistance I received from my many friends, family members, professors, and academic associates. Their genuine interest, supportive attention and helpful assists all along the way proved to be a motivating source of inspiration from which I drew freely and often.

This doctoral thesis would not have been possible without the generous funding grant from the Program of Development Studies, Rice University. Their sponsorship of my field research in Malaysia provided easy access to established government authorities and facilitated mobility throughout the duration of the fieldwork. The association and communication with P.D.S. was also made a pleasure due to the efficient expertise of Janet Puestow and Lois Thomas.

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committee, Dr. Stephen Tyler.

Finally, this work could not have been completed without the unflagging, cheerful, talented support of my good friend and extremely efficient typist, Barbara Podratz. Her uncomplaining willingness to stay the course with me, side by side, to the bittersweet end, is a compliment I shall always cherish. Barbara, you are a friend indeed!
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PREFACE

The Tamils of Malaysia are descendants of immigrant workers imported from south India by the British colonials during the latter half of the nineteenth century and early twentieth century. Large numbers of Tamil laborers (over four million between 1857 and 1938), mostly of peasant agriculturalist origin, were brought to the Malay peninsula to work on sugar, coffee, and rubber plantations and to develop the harbor, road, railway, and telecommunication systems necessary for the efficient administration and exploitation of the colony. Their descendants, numbering some 750,000 in 1970 and representing nearly ten percent of the population of Malaysia, still follow the occupations of their forefathers. Social and economic change and development among the Tamils of Malaysia has been slow and undramatic as compared with that of the Chinese and Malay populations of the country, but some improvements have occurred. This work describes many of these changes, explores the current complex set of socio-economic variables hampering further development, and discusses the possibilities, processes, and problems relating to future socio-economic improvements for this minority population in Southeast Asia.

Malaysian Tamils were selected for this study because of my
former fieldwork experience with Tamil peasant groups in south India in 1971 and because no anthropological study of this group has been made prior to the recent account of the Indian community on a rubber plantation by Ravindra K. Jain (1970). His work is a traditional ethnological field study of "community subsystem" - the social organization and life-ways of Indian workers - and its adaptive relationship to the institutional environment of a rubber plantation. The focus of my study is more ambitious in that I tackled the huge problem of understanding the many varied aspects of the socio-economic development for the entire Tamil population in Malaysia. I adopted this approach to conform to the interests and methodological preferences of the funding agency, the Program of Development Studies. Developmentalists in the program were interested in the problems and potentialities of development among the national Malaysian Tamil community and not necessarily in any one community typical of any one segment of the Tamil population. The breadth and scope of the subject, nevertheless, are coincident with my own broad interests in the development of humankind as it occurs in social action and change in the modern era.

The variety of labor communities and socio-economic groups of Malaysian Tamils made this type of research both possible and useful. Similarities and contrasts between and among the Labor "line" communities on rubber plantations still typical of the majority of
Tamil laborers, served as a base-line community from which developments and advances in other Indian communities could be compared and contrasted. Several Tamil communities consisting of former estate workers and their families in the neighboring areas of rubber plantations (such as those found on state and federal land development schemes, homesteading experiments on sub-divided estates, and cooperative rubber and tea estates) provided a rich "mine" of data for the discovery of incipient developments occurring among a relatively undifferentiated class of laborers. More data was collected from different labor communities in the town and urban areas of the country among workers in the Public Works Department, hospital attendants and assistants, railroad laborers, and dock workers. These groups are found in segregated housing units that are traditionally provided for low-echelon government employees. The data from Tamil labor communities was augmented by interviews with urban-based Tamil merchants, clerical and administrative employees, union officials, politicians, life insurance salesmen, Tamil school teachers, government bureaucrats, university students of working class backgrounds, and an interview with Malaysia's single Tamil millionaire.

The number of people and the variety of types of Tamil communities included in this study precluded the traditional ethnological field method of long term, in-depth investigation of any one community. In its place I was required to implement a survey type of research that
involved the training of numbers of research assistants to collect a
great deal of supplementary material. A standardized interview
schedule was developed that concentrated on social, economic, and
political areas of Tamil culture in Malaysia. The questionnaire
was later simplified to ease the problems of quantifying data by
inexperienced assistants. In other places it was used flexibly to
meet the variable socio-economic situations of informants. An
attitudinal and value questionnaire, devised by a Tamil research
colleague at the University of Malaysia, was also administered by
myself and a few select research assistants in an attempt to measure
the "peasant mentality" and cognitive system of the Tamils under
study. In some areas this last questionnaire was helpful but in
others translation difficulties for subtle distinctions rendered
the responses of little use.

The research was designed to determine the relative importance
of factors believed to be critical in the socio-economic advancement
of Tamils in Malaysia. The Tamils were recently thought to be well
on their way toward social and economic development. They had
created the national social and political organizations necessary
to progress, and the developmental potential of these organizations
was impressive: well organized and highly articulate labor unions;
a national political party; and a large cooperative society that
controlled twenty plantations, comprising more than 30,000 acres of
The Tamils chances for social and economic progress, then, appeared bright, and available literature on the subject tended to support this view. Tamils were said to have achieved "moderate economic well being" and "relative prosperity" while workers on cooperatives had acquired a "changed attitude to work" as well as increased productivity (Arasaratnam, 1970:159). This type of report led me to expect that I would be working with an invigorated, dynamic, and progressive Tamil community that was experiencing the excitement and rewards provided by national organizations, pressure groups, and reform agencies. I thought I would find an immigrant minority in transition from a poverty-ridden past to a more secure, comfortable future - a future of their own making.

Evidently, my lack of fieldwork experience in a developing country with a multicultural or plural society permitted me to hold very idealistic "field formulations" concerning social groups and "democratic" political systems. In many ways I was unprepared for the distortions that arise from the political necessity of "putting a positive light" on almost every event; from the effects of government censorship and control of communications; from the "cooperation" required of national Tamil leaders who run "closed" political organizations; and from the social, political, and economic realities of being a down-trodden minority in an underdeveloped plural society that
that is itself collectively struggling to find a national identity and purpose.

For these reasons the realities of the field situation were, in many ways, staggering. Instead of progress I discovered stagnation and continuing despair. In place of democratic cooperation and enlightenment I found social stratification, political domination, prejudice, and racism. Behind the facade of national cooperation, educated progress and achievement, I discovered ignorance, frustration, political and economic exploitation, manipulation, factionalism, distrust, repression, and unbridled competition. In short, I was confronted with the cultural change and competition that characterizes "complex" societies throughout the modern world: segmented, socially stratified groups of various types and sizes each in pursuit of its own narrow interests.

Malaysians of every race and culture are no different from other human groups around the globe: like others, they are plagued with collective competition, class disparities, and ethnocentric divisiveness. Social group identification, exclusiveness, prejudice, and competition for scarce resources associated with the "good life" are endemic to the human species. No complex society or "civilization" has ever existed devoid of these attributes.

Malaysian societal problems of development are also characteristic of most developing countries of colonial origin. As such, they
are a good example of what can be expected when several groups of
diverse cultures are brought together under colonial rule to fulfill
the requirements of world-wide empire. It is not my intent to blame
any one group or community for the Malaysian Tamils' developmental
problems but I must discuss these problems in terms that reflect the
difficult and complex realities of socio-economic development.

The contingencies of the field situation have led me to focus
on the following interrelated questions:

1) What are the social, economic, political, and cultural obstacles
to improved living standards and opportunities for Tamils in
Malaysia?

2) How do these combine and interact to prevent or impede social and
economic improvements for the working masses of this immigrant
minority group?

3) In what ways are these difficulties peculiar to their specific
cultural and historical experiences, and how are they similar to
problems of comparable groups elsewhere?

4) Why have the national organizations and reform associations failed
to alleviate the long-standing grievances and frustrations of a
repressed people?

5) What are the future possibilities of rectifying political and
economic stagnation or underdevelopment of Tamils in Malaysia?

To answer these questions I have analyzed the field data in
several complementary ways. First, I discuss the Tamils' cultural traditions as they continue to exist in their adopted home. This type of descriptive analysis focuses on the psycho-cultural variables that work to the advantage or disadvantage of social groups in changing situations. I discuss the main features of Malaysian Tamil culture in terms of "peasant proletarianism". That is, Tamils in this country are thought to be in an intermediate "stage" of cultural development, moving from institutions characteristic of peasant agriculturalists toward a wage-earning, proletarian way of life. Many of the cultural characteristics of "peasant proletarians" help to explain the relative backwardness of Tamils in Malaysia. Analytical description of cultural types, however, is only the first step in the more complete analysis of socio-economic problems which confront immigrant minority groups.

A second analytical approach is presented in the exploratory discussion of the Malaysian setting in which Tamils are expected to prosper and advance. The institutional environments associated with social, political, economic, and cultural aspects of Malaysian state society contain the "external" parameters that permit, moderate, or impede development and change. The political side of development is particularly important for the minority Tamils, who make up only ten percent of the Malaysian population: no segment of the Malaysian population can progress for long without the tacit consent of those
holding political and police power.

This second analytical approach is then extended to an exploratory discussion of the socio-economic effects and developmental consequences of multi-national corporations (MNCs). Contrary to popular opinion, there is evidence that strongly suggests that MNCs have an overall negative impact on the long term developmental potential of economically dependent countries and that MNCs contribute to depressed economic conditions that retard economic growth and the emergence of a self-sufficient, self-sustaining economy.

A third type of analysis explicates the socio-economic divisions among the Indian population in Malaysia. Malaysian Indians are not a homogeneous group, although they are consistently placed in a single racial category by government officials. The "Indian" category serves the political and economic interests of the Malay government but it also obscures very important distinctions that exist among Indian groups in the country. Tamils and other south Indian laborers comprise nearly 90 percent of the Indians in the population. The remaining 10 percent is made up of non-Tamil businessmen, professionals, career bureaucrats, and clerical/administrative personnel. In contrast to the Tamils' low socio-economic condition, that of the non-Tamil, non-labor Indians is exalted.

Tamils, consequently, must be conceptually isolated in this study from the non-Tamil Indian elites. The Tamils' development problems are
not those of the elites. In this study the term "Indian" is used only when non-Tamil Indian groups are included; in all other instances "Tamil" is used to refer to the linguistic-cultural majority of Indians in the country.

A fourth analytical approach deals with socio-economic divisions among Tamils themselves. The small Tamil commercial/professional class in Malaysia has developmental significance for the Tamils for three reasons. First, the Tamil commercial class is made up of the progeny of migrants who were already commercially astute in India. They are not the heirs of the laborers who escaped from the plantations or work gangs of the Public Works Department to become enterprising commercialists. Secondly, individuals from the small Tamil commercial class have monopolized the leadership positions in Tamil national organizations, especially after 1957. And thirdly, the Tamil bourgeoisie have displayed little interest in the socio-economic predicaments or advancement of the much larger class of Tamil laborers.

The final type of analysis compares and contrasts socio-economic variables among different types of Tamil labor communities. The variety and number of different Tamil communities found in the rural, town, and urban areas has made this type of analysis possible. Similarities and differences that exist among these various communities help to determine important developmental variables. Where communities fail to denote significant socio-economic differences,
case histories of upwardly mobile individuals may suggest factors useful for wider social advancement.

It is hoped that the combination of analytical approaches outlined above will produce a useful and comprehensive exposition reflecting the very real obstacles to development faced by the majority of Tamils in Malaysia. The combined analysis of the many interrelated elements associated with the culture, institutions, social environment, and reform organizations of Malaysian Tamils is the only way to reach a realistic assessment of minority problems as they relate to socio-economic development.
Chapter I

INTRODUCTION
The Setting: Development in the Modern Era

The study of socio-economic development among peoples in underdeveloped nations is one way of learning about culture change as it occurs in the modern context. "Modernization" refers to a host of factors and variables associated with the world-wide spread of Western technology and socio-political ideologies: urbanization; industrialization; mass communication; mass education and literacy; "democratic" political institutions; and the expanding economic and political control of centralized state authorities. The modern context requires the researcher to study culture change within a far more expansive field of change than the local or culturally specific. The significance of this modern environment to both fieldworkers and their subjects has been noted by Dalton.

The new technology, and the new economic and cultural activities that comprise modernization, mutually interact and displace the old, thereby affecting individuals and networks of social groupings. . . . Individual persons are changing, and their relationships in and to social groupings are changing, and the local community's transactions - economic, cultural, political - with the region, the nation, and the rest of the world are changing. . . . The processes working themselves out within a traditional culture otherwise intact. Modernization is not the same as the introduction of the horse among the Plains Indians or the steel axe among the aboriginal Australians.

Modernization at the village level now takes place within the larger setting of regional and
national development. Frequently we are dealing with local communities being vitally affected by new taxes, new goods, new experts, new roads, new political parties, all originating outside the local community. If anthropologists are to understand the causes and consequences of change in the rural community, they must enlarge their studies these days to include the region and the nation whose policies, activities, and personnel now impinge on the local community in unprecedented ways and with unprecedented frequency. (1971:279)

Culture change in the modern world also has a global context of some consequence to developing nations. Most types of culture change today are taking place within a shrinking world of vastly improved communications, an international economic system of increasing interdependence, and a fairly stable political map. The ninety or so countries that have emerged from their colonial origins in this most recent or Post-colonial period find themselves in a global situation that is considerably different from that in which Western industrialization and economic development occurred. Hunter has succinctly described the major differences between the Western experience of development and the present situation facing Third World nations of Asia, Africa and Latin America.

It is necessary to stand far back from history to see the larger pattern which stretches over some centuries. There is little doubt that the advantages of Western Europe - the huge opportunity for territorial expansion, the technical superiority which made it possible, the resulting markets which stimulated industry far beyond the restricted demand from internal agricultural consumers, the fact that the main population growth came late, and . . . relatively slowly - all helped to ease the absorption of a growing labour force into full employment. . . .
Contrast now the situation of peasant societies in the 20th century as they face the task of social and economic change. First, there is no more world left for their territorial expansion, save for the Arctic icecaps, the great deserts, the Amazonian forest... 

Next, there is no technical superiority among the peasant societies of today, by which they could capture, even without territorial expansion, a huge external market such as that which fell to Europe. Indeed, the reverse is true. They seek to enter, as latecomers, an already highly competitive and exclusive system of world trade in which their armament, in almost every field except that of tropical agricultural products, is inferior.

Next, the population explosion - 2% to 3% per annum - has come before the growth of economic opportunity and employment openings. Unemployment is the universal threat, both as a social problem and as a gross waste of human capacity for development.

Next, although a high technology exists for the borrowing, it is a technology often unsuited to their needs - designed for large-scale production when their markets are small, requiring both capital and sophisticated skills, of which they are short; economical in labour of which they have a surplus, and often ill-adapted to their climate, their land tenure, their social pattern.

This is a formidable list. Almost every major advantage which pushed forward European growth is negated in Africa and Asia. (Hunter, 1969:7-9)

Most of the important social, political and economic problems of third world nations stem from colonial origins. It is necessary to keep a historical perspective in mind to fully appreciate the international scope of problems facing the developing countries today. The post-colonial period has barely gotten under way with the political independence of African, Asian, and South American colonies. Political
independence, however, has seldom meant economic independence. The national economies of underdeveloped and developing nations continue to reflect their various developmental experiences as colonies of Western nations. Most of them remain dependent upon the consumption needs of metropolitan centers in the West, the export of raw materials for Western industries, and an international market place that Western capitalists dominate.

Plantations and Plantation Economies

The condition of economic dependency is particularly true for newly independent states that were developed as plantation colonies. Beckford has listed 33 countries with plantation economies and seven with plantation sub-economies.

Plantation economy is the term we apply to those countries of the world where the internal and external dimensions of the plantation system dominate the country’s economic, social, and political structure and its relations with the rest of the world. . . . the plantation is all-embracing in its effect on the lives of those within its territory and community. (Beckford, 1972:12)

Plantation economies exist where (1) large portions of agricultural lands are monopolized for the production of one to two export staples; (2) a large percentage of the peasant population is involved with plantation labor or supplemental cash-crop planting of the staple; (3) the lion’s share of plantation ownership and operation is controlled by multi-national corporations located in metropolitan centers in the West; (4) income from plantation exports contribute significantly
to government revenues, national employment, the country's foreign exchange earnings, and balance of payments; and (5) multi-racial, plural societies struggle to find a national identity and a national purpose.

Malaysia is a good example of a plantation economy. It is a plural society with the dubious distinction of having the largest concentrations of immigrant Chinese and Indian populations in the world. In 1969 Malaysia produced 1,332,500 tons, or 45%, of the world's natural rubber as well as one third of the world's supply of tin. Rubber alone contributed 40% of the country's total export earnings, or nearly 42% of the government's budget revenue from exports. British, European, and American firms owned 48.34% of the total rubber acreage - 2,104 plantations that covered nearly 2 million acres of land. Plantations produced 51% of the total rubber output, while 49% was produced by Malay smallholdings (Gordon, 1970:11). By 1974, Malay peasants, working three to seven acres of land per family, increased their productive share to 58% of the rubber crop. The 4.8 million acres of rubber accounts for 60% of all cultivated land. (Koffend, 1974:4).

The price of rubber (and the prosperity of Malaysia) is tied to the international market system. The Malaysian economy is adversely affected:

If there is a strike in the U.S. tire and motor
industries, if the U.S. Government releases from its stockpile, if there is revolutionary upheaval in China affecting its buying plans, if there is speculation and manipulation, allegedly from Singapore, if the price of synthetic is suddenly dropped, as it was in 1966 by 10%, if the international rubber market as much as sneezes, our third world economy suffers a bout of the flu. (Gordon, 1970:11)

During the 1960's the synthetic rubber industry captured 60% of the international rubber market. The price of natural rubber declined, export revenues for the Malaysian government were reduced, the Malaysian workers, mostly Tamils, suffered low wages and job suspensions. Several corporations sold large tracts of their rubber holdings; others diversified their export production from rubber to palm oil. By 1967 more than 30,000 laborers had lost their sole means of livelihood and residence on plantations. Then, in the early 1970's, the natural rubber market rebounded with the soaring cost of petroleum. Today rubber remains "the backbone of the nation's economy, as well as a source of livelihood directly or indirectly, for more than 3 million persons" (Ellis, 1977:653) - a number approaching a third of the entire population of Malaysia.

Plantations are "total institutions" created by Western powers to develop the agricultural potential of their tropical "colonies of exploitation"* (Beckford, 1972:9). A total institution is a

*As opposed to colonies of "settlement" (North America, Australia and New Zealand) and colonies of "conquest" (mainland Spanish America) (Beckford, 1972:8)
"bureaucratically organized system in which whole blocks of people are treated as units and are marched through a set of regimentation under the surveillance of the small supervisory staff" (R. T. Smith, 1967:230; in Beckford, 1972:9). Large numbers of non-white people from Africa, India, and, in some cases, the southern provinces of China were brought together for the sole purpose of "commercial agriculture".

The creation of a new social order from elements drawn from different societies and cultures could be achieved only if there was sufficient authority and control to bring these diverse elements into line, for a common purpose. The plantation provided the basis for this. Through systems of legal compulsion the planter was able to exercise authority. And this was reinforced by a class structure which completely restricted mobility from sub-ordinate to super-ordinate status. Race was the basis of this caste system. The early plantation societies of the New World were made up of three groups: the white European planters and slaveowners at the top of the social and political hierarchy; the free white intermediate group; and the large body of black slaves at the bottom. (Beckford, 1972:8)

**Capitalist Nature of Plantation Economy**

From its inception the plantation has been a highly intensive capitalistic enterprise with a profit strategy based upon a plentiful supply of cheap labor. This capitalistic strategy of high profits via minimal labor costs (a far reaching, seemingly inherent "bias" in capitalistic enterprise everywhere) constitutes a central problem for plantation working class groups in pursuit of socio-economic development: plantations were set up to attract and benefit capitalist investors in the metropolitan West; they were never meant to fulfill
socio-economic aspirations of lowly immigrant laborers. The reverse, in fact, is true. Plantations were organized upon the principle of keeping illiterate laborers isolated, ignorant, and totally dependent upon the governing/managing class of a few white planters. Plantation production throughout the world is characterized by rigid systems of social stratification.

Today large multi-national corporations dominate plantation production, crop elaboration, processing, and overseas transportation, but the structure and operations of rubber "estates" are little changed. The capitalist strategy of high profits via minimal labor costs also appears to be firmly in place. A "Great House" syndrome continues to be a central feature of plantation social hierarchy, and the plantation manager remains all-powerful in his private fiefdom. He lives in a large, ostentatious, baronial house (many such houses being holdovers from colonial times) while workers and their usually large families are each allotted 260 square feet of living space.

While the living standard of the large body of workers is kept at a minimum or subsistence level, the manager enjoys an ample salary, free living accommodation, operating and expense accounts, generous bonus incentives and commissions, membership in private clubs and associations, and in general a grand living style.

The history of the struggle between labor unions and management also testifies to the extent to which stratified social and production
systems are entrenched and assiduously defended by management officials. Every attempt at even modest improvements in wages and living conditions for estate employees has been contested and, in most cases, successfully resisted by management. Human resources are treated as if they are infinitely expendable (which in a strictly production-profit mode of thinking, they are!), but the rubber trees on plantations are given considerable care and attention. Thousands of dollars are invested yearly in the maintenance of elaborate nurseries for scientific research to improve the durability and yield of rubber trees. The impoverished living standards of laborers, in effect, subsidize technological improvements in the rubber industry, the comfortable living standards of top supervisory personnel, and high profits enjoyed by the rubber industry. The fruits of increased productivity (profits) are shared by the owners of production and their salaried-plus-commission managers. The workers, who are at the core of improved productivity, gain nothing. To use more neutral terms: the interests, needs, values, and profit-oriented strategies of multi-national monopolies seldom coincide and are often in conflict with socio-economic aspirations of traditionally disadvantaged laboring classes.

Post-Colonial Elites in Developing Countries

A chief concern of multi-national corporations is how to best remain in the good graces of foreign governments while pursuing
economic policies and goals that are detrimental to the long term developmental interests of the people and the economy of host countries (Beckford, 1972:154-214). Governmental elites in developing countries can become impatient with the lopsided effects of capitalist-industrial development and Western finance capital if political pressures from within the country, due in part to the continued maldistribution of income, threaten their privileged positions of power.

It is important to note the often neglected fact that in poor countries not everyone is poor. Indeed, some proportion of the population, let us say the top 10 percent, will have incomes comparable to those of most persons in the more developed countries. These persons, whom we shall call the few, have command over factors of production - natural resources, capital, or skills - comparable to those commanded by persons in developed countries (Uphoff and Ilchman, 1972:95).

Elites in most third world nations seldom constitute more than 15 percent of the population, but they control most of the national wealth and consume most of the national income produced by capitalist models of economic growth. The colonial origins of various elites differ in detail but they have many important characteristics in common: (1) they were closely associated and identified with the colonial rulers of their countries; (2) they are thoroughly Westernized and generally urbanized in their preferred style of living; (3) they are educated in Western countries or in local institutions closely patterned after those in the West; (4) they dominate and control the political, economic, and military apparatus of their countries; and
their socio-economic or class interests are often intertwined or coincident with the continuing business interests of their former colonial masters. These characteristics contain all the necessary elements of a neo-colonialism in which an indigenous privileged few govern and live handsomely at the expense of the underprivileged many. The foreign group of capitalist owner-managers has been replaced by an indigenous elite that has been "Westernized" to protect and pursue the materialistic goals of world-wide capitalism.

Governmental elites in developing countries have "sovereign" power by which multi-national interests can be adversely affected, but most post-colonial elites are compromised by the fact that their own socio-economic interests are entwined with the ongoing international capitalist system of business and finance. Most theories and models of development originating in Western universities and institutions have pandered to the entrenched interests of post-colonial elites who are, realistically, the political and financial allies of Western industrialists.

Too seldom have economists, sociologists, and political scientists thought through the implications of their theories of development in terms of their justification of the status quo - the existing economic and political stratification of nations and of groups within nations - or their rationalization of intervention by the strong in the affairs of the weak. Too often these theories have contributed to intellectual neo-colonialism, even if the effect was unintended. Economic theories stressing capital formation, even if this means suppressing incomes of the poor, can be seen to have
this effect. . . . and . . . the premise that the
majority is unable to govern itself and that an
elite must "lead the way" can be seen to legitimate
the dominance of educated, wealthy, and generally
privileged groups within Third World countries.
These groups commonly have close connections with
foreign countries and promote the latter's interests,
as well as their own, more effectively than the inter-
est of the "masses" in these countries. These "masses"
are regarded as inert, incompetent, or unruly, accord-
ing to the situation, but invariably as "wards" of
the elite. (Uphoff and Ilchman, 1972:18)

**Historical Results of Capitalist Development**

International capitalist development satisfies the materialistic,
socio-political needs of a privileged few and the intellectualized
criteria of economic growth (GNP and per-capita income), but it has
consistently failed to alter dramatically the living standards of the
left-out many.

The lopsided character of capitalist development
has been evident historically in those nations that
today have advanced industrial economies, but it is
especially evident at the present time in the under-
developed countries (with their mixture of feudal and
capitalist features) that are tied in to the inter-
national capitalist system - that is, those countries
that, by being receptive to free enterprise and foreign
capital, regardless of whether they are also receptive
to freedom, are in the "Free World".

. . . A few cities in each of these countries with their
airports, hotels, nightclubs, and light industries, are
often built up to the point where they resemble the most
modern megalopolises in advanced industrial countries -
but the rural areas, comprising most of the country and
containing most of the people, are largely untouched by
modernization.

In most of these countries, industry, culture,
entertainment, education, and wealth are highly concentrated in urban centers. A traveller to most of the poor "Free World" countries, by flying to the main cities, can land in the middle of the twentieth century, but by going thirty miles from there in any direction he will be back in the Middle Ages. Education is usually for the elite and stresses the superiority of the educated over the uneducated, the superiority of urban over rural life, of mental work over manual labor. The burden of economic development, which is essentially a restraint on consumption, is shared most inequitably among the people; the differences between rich and poor are staggering, because they are nothing less than the differences between unbelievable luxury and just plain starvation. (Gurley, 1972:147)

Multi-National Corporations (MNCs)

The widespread "maintenance of underdevelopment" throughout the Third World corresponds to the emergence of a "new institution in the political economy of nations", the multi-national corporation (MNC) (Muller, 1973:124). Following an elaborate study of MNC activities and policies in "less developed countries" (LDCs) Muller has found that MNCs contribute directly to "increasing unemployment, the growing inequality in income distribution, and the fact that anywhere from 40 percent to 60 percent of the populations of most LDCs have suffered not only relative but absolute declines in consumption compared to ten, fifteen, twenty years ago" (Muller, 1973:124).

MNCs are companies with "parent headquarters located in one country and subsidiary operations in a number of other countries. . . . MNCs seek to maximize profits not of individual subsidiaries, but
rather of the center parent company. This may even mean operating
certain of its subsidiaries at an 'official' loss" (Muller, 1973:124).
Large MNCs earn billions of dollars in the LDCs and they are instru-
mental in both developing and transferring the technology and expertise
necessary for industrialization. Their interests and influence are
vast and they have played an important, even a crucial role in the
developmental strategies of the LDCs in the post-colonial or (as some
would call it) the neo-colonial era. Profits from MNC operations are
enormous and they continue to grow in importance to Western nations
as more and more companies expand and diversify their holdings and
others enter into the growing arena of international finance and
capital investments. Consequently, the national interests of the
Western powers have become coincident, one in the same, with the
export-import operations of large MNCs. In 1968, for instance, fully
one-third of total exports from the U.S. were shipped directly to MNC
subsidiaries overseas (Muller, 1973:139).

Most developmental economists are convinced that large MNCs such
as DuPont, Firestone, Unilever, ITT, National Biscuit, Proctor and
Gamble, Bayer, Dow Chemical, United Fruit, Tate and Lyle, Harrison
and Crosfield Ltd., Socfin and many others are indispensable for the
economic development of LDCs. Following an exhaustive examination of
the relative benefits of MNC investment-profiteering activities in
LDCs, Muller has concluded just the opposite: in every critical area
of development MNCs have had an overwhelming negative impact on the ability of host countries to become economically self-sufficient. The results of capitalist investment-intervention abroad should not be too surprising in that the only perceptible reason for MNCs to become involved in the LDCs in the first place is to reap profits most often on a scale that is unattainable in their own countries. Muller contends

MNC involvement actually retards the technological advancement of developing countries and adversely affects the balance of payments and foreign exchange of host countries. Standard MNC business practices that include the "excessive over-evaluation of investments", import over-pricing, export under-pricing, and the shipment of undervalued cargo to "tax-free" ports, operate to drain the treasury of badly needed capital in host countries and make a mockery of tax laws and import-export regulations.

Apparently the techniques for extra-legally transferring funds out of LDCs does not stop short of over-pricing actual imports. During a two-day interview with the head of a European MNC subsidiary in a South American country, the author was shown shipping crates which had just cleared local customs. In this isolated case, the shipping crates contained less than 30 percent of their declared contents although the payment to an offshore subsidiary of the parent was for 100 percent of the declared contents at an overpricing of 2500 percent. One can only speculate as to what extent this case represents the day-to-day behavior of MNCs in the Third World (Muller, 1973:143).

MNCs invariably retain full control over the parent-licensing rights to the technology they introduce and they increase operating
costs by imposing royalty and other service fees for the privilege of using their technology.

Concentrated control of technology is one of the most effective means to establish oligopoly power over the market place, restricting the development of local competition and permitting, as we shall see, an astounding rate of profits, the greater majority of which leave the country. Once such a process is underway, it becomes cumulative and self-perpetuating (Muller, 1973:127).

The managerial and royalty fee payments, "have reached significant proportions, accounting for some 25 percent of the total returns from all United States MNCs' foreign investments in 1970" (Muller, 1973:139).

"Restricted business clauses" prohibit local manufacturers from exporting their products and the absence of anti-trust legislation in LDCs permit MNCs to enforce "tie-in clauses" that require, "the subsidiary or licensee (depending upon who is acquiring the technology) to purchase intermediate parts and capital goods (at non-competitive, inflated prices) from the same parent MNC which supplies the basic technology" (Muller, 1973:142). In effect the MNCs impose an export monopoly on manufactured goods in LDCs and make it, "virtually impossible for them to enter the one export market which in the long run is viable, namely, manufactured exports" (Muller, 1973:140).

MNCs compete with local firms for limited investment funds, finance most of their equity investments from local sources, and repatriate most of their profits. Every LDC has a critical scarcity
of local savings and foreign exchange to finance industrial development and the subsidiaries of MNCs exacerbate these basic economic weaknesses. Contrary to accepted notions in this area, "only 17 percent of the total finance capital used by MNCs in their gross investments came from non-local savings . . . in manufacturing, the most rapidly expanding of the three sectors . . . the figure of 78 percent of total local financing has been constant since 1960" (Muller, 1973:136). MNCs also draw more heavily upon local funds in that they,

. . . operate on roughly one and one-half to two and one half times the level of indebtedness of their domestic competition for any given level of total assets. Again the use of largely local savings, in this case working capital, makes possible a productive activity, the profits of which largely benefit recipients external to the local economy (Muller, 1973:137).

The profits of MNC subsidiaries,

. . . will be largely externalized from the LDC and, therefore, will not be for the consumption or investment benefit of the local citizenry. This is borne out by the fact that over the period 1960-1968 MNCs repatriated on the average some 79 percent of their net profits, not to mention the additional remissions of royalties, interest, and other fees. In manufacturing . . . each dollar of net profit earned by an MNC subsidiary, 52 cents will leave the country even though 78 percent of the investment funds used to generate that dollar of profit came from local sources. If we look at all sectors in which MNCs operate in Latin America, the inflow-outflow accounting gets even worse. Each dollar of net profit is based on an investment that was 83 percent financed from local savings; yet only 21 percent of the profit remains in the local economy. (Muller, 1973:137)

It is also important to note that the competition for local funds
is itself illusory. MNCs greatly influence and/or control banking institutions and policies of the LDCs.

... the local financial institution is, in fact, a branch or subsidiary of a so-called private multinational bank, such as Bank of America, First National City Bank of New York, etc. These banks are playing a powerful role in the financial structures of the Third World where in many instances they control close to 50 percent of the private deposits of a country. The LDC operation of a multinational bank will prefer lending to the subsidiaries of MNCs for the same reasons that locally controlled financial institutions do.

It is a well-established fact that the worldwide parent networks of banks and corporations are not two distinct entities, separated "at arm's length" by a competitive market in which one is a seller and the other a buyer. Instead there are interlocking interests of common ownership, management, and technical personnel in the groups that control banks and corporations. Furthermore, whatever the consequences of these interlocking interests may be, there is a second well-established fact of a near perfect correlation between the worldwide expansion of MNCs and the commensurate expansion by multinational banks... a mutual process of interdependent expansion characterized by common familiarity, experience, and objectives has developed. The commonalities lock together in a theme of expansion, where the expansion is based on the facilitation of an industrialization model most particularly suited to the competitive advantages of the MNC and, therefore, to the multinational banks. Thus, even if domestic business in LDCs could offer the branch offices of multinational banks better borrowing terms than MNCs, it is highly unlikely that these banks would forego their long-range global interests for the short-range local interests of a branch office. (Muller, 1973:129)

Financially disadvantaged local firms are taken over by resource rich MNCs and labor efficient, capital intensive technology is introduced in countries where unemployment is approaching catastrophic
proportions. In countries where unemployment insurance and social security programs are non-existent, joblessness is a dire threat to life itself.

... the technology transferred to the Third World by the MNCs has been designed for the resource conditions of the advanced industrialized nations where there is a relative abundance of capital and a relative scarcity of labor. In other words, this technology is incapable of absorbing labor because it has been designed to do just the opposite, i.e., to be "labor saving and capital using"... in a recent study of 257 manufacturing firms throughout Latin America, it was found that MNCs use almost one-half the number of employees per $10,000 of sales as do local firms.

It is this process of ever more intensive substitution of capital for labor in the technology transferred by the MNCs which is one of the prime causes of the startling degree of unemployment in the Third World, a situation which Africa and Asia only recently have begun to face but which has been gnawing at Latin America since the 1920s. Between 1925 and 1960 the manufacturing sector was able to absorb only 5 million of the 23 million people who migrated into urban centers from the countryside, and while the total output of modern manufacturing industries expanded relative to other activities so that it increased its share of national product from 11 percent in 1925 to 25 percent in 1970, the percent of the Latin American work force which it employed actually decreased from 14.4 to 13.8 over the same time period... MNCs are eliminating many more jobs than they are creating. (Muller, 1973:133)

Finally, labor efficient capital intensive industrialization contributes to the longstanding, gross inequities in the income distribution of the LDCs.

Most LDC economies are based on the legal institutions of capitalism, meaning that the owners of capital resources receive the income generated by those resources.
Where there are only a very small number of owners (and thus a very large number of non-owners) of capital, and where the technology used generates a larger proportion of income from capital than labor resources, then, by definition, income distribution will be highly unequal. In addition, where there is a relatively rapid change in technology biased toward labor saving techniques, and where capitalist legal institutions are not modified via, for example, more progressive tax rates to keep pace with this change, then, again by definition, income distribution will become even more unequal over time. (Muller, 1973:134)

In a world-wide study of income distribution Adelman and Morris (1973) found that the richest 5 percent of the LDC populations,

... experienced a "striking" increase in incomes both relatively and absolutely compared to the poorest 40 percent of the population. Latin American countries in the midst of this industrialization provide a dramatic verification of this finding. In the 1960s, for example, Chile's average per capita income was approximately $600, but the richest 10 percent were receiving 40 percent of the national income or an actual per capita income of some $2,400, giving a family income higher than the majority of families in Western Europe. In Mexico and Brazil, the situation is worse, and it is notable that these two countries have been by far the most favored investment targets of the MNCs in Latin America. ... For example, in the Mexico City area, the richest 20 percent received 62.5 percent of the area's income, while the poorest 20 percent attempted survival on 1.2 percent of the income. In Brazil, where unprecedented increases in industrial output are being achieved almost all of the benefits of that increase are going to the richest 5 percent. (Muller, 1973:134)

The entire financial structure and thrust of international capitalist development has created a pattern of Western monopoly an
economic dependence for Third World nations. The developing nations now pay annual premiums and interest on a staggering $350 billion debt owed to the lending institutions and aid agencies of the developed West. Incumbent socio-political elites in both sections of the world temporarily reap the benefits of these "development policies" but the 60 to 80 percent of the populations in LDCs with annual birth rates at 3 percent or more, are done an absolute disservice by present programs of industrialization and development.

In his presidential address to the Society for International Development at the 11th World Congress in New Delhi in November, 1969 Dudley Seers noted,

One cannot really say that there has been development for the world as a whole, when the benefits of technical progress have accrued to minorities which were already relatively rich, whether we are speaking of rich minorities within nations or the minority of nations which are rich. To me, this word is particularly misleading for the period since the war, especially the "development decade" when the growth of economic inequality and unemployment must have actually accelerated. (I am alarmed at the phrase, a "second development decade." Another "development decade" like the 1960's, with unemployment rates and inequality rising by further large steps, would be politically and economically disastrous, whatever the pace of economic growth!)

Certainly in some respects . . . a basis has been laid in many countries for possible development in the future. But there has not been any basic improvement in international institutions. . . . Virtually no safeguards have been set up against a world recession. . . . Nor has much been done to open the markets of industrial countries to imports of
manufactures, the only real possibility of export expansion for the Third World as a whole.

... The aid that does exist often plays an important economic role, but, like immigration and trade policies, it is very largely motivated by the self-interest of donors, sometimes by very short-term commercial and political interests. This often in effect leads them to support, or even help install, governments which oppose the redistribution of income and in other ways block development.
Theory: Socio-Economic Development

Definition

Socio-economic development encompasses the whole experience of cultural change experienced by groups and communities under the many varied influences of modernization: technological innovations, urbanization, industrialization, mass communication, and the expanding political control of state societies. The hyphenated term "socio-economic" is used to underscore the basic proposition that economic development does not occur in a vacuum, and that changes in the economy of social systems necessarily affect interrelated social, political, and cultural institutions. Beckford has correctly addressed problems of socio-economic development in terms of institutional environments.

Social, cultural, political, psychological, and other non-economic variables influence the economic behavior of individuals and groups in every society; and these factors are important in determining the pattern of development or underdevelopment. For example, we know that social organization and structure are important determinants of social mobility. And we know that the distribution of political power and the nature of political organization determine the extent to which different individuals and groups are able to participate in decisions affecting the whole society. (Beckford, 1969:xxii)

He concludes that, "Economics alone cannot explain the development process and the need for political economy is reasserting itself" (Beckford, 1969:xxiv).
Socio-economic development is not the same as economic growth, but the hoped-for results of growth policies. It occurs only when the social, political, and economic resources of any designated group are altered to the extent that substantial numbers of the population experience improvements in their life chances and their standard of living. In this study socio-economic development is defined and measured by widely applied standards of economic change and success: increased income; improved access to the means for upward mobility, such as education, training, and jobs; improved communications; increased involvement with regional and national market systems; increased consumption of available goods and services; and the adoption of modern technologies associated with increased productivity.

**Economic Growth vs. Socio-Economic Development**

The differences between simple economic growth and socio-economic development have only recently been formalized in developmental theory and description. Formerly, developmental economists concentrated their efforts on economic growth using Western models of design and measurement. Socio-political values and institutions were ignored and a sort of pure science of economics was applied to problems of development. Increases in the aggregate productivity of a country, namely the gross national product (GNP) and the aggregate growth of per-capita income, were thought to be sufficient indicators of development. It was assumed that sustained growth in these two areas of a national
economy would eventually benefit all members of the social order.

This assumption, which has some validity and practical application in industrialized, metropolitan countries, has been repudiated by recent studies in underdeveloped countries. Beckford, for instance, has argued that increases in GNP and per-capita income do not guarantee improved income distribution. Increased earnings from international markets and industrialization can be consumed by elite power groups in the purchase of expensive, high-status, foreign-made goods. Profits from industrialization and plantation production can be taken out of the country by foreign capital investors and used elsewhere. These types of economic actions retard development and help to produce the phenomenon of prolonged underdevelopment or, as Beckford would put it, persistent poverty for the laboring masses. Furthermore, population growth of three to four percent per annum can nullify aggregate gains in economic growth in terms of improved income distribution.

Economic growth models have actually been determined to be detrimental to improved income distribution in developing countries. Following extensive statistical analysis of the quantitative and qualitative aspects of economic growth, Adelman and Morris were forced to conclude that increases in per-capita GNP, "are associated with worsening of the income distribution at low levels of development", and that "policy instruments that are most effective in improving
income distributions are different from those that are best for raising economic growth rates" (1973:185). They further conclude that "our analysis supports the Marxian view that economic structure, not level of income or rate of economic growth, is the basic determinant of patterns of income distribution" and that "economic structure determines the structure of political power" (1973:187).

In developing societies the often-referred-to "middle class" is an elite group of specialists consisting of commercialists, politicians, bureaucrats, and professionals. They represent only a small percentage of the population, seldom exceeding five percent. Adelman and Morris have determined that the benefits of traditional economic growth models accrue to elite "middle class" groups in all but very advanced developing countries (1973:189). Little social or economic improvement filters down to the large labor classes that constitute the remaining 90 percent or so of the population. Economic growth models of Western origins and bias, in other words, serve to make the rich richer and more powerful, and the poor poorer. They actually widen the socio-economic gap between elites and the laboring masses and may contribute, thereby, to social unrest and political discontent.

Developmental economists have not been entirely unaware of the pervasive societal effects of economic growth. Easterlin has written that economic growth encompasses wide-ranging changes in techniques of
producing, transporting, and distributing goods, in the scale and organization of productive activities, and in types of outputs and inputs. It embraces major shifts in the industrial, occupational, and spatial distribution of productive resources and in the degree of exchange basis and monetization of the economy. On the social and demographic side it involves significant alterations in fertility, mortality, and migration, in place of residence, in family size and structure, in the educational system, and in provision for public health. Its influence extends into the areas of income distribution, class structure, government organization, and political structure. (1969:395)

The abiding interest of state governments in economic systems has also been noted. Morton Fried, in his definition of the state and its role in economy, reminds us that "the distinction between economics and politics is, in large measure, a heuristic device", and that

The use of its power to maintain a specific social order is one of the primary aspects of the state, and the analysis of ancient, classical, and exotic legal codes confirms that the points in the social order that are considered strategic have invariably been definable as economic statuses. (1969:395)

Given this rather obvious "organic" relationship among social, political, and economic spheres of social systems, it is somewhat amazing that economic strategies of development have been conceptually divorced from socio-political realities of developing countries. Persistent failure of developmental growth models to bring about substantive improvements for the masses of poor in these countries, however, has pushed many economists toward accepting the assertion of A. R. Louch that economic theory
... does not describe the necessary nature of an economy; rather, an economy results from policy. Economic "laws" are to be seen as formulations of policy, need, and value, 'with no reason to suppose they cannot or do not need to be altered. . . .' (1969:197 in Uphoff, 1972:490).

The Land-Soligo Model

Increasingly, developmental economists are reconstituting their models to focus on the problems of income distribution, diversification of export commodities, and the creation of a self-sustaining, indigenous consumer industry and economy. The Land-Soligo model for economic development is a good example of this trend.

The model is concerned with the distribution of gains and income from economic growth. Land and Soligo believe that a redistribution of income through such techniques as governmental subsidies and tax schemes in favor of the poor would generate an appropriate demand for "labor intensive commodities that have a lower import content" (1972:4). Increased consumer demand for locally produced goods and services would help generate more jobs in the populous developing countries. Improved purchasing power of the working masses would lead to a more independent, self-sustaining economy by lowering the demand for consumption of goods with high import content. Generally, these goods are sought by a small but wealthy consumer class of elites.

This model questions the orthodox view among developmental economists that a skewed distribution of income in developing nations
is necessary to produce surplus capital required for further investment and development. Land and Soligo hypothesize that a trade off would occur between

\[ \ldots \text{the set consisting of a skewed income distribution, high savings rates, and preference for capital and import intensive commodities and the set consisting of a more equal income distribution, lower savings rates, and preference for labor intensive commodities that have a lower import content.} \ (1972:6-7) \]

The assumed trade-off would not adversely affect the growth rate of the country while the distribution of gains from development would be more widely spread among a greater number of people in the country.

Increased income for the masses is only one way of moving toward genuine socio-economic development. Land and Soligo also recommend measures by government to invest in human "capital" of the country. Improvements in formal education, vocational training, programs of agricultural development and land distribution, guaranteed minimum wages for industrial workers and the like would work to upgrade the income potential of the general population and contribute to national economic independence.

The realistic goals of this model are more than commendable. They strike at the heart of the problem posed by socio-economic development: how to increase the living standards and purchasing power of the majority poor.

It should not be necessary to say this, but the prevailing theories of development with their impersonal macro
views of society commonly evade the issue: aggregate productivity depends on individual productivity, and the latter cannot be increased without raising people's economic, social, political, and intellectual means or resources. (Uphoff and Ilchman, 1972:96)

This simple statement of fact has long been ignored by economists advancing capitalist models of development. Gurley has pointed out that the logic of capitalist planning is to "build upon the best" - to use the existing resources and institutions to produce a profit as quickly and efficiently as possible. The profit motive is central to any capitalist strategy of development.

... it is almost always most profitable, from a private business point of view, to build upon the best. Thus, a businessman locates a new factory in an urban center by existing ones, rather than out in the hinterlands, in order to gain access to supplies, a skilled labor force, and high-income consumers; to maximize profits, he hires the best, most qualified workers; a banker extends loans to those who are already successful; an educational system devotes its best efforts to its superior students, and universities, imbued with the private business ethic of "efficiency," offer education to those best prepared, most able; promoters locate cultural centers amidst urbanites best able to appreciate and pay for them; the most profitable business firms attract the best workers and have easiest access to loanable funds; satellite capitalist countries, in the interests of efficiency and comparative advantage, are induced to specialize in cocoa or peanuts or coffee -- to build on what they have always done best.

This pursuit of efficiency and private profits through building on the best has led in some areas to impressive aggregate growth rates, but almost everywhere in the international capitalist world it has favored only a relatively few at the expense
of the many, and, in poor capitalist countries, it has left most in stagnant backwaters. Capitalist development, even when most successful, is always a trickle-down development. (Gurley, 1972:148)

The results of capitalist development in the last three decades have demonstrated that those who pay for economic growth reap the benefits and those whose resources or endowments remain stagnant gain nothing from economic growth. Classical and neo-classical economists, "enamored with the efficiency, and consequently the productivity, resulting from competition [have] neglected the fact that no such benefits accrue to anyone unless he has something with which to compete" (Uphoff and Iltchman:1972:96).

The Political Economy of Development

Uphoff and Iltchman have offered a refreshing model that encompasses the multidimensional nature of the socio-economic developmental problems. They use a market metaphor to discuss the convertability of social, economic, and political "factors of production" (resources!). Productivity is the criterion of development in each of these spheres. Increased productivity in social and political "markets" occurs when individuals and groups experience improved "esteem and deference" (or status) and improved access to the all-important political process. The rules of the economic "market place" are determined in the political "market place", where the "exchange" of political resources occurs. Political resources include "economic resources, social status,
information, authority, legitimacy, and force." (Uphoff and Ilchman, 1972:84)

Because the factor of authority is involved in political relations, the model includes . . . a regime that is composed of those persons claiming to possess authority. It may delegate its authority to other persons, or give other persons influence on the use of authority. But in the final analysis, it has the prerogative to make policy decisions allocating resources among the sectors and to itself. Whether this prerogative was granted to the regime by all, some, or a few of the sectors, or was simply claimed on the basis of superior power, will affect the sources and volume of political resource flows. (Uphoff and Ilchman, 1972:83)

Access to the political process is a function of social and economic resources - endowments that are invariably distributed unevenly throughout the population. A political economy model of development accepts the universal occurrence of socio-political inequalities; then it realistically anticipates that these same inequities can dramatically affect, and even determine, possibilities and programs of socio-economic advance for the disadvantaged many in developing countries:

There is in political and economic relations a sector ranking, akin to social stratification, deriving from the different endowments of the factors of economic, social, and political production — economic resources, status, information, legitimacy, authority, and force. Because resources are to a significant extent convertible, one into the other, there is considerable congruence of economic, social, and political stratifications.

And,
Sociological analysis has generally been sensitive to inequalities, and its paradigm has been one of stratification. Political economy combines the paradigms of sociology and economics to arrive at the paradigm of the stratified market, in which sectors are seldom if ever equal in their factor endowments or in their relation to one another. (Uphoff and Ilchman, 1972:84)

The convertibility of resources (social, political, and economic) accounts for the stratification "dynamic" in social systems and underscores the importance of politics in socio-economic development. It also helps to explain why incumbent elites are so reluctant to share the fruits of economic growth with the masses they govern. Elites are aware that improvements for the masses can undermine elitist claims of social superiority and demands for economic privilege and political power. Few important decisions that affect institutionalized systems of ownership and exchange of resources are devoid of political considerations or consequences.

Differences in the political resources among individuals and groups are known to directly affect the exchange process at all levels of society. In voluntary exchange, where partners are more or less equal, the exchange is deemed mutually beneficial, but "if the partners to an exchange are unequal in resources and, therefore in bargaining power, exchange can work to the detriment of the weaker partner" (Uphoff and Ilchman, 1972:83). Following extensive investigations into the rural development of Peru, Whyte and Williams concluded that
the distribution of benefits from exchange "depends very much upon the distribution of political power," and in such countries the most salient feature of much exchange is its coercive nature.

The extent to which middlemen cream off a larger share of the total value is inversely related to the extent to which political influence is widely distributed. (in Uphoff and Ilchman, 1972:94)

Socio-political influence upon exchange processes are far more complex than simplified "laws" of supply and demand suggest, and market mechanisms, contrary to much entrenched economic theory, are highly susceptible to socio-political manipulation in any society. The economic "rules of the game" are tied into the legal system via the political process - a process that is controlled by elite (minority) groups who also own and control most of the wealth in any given country. It should not come as too much of a surprise to discover that the rules governing ownership, monetary supply, and resource exchange are instituted and enforced in ways that heavily favor the incumbent rich over the majority poor. Ongoing socio-political arrangements institutionalize inequality and make it extremely difficult for substantive changes to occur that favor the non-elite.

Socio-Economic Development as Institutional Change

Socio-economic development occurs only when the "factor endowments" of the many (that is, their social, political, and economic resources) are raised to the extent that substantial numbers of the population
experience improvements in their life chances and standards of living. Econometric models of development, constructs that depend heavily upon the "trickle-down effect", have not brought about socio-economic development so much as mere quantitative improvements in the easily measurable aspects of an economy. Researchers have found that models of economic growth have been used to retard and even deny improvements for non-elites in developing nations. These models have proven to be, in effect, status-quo prescriptions for "development", with little or no emphasis on wealth redistribution or sharing.

For these reasons, it has become evident that any model concerned with socio-economic development must emphasize qualitative or structural changes in systems of resource ownership and exchange. Uphoff and Ilchman define two types of structural change:

We suggest that incremental structural change results from the extension and integration of markets and from the increase in persons' endowments or possession of the various factors of production -- economic, social, informational, and political resources. Innovative structural change is achieved through the establishment or organization of new exchange relationships and through the exercise of entrepreneurship, which mobilizes resources for productive collective enterprises. Promoting these conditions constitutes the political economy of development. (1972:93)

Without such structural change, the wealth produced by growth is hardly likely to reach the masses.

Development, then, can be defined as economic growth - increases in scale, more of the same - or it can be seen as evolutionary -
structural changes that enable more people to more fully participate in a more equitable system of resource possession, production, and exchange. The idea of structural or institutional change is usually perceived as a threat to incumbent power-holders, while the sharing of "surplus" wealth with the non-elite is a revolutionary concept to monopoly capitalists. Structural alterations, nevertheless, need not be revolutionary: they may be evolutionary, a gradual process of refinement whereby all cultures and social institutions are able to survive. Revolution, armed insurrection, or other violent social upheaval can be expected to occur when stratified systems of social organization (characteristic of all "civilized" states throughout history) become too inflexible, too expropriative, or too unresponsive to the basic needs and aspirations of the masses.

**Cultural Factors in Socio-Economic Development**

Ethnologists have contributed most to the explication of cultural change by emphasizing the interdependent, systemic nature of cultural organization, social structure, and cognition. Cultures are defined as organic, whole systems of adaptation with interdependent parts and subsystems that persist in a dynamic state of equilibrium. A single change in one part of the system can be expected to trigger corresponding changes in other parts and no one aspect of culture is believed to determine any other. Anthropologists speak of cultural "homeostasis", social cohesiveness, cultural integrity, and social
solidarity - cultural systemic phenomena that act to impede radical, disjointed changes in the cultural fabric of a people's traditional system of adaptation and interaction.

The logic of the culture concept, culture as systemic adaptation, also suggests that there are cultural and/or environmental preconditions for various types of culture change as well as time requirements for integrative adjustments to occur. Socio-cultural preconditions, time requirements, and most importantly, institutional constraints that exist in the wider society (the nation-state) all combine to make cultural change specific and circumstantial - relative to single cultures in time and space. The integrative complexity of culture systems and the specific needs and requirements of each in change situations explains in part the persistent failure of developmentalists to establish a useful, cross-cultural theory of development.

The holistic model of cultural organization and culture change precludes crude forms of economic determinism and maintains that human beings are no more economic than they are social, political, or religious. These several aspects of human behavior are, as we have seen, to a considerable degree, interchangeable and interdependent. Anthropologists would argue that developmental models of economists have failed because they have deliberately ignored the social and political contexts of economic decision making and exchange. Economic decisions are seldom made in a vacuum but in reference to cultural,
social, and political contingencies - values, attitudes, and beliefs within a socio-political framework - that most always condition and in many ways determine socio-economic perceptions and corresponding behavior. Economic models of development that ignore the basic socio-political structures of a society - system of wealth distribution, resource control/management, and exchange - cannot produce the intended results of improved distribution of income, economic self-sufficiency, and improved living conditions for the many. The socio-political context imposed from above by politically dominant elites in developing countries cannot long be ignored, taken for granted, or placed in an illusory category of "exogenous variables" without producing distorted, unwelcome results that characterize the last three decades of economic development.

Anthropologists have long been interested in culture change and cultural evolution but socio-economic development - adaptive changes within and between various groups in a nation-state - has only recently become a focus of concern for the anthropological establishment. Prior to their work with peasant-urban populations, cultures were seen as holistic, highly integrated, self-sufficient entities that were highly resistant to disruptive innovations or external influences. Most models and constructs of culture change were with some few exceptions, systems-oriented, status quo paradigms that emphasized cultural continuity and systems maintenance. Anthropologists, "overemphasized
the configurational theory within the discipline [and] succeeded widely in convincing their other social science colleagues that culture is indeed nearly unshakable" (Orans 1965:142).

Some general propositions that summarize the initial findings of researchers studying culture change in the last few decades can be found in Kushner (1962), Brode (1969), and Robinson (1972). In these works culture change factors and change agents are said to be up against a formidable array of "boundary-maintaining" mechanisms designed to preserve the "integrity" (distinctiveness) of extant cultural units. These mechanisms are variously described as the conservative "force" of tradition; the human preference of known and familiar patterns of behavior (social habits); highly valued, integrated "idea sets"; and fatalistic beliefs pertaining to the "will of god" (supernaturalism) or personal destiny (karma). The combination of these factors alone could add up to cultural inertia but change and variation are never entirely denied; they are only thought difficult to affect and determine. Change, when it does occur in a positive sense, is said to be motivated by perceived rewards and satisfactions, increased utility, the possibility of improved status, and/or the amelioration of social inferiority. Culture change, in general, was seen as an internal creative process that involved innovation, synthesis, reinterpretation, modification, or recombination of cultural elements.
The primary focus on culture as coherent, self-contained system and the corresponding emphasis placed on systems maintenance and cultural continuity has led many ethnologists into a theoretical cul de sac. Cultural maintenance models connote systemic resistance to change and cultural inertia yet change, is, "more the rule than stability in any observation of a culture over time" (Mangin 1970:XVII). The concept of culture as system of adaptation, on the other hand, suggests cultural flexibility and resilience - adaptive imperatives for cultural groups or societies that have fallen under the political domination of others. This latter (socio-political) condition of dependence is crucial for comprehending problems and processes involved with socio-economic development and change. Dependent cultural groups and/or sub-cultures are required to adjust or accommodate themselves to certain integrative demands made upon them by politically superior groups of nation-states.

... [There is] "external pressure" brought to bear by the dominant society on the encysted society to adopt its customs. The basis for the near inevitability of this pressure is nothing less than the solidarity needs of the dominant society. Surrounding dominant societies must demand allegiance to at least the official symbols of solidarity; acceptance of a number of other customs is likely also to be demanded as the solidarity needs of the dominant society increase. There are likely also to be a number of customs of the encysted society which the superior society finds repugnant, a reaction which invariably creates some pressure for "reform" of the encysted society. The pressures exerted on the encysted society may include positive rewards for compliance or coercive acts by
police or even by an army. (Orans, 1965:126)

The political jurisdiction of a dominant elite, armed with the necessary military and police forces for control and enforcement of moral and legal codes within their territorial limits, is one of the most important factors affecting cultural change processes among peoples of the world today.

It appears that many anthropologists, always short on time and money and trained to look for cultural system, have also chosen to ignore or de-emphasize the socio-political context in which selected groups for study are invariably embedded. In their own way and for their own reasons, anthropologists have made a similar methodological error as the one for which they have correctly criticized developmental economists, namely, they have isolated cultural groups from their socio-political milieu and treated them as if they were semi-autonomous, self-determining entities. In 1954 a prestigious committee of anthropologists defined acculturation as,

... culture change that is initiated by the conjunction of two or more autonomous cultural systems. Acculturative change may be the consequence of direct cultural transmission; it may be derived from noncultural causes, such as ecological or demographic modifications induced by an impinging culture; it may be delayed, as with internal adjustments following upon the acceptance of alien traits or patterns; or it may be a reactive adaptation of traditional modes of life. Its dynamics can be seen as the selective adaptation of value systems, the processes of integration and differentiation, the generation of developmental sequences, and the operation of role determinants and personality factors (Broom,

All this generality is misleading. When one turns to empirical works of acculturation, one finds, overwhelmingly, they deal either with the responses of institutionalized inferiors who are not white to direct colonial control . . . colonial control is not mentioned, nor are other aspects of the institutionalized inferiority of the ethnic groups who are the subjects of most acculturation studies (Dalton, 1971:4).

Anthropologists have also been respectably self-interested and self-serving: they have long had a "professional concern" that their findings concerning dependent, indigenous groups were acceptable to government agencies with political jurisdiction over "their people". The well-known but seldom stated fact that it is impolite to criticise or blame incumbent governments for their socio-political values and systems of wealth distribution has played a quiet but firm role in discouraging field analysts from becoming involved with the "politics" of socio-economic development, *even though they may have known better*.

As generalized, descriptive-analytical approach has long characterized anthropological field work. Leeds and Leeds (1976:193) found that Western social scientists have for some time contented themselves with the search for "immanent characteristics" - psycho-cultural attributes that are supposed to explain the persistent socio-economic backwardness of impoverished groups everywhere. Even within the present context of modernization where most human groups can be
considered in a permanent state of transition - continual adjustment to factors of modernization - sub-cultures and ethnic groups are treated as static entities. Foster's "image of limited good", Lewis' "culture of poverty", and my own discourse on "peasant proletarian culture" are examples of this type of ethnological analysis. The dominant cultural characteristics of the majority of persons under study are described but the untapped reservoir of social and cultural variability (deviants, entrepreneurs, cultural innovators) thought to exist in every cultural system tend to be missed or overlooked. More importantly, the failure to consider or note institutional blocks that exist in the wider socio-political environment promotes the idea that peasants and lower working class groups continue to be impoverished because their cultural constructs impede or even preclude the possibility for dynamic change, development, or comfortable integration into the wider society. This type of reporting tends to "blame" the underprivileged for their cultural constructs and corresponding poverty and it contributes to the comfortable belief that politically dominated sub-cultures and minority groups are largely responsible for their cyclical "cultures of poverty".

Responding to overly simplified "culture of poverty" assertions, Valentine (1968, 1969), Opler (1968) and others have argued that poverty is created not by culturally inferior or inadequate groups but by skewed systems of wealth distribution imposed from above by politically
powerful elites. Leeds has argued that the socio-political context, political power within the nation-state, greatly influences and can even determine the political structures and behavioral institutions of politically dependent groups.

We assert that one need postulate no cultural, moral, personal, psychological or racial - or other such variables - to account for the behaviors. . . . the political action of any given agent or actor is conditioned, constrained, and even perhaps determined by a wide range of external variables of the inclusive polity. . . . Without a thorough discussion of the variables of the inclusive polity, the behavior of actors such as squatters tends to be viewed . . . in terms of stereotypes and ethnocentrism very prevalent in the existing literature. (Leeds, 1976:193-194)

A complete description of the socio-political context would include, "more detailed differential accounts of the unions, the party system, the bureaucracy, the legislative, the executive, and often the military and the church" (Leeds, 1976:197). The socio-political context, moreover, is not static but changing to accommodate, in most instances, evolving needs and interests of the dominant polity.

Thus, rather than our model's consisting of a two-bodied structure of a variable subject matter of study and a constant ground or set of conditions called "context", it is seen, holistically, as a multibodied entity . . . consisting of elements called variables . . . all interacting on each other in greater or lesser degree. . . . In this conception, context as a conceptual Thing disappears; one is left with a subject matter of study with respect to which actions - "forces", pressures, etc. and constraints are occurring from sources outside itself upon which it, in turn, exercises action and constraint.
Encysted societies must organize or reorganize themselves in response to options and possibilities permitted them by a controlling elite. Using game theory and systems analysis, Leeds goes on to argue that, "the relationship between a given proletarian population and the external polity is not . . . necessarily one of one-sided exploitation on the part of the external actors" (Leeds, 1976:201). Controlling and sometimes competing elites have need of "electoral or other constituency support" from different segments of the governed, factors that can be used by dependent groups to advance their particular interests. "To call the relationship one of one-sided exploitation is, in the first place, to fail to see this game (of politics) at all . . . or, in the second, seeing the game is to fail to understand the game being played as a necessary response to the political actors of the larger system, given the constraints the latter have thrown up" (Leeds and Leeds, 1976:202). It is a mistake to talk of encysted groups as being somehow "depoliticised" or to impose, normative assumptions that prejudges certain types of political behavior as being "underdeveloped" when . . . this behavior appears to be the most expedient and effective mode, given a certain set of structural limitations imposed by political conditions and actions external to the actors in question . . . such kinds of political behavior as patron-client relationships or withdrawal from overt political association, rather than being indicators of political underdevelopment as is so often alleged, are, in fact, adaptive, rational, and strategic political responses to structural conditions external to our actors in the polity at large. (Leeds and Leeds, 1976:201)
The existing literature tends to treat the populations of squatter settlements, or low-income groups generally, in isolation, rather than in the contexts of the wider political structures in which they in fact do operate. (Leeds and Leeds, 1976:202)

The importance of the prevailing socio-political context - the distribution of political power within a nation-state - cannot be too strongly emphasized. But it would be a mistake to resort to a purist model of materialistic determinism as when Riggs, Uphoff and Ilchman conclude that, "cultural or psychological explanations of behavior in underdeveloped countries are of little use or even useless" (Uphoff and Ilchman, 1972:12). The descriptive literature in the field of applied anthropology is full of a variety of problems, obstacles, and resistant rationalizations by indigenous populations to innovations promoted by well meaning change-agents from the West. Kessler (1978) and von der Mehden (1980) have noted that varying responses by different southeast Asian groups to impinging factors of modernization and development can be directly attributed to differing religious traditions and interpretations of religious dogma (Islam and Buddhism). Chee (1977) has also found that ideology, that emotionally rooted distortion of reality which leads to cognitive deception, exaggeration, and misrepresentation of the facts, can produce "attitudinal inflexibility and cognitive rigidity" that further retard the achievement of rational solutions to change situations especially in those circumstances where "distrust, suspicion, and fear emanating from differences
in economic, political, or cultural statuses exist" (Chee, 1977:280).

Some recent work in the field is also very encouraging. Salisbury (1970), Hill (1972), Ortiz (1973) and others (see Schneider, 1975) argue that, "traditional society is not unreasonably conservative, not nonexperimental, not homogeneous, not lacking in foresight, and not uncalculating and unentrepreneurial" (Schneider, 1975:272-273). The concept of opportunity costs, "the cost in loss of return from one area of production as a consequence of shifting resources to a different type of production" (Schneider, 1975:277) has also proven helpful in understanding the perceived advantages and drawbacks in decisions by individuals and groups confronted with limited possibilities for socio-economic improvements. Salisbury (1970) has argued that countervailing pressures for status, power, and prestige within any society is a constant factor that must be considered from the natives' point of view in the calculus of socio-economic decisions. These and other so-called noneconomic factors, "intervening variables", frequently complicate economic decisions. Often, they can even be given greater weight than purely materialistic, "rational" choices but this does not mean that individuals from traditional, non-Western societies are less capable of or wholly resistant to responding appropriately to exogenously induced change.

**Vicos Experiment**

The unexpected but highly successful experiment in Vicos, Peru,
sponsored by Cornell University between 1951 and 1962, is a powerful demonstration that wholly disadvantaged groups are able to become independent, self-sufficient, contributing participant-recipients in any national, cash-market economy. In just five years time a few anthropologists were able to guide several thousand Quechua-speaking Indians from a medieval system of impoverished servitude and peonage, imposed upon them from the time of the Spanish conquest for more than three hundred years, toward a position of political independence, social respect, and economic self-sufficiency. The Vicosinos represented, "in absolute terms, the bottom of the national social, political, and economic hierarchy" and were, in fact, "a necessary subordinated complement to the dominant oligarchy" (Dobyns, 1964:17). "Revolutionary anthropologists" using the knowledge and skills of social science and a bold program of "participant intervention" provided these Indians with a real chance to become economically and politically free, an opportunity to which the Indians responded, following an anticipated period of distrust and fear, with alacrity, nerve, competence, and even glee!

The Hacienda-manorial system of agricultural production, itself predatory and inefficient but characteristic of agriculture throughout Latin America, bound the indigenous populations to the land and kept them servile, ignorant, and wholly dependent upon their masters for less-than-subsistence survival. The manor system,
needed few skills beyond brawn; enlightenment could not be tolerated because the more informed the population, the more it might become a threat to the traditional manor system. Records show that all protest movements of Vicos had been squelched by a coalition of the landlords, the clergy, and the police. As a result, over a period of several hundred years the community remained in static equilibrium - and completely out of step with anything occurring in the modern world. The rule at Vicos was conformity to the status quo. It pervaded all institutions and dominated the social process. The peon was subservient to the overlord, the child to the parents; both were cowed into submission. Even the supernatural forces were punishing, and the burdens one bore were suffered as if naturally ordained by powers beyond one's control. (Holmberg, 1964:42-43)

After only five years of guided socio-economic change, the Vicosinos were prepared to purchase the hacienda which they had turned into a profitable enterprise from which all participating residents were benefiting. Then all hell broke loose and the real power struggle began.

Prior to this time, although considerable favorable national publicity had been given to the Project, little attention had been paid to it by the local power elite, except in terms of thinking that the benefits of its developments would eventually revert to the title holders. It was inconceivable in the local area that such a property might be sold back to the indigenous inhabitants. Consequently, local power groups immediately threw every possible legal block against the title reverting to the Indian community. They set a price on the property that would have been impossible for the Indian community ever to pay (seven million soles); members of the Project were charged with being agents of the communist world; the Vicosinos were accused of being pawns of American capitalism; Peruvian workers in the field were regarded as spies of the American
government. Even such a "progressive" organization as the Rotary Club of Huaraz roundly denounced the Project, accusing its field director of being an agent of communism. (Holmberg, 1964:57)

Following a protracted five year political-legal battle that involved, among others, the American ambassador to Peru, the brother of the President of the U.S., Edward Kennedy, and "constant pressure" from the courageous president of the Institute of Indigenous Affairs of Peru, the Indians secured the purchase and control of their land, homes and investments. "By 1968, the Vicosinos had paid the initial heavy installments entirely from their community earnings. They quite literally purchased their freedom: their homes and other belongings, their lands, animals, and themselves" (Holmberg, 1964:60).

The impressive results of the Vicos experiment, aside from providing a beacon of hope for peasant populations around the world, illuminate several very important aspects of developmental problems facing relatively powerless people; (1) the Indians, after overcoming their deep-seated, well-founded distrust of outside officials, based on a long history of abuse, neglect, and manipulative exploitation, proved to be "rational, economic men" in maintaining and pursuing their newly acquired socio-economic interests. There is little or no basis to the premise that subjugated peoples in underdeveloped nations are culturally, intellectually, or materially incapable of self-help development. Given genuine incentives, technical-
informational assistance, and access to financing, millions of oppressed people in the world can become self-sufficient, productive, tax-paying, loyal citizens; (2) resistance to change (the Vicos project) came from the capitalist and aristocratic classes who felt that their socio-economic interests would be adversely, and permanently affected. Social scientists cannot continue to ignore the important ramifications of the fact that, "it is to the advantage of commercial interests and the middle classes, as well as to some peasant leaders and professional leaders of the poor, to maintain social systems with large numbers of peasants and poor people on the bottom rungs (Mangin, 1970:XXVII-XXVIII). Elitist power groups are the source of social stratifications, social distinctions, and inequitable systems of income distribution; (3) the existing institutions of society worked almost exclusively for the incumbent, minority wealth holders in the country. The successful Vicos experiment could not have occurred independently without the determined, sophisticated sponsorship of the Cornell group; (4) the critical variable that made the Vicos Project both feasible and overwhelmingly successful was power. First, the sponsorship by the Cornell group, which replaced the governmental patron as the supreme authority, provided, "that important external source of power, constituting a social umbrella under which the people of Vicos were able to alter their lives to their greater satisfaction, and without the imminent threat of tragedy and retribution to
discourage them as it had before (Dobyns, 1964:16). Then, the
devolution of power from the Cornell group directly to the Indians,
"proved to be the mechanism which made the new system viable" (Holmberg,
1964:62) and rather quickly independent and self-sustaining; and (5)
genuine revolutionary change that results in improved social, economic,
and political freedoms for the large majority of people in a society
need not be violent. Peaceful, gradual devolution of power to the
oppressed can broaden the base of societal participation, allegiance,
and well-being. Individuals and groups can be counted upon to pursue
their own best interests if permitted real opportunities and the
freedom to choose from among informed options.

... observers often remark on the strength of character, the ability to maintain dignity and good humor,
and the emotional balance of people living in the
culture of poverty. Adversity and hostility are
faced and borne by masses of people with remarkably
little breakdown. Elizabeth Herzog (1966), Robert
Coles (1965), Erik Erikson (1965), and others have
pointed out the strength, self-discipline, and en-
durance of Negroes—men, women, and children—under
fire in the United States. The South African situ-
ation has produced similar dramatic examples. Neira
(1964) and I have pointed out similar strengths among
the poor people in the land invasions of rural and
urban Peru. As yet, no government has taken advantage
of these qualities in any conscious way. (Mangin,
1970:XXXV)

And, poor people are remarkably ingenious in coping
with the most difficult problems, but the overall
context in which the coping occurs is growing more
and more frustrating as the world's rural and urban
populations continue to grow and wealth and power
concentrate in fewer hands. (Mangin, 1970:XXXVIII)
The Malaysian Environment

The Federation of Malaya, consisting of the nine traditional Malay states and the two principalities of Penang and Malacca on the Malayan peninsula, gained its independence from Britain in August 1957. Six years later, on September 17, 1963, the present country of Malaysia was formed when the island of Singapore and the two Borneo states of Sabah and Sarawak were incorporated into the Federation. The numerical superiority and political independence of the Chinese in Singapore, however, led to the expulsion of Singapore only two years later in 1965 (von Vorys, 1975:115). The inclusion of the Borneo states doubled the land mass of the country but the large metropolitan centers, modern industries, and eighty-three percent of the population are located in West Malaysia (Kasper, 1974:4).

Malaysia is a constitutional monarchy with a parliamentary system of government patterned after that of the British. Each of the nine traditional Malay states has a hereditary ruler, the sultan, and a royal "first" family. Every five years a paramount kin or Yang di-Pertuan Agong is selected from among the nine sultans. Together with the governors of Penang and Malacca, the sultans comprise a Conference of Rulers that has limited powers "over such subjects as the alteration of state boundaries, religious (Islamic) observances, the special position of the Malays and their own 'privileges, position,
honours or dignities" (Milne, 1964:324). As the symbolic head of state, the king of Malaysia enjoys state functions and many prerogatives that parallel those of the British Crown; but political power is concentrated in the person of the Prime Minister and a popularly elected lower house of Parliament. The upper house or Senate is filled by nomination and appointment. Its powers are roughly equivalent to those of the British House of Lords. Each state and principality also has an elected governor, a Mentri Besar, and a state assembly. The Constitution and its implementation, however, insure centralized government control throughout the country (Milne 1964:325).

The modern state of Malaysia is a unique product of the British colonial empire in that it has the largest concentrations of immigrant Chinese and Indian populations in the world. Prior to political independence in 1957 the indigenous Malays were outnumbered by their immigrant populations. Including the population of Singapore, the Chinese comprised a majority of 44.2 percent, the Malays 42.9 percent, and the Indians 10.6 percent. Excluding Singapore, Malays held a bare majority of 49.8 percent (Sandhu, 1972:175).

Most of the outstanding problems confronting the people and the country stem from this unusual mixture of races and cultures on the Malay peninsula. The Malays, for instance, have long been sensitive to the real possibility of losing political control of their country to non-Malay "outsiders". To counter this possibility, the Malays
insisted upon a system of "communal" politics – a system that allows them to retain political control of the country while simultaneously adhering to a truncated form of democratic government in which large majorities of Malays can be elected to govern. In 1959, for instance, non-Malays had "clear majorities" in six of the eleven states, including the most populous one, which at present elect two-thirds of the Parliament" (Silcock, 1963:16-17). The Maly dominated Alliance Party, nevertheless, was able to win seventy-four seats out of one hundred and four, or about 71 percent control of the popularly elected government. Restrictive citizenship requirements for non-Malays, political districts created to favor the Malay population (gerrymandering) and the unequal weighting of votes from Malay dominated rural areas have all been used to insure the political dominance of Malays in the electorate. The government and its means of enforcement, the military and police power, have become, in a very short time, the exclusive province of the Malays.

The Chinese on the other hand have secured powerful positions in the Malaysian economy by monopolizing middle-man activities, technical skills and trades, and business enterprises of every size and scope. The hardworking, investment-minded, mostly urbanized Chinese gained control of non-western, non-governmental sectors of the economy in the early stages of colonial development.

... by 1942 much of internal commerce and through it
to a large measure the rural economy had come under the control of Chinese. In urban areas Chinese artisans produced most basic, non-food consumer items. Other Chinese provided the necessary maintenance and repair services. Finally, Chinese businessmen owned a large portion of mines and estates and about one-third of the international trade.

In many cases Chinese entrepreneurs were bankrolled by the conservative south Indian, money-lending caste of Chettiar, Indians who preferred to do business with the more enterprising Chinese than with the lower caste laborers from their home country. The usurious Chettiar, who once owned considerable tracts of Malay land through their moneylending practices, were soon replaced by the Chinese as the principle non-Malay owners of land in the country.

Today the Chinese continue to dominate the non-governmental, non-Western sectors of the Malaysian economy. In 1973 the Chinese controlled 25.9 percent of the country's corporate sector of modern agriculture, 26.9 percent of the country's corporate industrial wealth and 92.2 percent of the non-corporate industrial sector of the Malaysian economy (Mid-Term Review 1973:12). Western interests (mostly British) still account for the bulk of the non-Malaysians' 70.8 percent control of the modern corporate sector of agriculture and the ownership of 57.2 percent of corporate industry (Mid-Term Review 1973:12).

**Political Structure:**

*Constitutional Contract, Communal Politics, and Horizontal Solidarity*

The Constitution of Malaysia has been described as a contract
between British trained Malay elites and wealthy elements from the Chinese business community (von Vorys, 1975:122). The contract ensures political rule of the country by the Malays, retains certain rights and privileges of the Malay population, and protects the non-Malay, mostly Chinese and British colonial business interests in the economy (von Vorys, 1975:122-139; Roff, 1967:100-106). As early as 1905, the British began training a select group of Malays in private schools, both in Malaya and the United Kingdom to fill high administrative posts in government service. Karl von Vorys found that many candidates were "direct descendants of royal houses, most others were sons of the nobility (area and district chiefs). Only a handful in the beginning came from the ranks of commoners" (von Vorys, 1975:41).

What emerged was a group of young men accustomed to hereditary privileges, acquainted with Western ideas of social organization, trained in functional administrative processes, and devoted to the lifestyle of English country gentlemen. In politics they were inclined to be cosmopolitan: sympathetic to centralized government and a united Malaya, while at least comprehending the rationale of a multi-racial state. They were not inclined to associate freely with the Malay masses, but they did have some traditional legitimacy. No less important, they had the skill to manage a large-scale political organization (party as well as administration), and they did enjoy excellent connections with the British government. All these were significant advantages in any future political tests. (von Vorys, 1975:41)

This new class of Malay administrative elites, with the eventual support and blessings of the traditional Malay royal houses, formed
the United Malay National Organization (UMNO) in 1946. UMNO was a political coalition of convenience between Malay, British-educated elites and "intermediate" Malay leaders (Islamic religious "functionaries" and schoolteachers) in the rural areas of the country. Malay rural leaders were far more traditional and religiously conservative than the national elites but they responded to the necessity of presenting a united front in the struggle for political ascendancy over the non-Malay populations. British officials initially objected to the organization of political parties along racial lines but Malay solidarity and intransigence on the subject, combined with impressive victories in the municipal elections of 1952 and 1954, eventually overcame British opposition. The gross economic disparities between the Malay and Chinese populations actually precluded the introduction of a more democratic, one man one vote, system of government. The Malay hierarchy was painfully aware that, "Free competition in an environment of political equality would grant decisive advantages to the Chinese", who, "thoroughly controlled" the economy (von Vorys, 1975:67).

Following the lead of UMNO, wealthy businessmen and professionals from the Chinese community organized themselves into the Malayan Chinese Association (MCA) in February 1949. Like UMNO, the MCA was an elite political association of communal "leaders" who had very tenuous links to the masses of laborers and small shop-keepers they
purported to represent. Apart from the MCA, however, the Chinese population in Malaya was politically alienated and wholly distracted by a Chinese Communist insurrection - a bloody confrontation between anti-imperialist "do-gooders" and British-Malay colonial forces - that gripped the country for nearly ten years, between June 1948 and 1958.

This period of Malay history, referred to as the Emergency, nearly amounted to a civil war between the Malays and Chinese. The Chinese communists were tightly organized into ten divisions and numbered no more than 12,000 men but the Chinese collaborators, mostly small farmers living on the edge of the jungle, were conservatively estimated to include 500,000 or more (von Vorys, 1975:84). At the height of the Emergency, Malaya-British forces exceeded 350,000 men and "no amount of funds or ammunition was spared" to wipe out the communist insurrectionists. By 1954 the communists had lost more than half of their effective forces and 680,000 Chinese people were "resettled" into 600 Chinese "new villages" - guarded compounds that were "protected" by barbed wire and patrolled by Malay police units (von Vorys, 1975:86-7).*

During these turbulent years in which Constitutional talks were taking place, MCA officials were the only "acceptable" representatives

*The Emergency was officially declared terminated in 1958, although the leader of the communists, a popular folk hero of the masses, was never captured and a "hit-and-run" communist "menace" has never been entirely obliterated.
of the Chinese population in war-torn Malaya. It was MCA representation that accepted less-than-equal citizenship and voting rights for the Chinese population in exchange for Constitutional guarantees that their extensive business interests would remain unmolested by a popularly elected Parliament controlled by the Malays. In retrospect, it appears to have been a shrewd bargain on the part of the Chinese businessmen. Malay leaders, despite considerable political pressure from Malay constituents, have been unable to relieve or break the economic hold of the Chinese in the country. In 1975 Carlson has noted that, despite huge government expenditures and highly publicized programs of development for Malays, "racial differences in incomes and welfare have not been reduced. . . . They probably have increased" (Carlson, 1975:22).

The ruling Alliance Party of Malaysia was unofficially formed on January 7, 1952, when UMNO and MCA officials agreed to join forces to defeat the more democratic, multi-racial, socialist parties in the municipal elections. MCA contributed the necessary funds and the appearance of communal accord between the races; UMNO provided the votes to win the elections. The electoral results were effectively guaranteed in that 84 percent of the registered voters at that time were of Malay origin while the Malay population barely comprised 50 percent of the people in the country. British Colonial officials nevertheless chose to ignore the racial imbalance in the electorate.
and hastened to accept the "predictable" results of this "democratic" election. The decisive electoral victories of 1952-1954 insured the future dominance of UMNO and its Alliance Party and the mechanism of "communal politics" (a euphemism for racial politics) became a permanent feature in the Malaysian political system. In 1955 a reconstituted, "Tamilized Malaysian Indian Congress Party (MIC), purged of its "leftist, radical" elements, joined the Alliance Party to complete the useful facade of racial harmony and political cooperation among the three races in the country.

Malaysia has been governed by the tripartite Alliance Party since its independence from Britain in September 1957. Technically, each member of the Alliance is supposed to represent the party's political philosophy and policies to their respective communities and to garner the political allegiance of the people from all three communities. In practice, the majority of the Malays have consistently supported UMNO, which loudly champions their interests, but the MCA and MIC parties have never been able to enlist much enthusiastic support from among their people. Without the directed support of Malay voters in Malay dominated "safe" districts, leaders of the MCA and MIC parties would be unable to hold office. Chinese and Indian voters have generally given their support to opposition, Socialist-Labor parties that are allowed to exist but not without a good deal of harassment from the incumbent Alliance government. Opposition
political leaders and their followers courageously struggle against government police surveillance, press censorship, strict infringements upon freedom of speech, and even political arrest and detention. Against these odds opposition parties and their Chinese and Indian leaders have been remarkably successful in several elections although they have never been allowed to seriously jeopardize the rule of the Alliance elites.

Alliance politics and policies are completely dominated by the Malay leaders of UMNO. They hold all the major political offices, a powerful, nearly two-thirds vote majority in the Parliament, and the appointive power to cabinet posts, the Senate, and lesser bureaucratic offices. MCA and MIC politicians are completely at the mercy of the Malay leadership in the Alliance Party. They have "input" but little or no say in the final selection of candidates, districts, platforms, or policies. UMNO officials determine which "minority" leaders are to run in which "safe" districts where their re-elections and subsequent reappointments are assured by a Malay voting majority. MCA and MIC leaders are denied a natural constituency and have no independent power base from which to run or represent the people from their respective communities. In effect, they serve at the pleasure of the Malay leadership in the Alliance. We are reassured that "hard bargaining behind the scenes" by self-interested, ambitious politicians jockeying for position and power does take place but once a decision
has been made in private council no public dissent by Alliance officials is tolerated. Unhappy representatives of the "minority" communities have no recourse other than resignation from the party and the prestigious cabinet posts they are awarded for "going along" with the Malay power structure.

The socio-economic, horizontal solidarity among the Alliance Directorate has been consistently reaffirmed and defended over the years. UMNO leaders have assiduously defended their minority coalition partners both from challenges within their own parties and from Malay "extremist" reformers from their own unstable Malay majority (von Vorys, 1975:162, 198). As elite commercialists and career bureaucrats from their separate, disparate communities, they have more in common with each other than they do with the people they purport to represent. In essence they form a capitalist-managerial class in the classic Marxist sense of the term.

The ruling members of the Alliance Party and their close associates and supporters from the business communities do very well indeed. They comprise that small five percent of the population that continue to prosper from the growing Malaysian economy. Generally, they are secularized, English educated, live primarily in the urban areas, and are highly Westernized in their preferred style of living. It is a well known but seldom noted fact that most of them are rich and that they are able to further their
personal fortunes through government posts and lucrative government contracts. Some, of course, do far better than others but that does not nullify the fact that Malaysian politicians from each community in the Alliance Party are able to increase their net worth through political office and related activities. They live in fine new homes in exclusive residential sections of the cities; drive large expensive new cars; educate their children at overseas universities; and generally have access to all the finest material possessions and a high status, Westernized lifestyle.

The Bumiputra Movement

The Malay administrative elite, comfortable for the time being with the Western control and operation of the bulk of the corporate sector of their economy, view the Chinese population and their business expertise as the long-term threat to the social and economic advancement of their own people. The majority of the Malay population has long been preoccupied with subsistence agriculture in the rural areas of the country. Following the post-electoral racial riots in the capital city of Kuala Lumpur in 1969 - an ugly confrontation between "new" Malay and "old" Chinese urban populations in which many hundreds, even "thousands" were killed and wounded - the Malay government embarked upon an ambitious and costly developmental program to create a Malay commercial and industrial elite that can compete with the long established Chinese communities. The Bumiputra or "sons of the soil"
movement is a diverse, massively financed government program to assist the Malay population to rapidly catch up with the knowledgeable Chinese (and in some cases, Indian) business and industrial communities. Hundreds of millions of dollars are being spent to transform large numbers of Malays from a rural-based peasantry into an urban-based, commercial-administrative middle class. The Chinese and Indian minorities are excluded from nearly all these programs on the rationale that they are already far ahead of the Malays in the commercial and industrial sectors of the economy. The Malays argue that they must be given special advantages to "catch up" with the minority communities if they are all to share in a just and equitable society in the future. The Chinese and Indian communities appear to have accepted this argument at face value but opposition to the program is muted due in large part to the fact that to speak openly against the Bumiputra movement is treasonable and excuse enough for the Malays to use their police power against outspoken dissidents.

Unfortunately, the Bumiputra movement has inordinately affected the already, hard-pressed Tamil community; the economically, semi-autonomous Chinese are able to continue on with "business as usual". Most Indian laborers and government workers are more easily displaced by unskilled and semi-skilled Malays while the Chinese are relatively unaffected in their non-governmental, independent business and middle-man enterprises. Chinese businessmen have also demonstrated that they
have the economic power and sophistication to purchase their way around government imposed license restrictions, racial quotas, and limitations on educational opportunities.

The government is aware of the disproportionate effect that its new economic policies have had on the Indian community. The Mid-Term Economic Review of the Second Malaysia Plan 1971-1975 states that surveys indicate a "marked improvement in the unemployment positions among Malays, while, unemployment among Indians has worsened considerably" (1973:31). Official figures put Indian unemployment at 11 percent as compared to 7.4 percent for Malays and 8 percent for the Chinese. The unemployment rate among Indians, however, is certainly higher. The official rate of unemployment is determined by government unemployment offices located in urban areas where large numbers of Indian laborers have little to no contact.

Persistent Pluralism

In addition to coping with the not-so-quiet, fierce competition between the dominant Malay and Chinese communities (racial riots have occurred roughly every two years since 1948) (Carlson, 1975:11), Malaysian Tamils are expected to acculturate to an emerging but still ill-defined "mass culture" arising from processes of increased urbanization, development, and modernization in the country. The foundations for the newer, modern Malaysian society are supposed to be based on elements involved in a revitalization of Malay culture which includes
traditional Malay dress, customs, Bahasa Malaysia, and the national religion, Islam. The Malay community has shown little interest in reaching a cultural accommodation with its minority communities and persists as if the Chinese and Indian communities have nothing to offer (Chee, 1977:283). Intermarriage between the races is rare and cultural and racial admixture of the populations are, for the most part, discouraged.

An accommodating synthesis of the three Malaysian communities then is seriously undermined and even precluded by Malay attitudes, Islamic religious rigidity, and unyielding, rather poorly concealed Chinese feelings of racial and cultural superiority. These obstacles to an emergent Malaysian national culture coupled with the ongoing divisive "separate but equal" policies of communal politics, presents the Tamils with conflicting cues for cultural accommodation and assimilation to either of the two dominant groups in the country. Pressure for cultural adjustments to either group is minimized and Tamil peasant proletarian culture is allowed to continue pretty much unchanged. The socio-economic consequences of adhering to Tamil cultural traditions, however, are considerable. Tamil post-peasant society and its low socio-economic position places Malaysian Tamils at a serious disadvantage in the intense competition for communal advancement.
The Indian Population in Malaysia

The Indian population in Malaysia is a heterogenous mix of Indo-Aryan north Indians from Bengal and the Punjab, Dravidian peoples from the five major states of south India, a few north Indian Muslims and Pakistanis, and a small but important, educated-elite group of Sinhalese from Sri Lanka. Together they represent close to 11 percent of the Malaysian population. Tamils and other south Indians - the Malayalees from Kerala and the Thelugus from Andra Pradesh - constitute 90 percent of the Indian population; the north Indians - Sikhs and Punjabis - form about 9 percent and the north Indian Muslims and Sinhalese comprise the remaining 1 percent.

The different ethno-linguistic backgrounds of these various Indian groups has produced caste-class divisions that are peculiar to the Indian population in the country. For political and economic reasons Indians are placed in a single racial category by government population officials but this statistical collectivity does not exist in the minds of the Indians themselves. They view one another as distinct and forever separate groups with little in common other than their country of origin. They come from different home regions in India, have different caste and class backgrounds, speak different languages, follow diverse cultural traditions, maintain different religions, and ultimately belong to different socio-economic groups in Malaysia. There is never any thought of intermarriage or cultural
homogenization and barely a hint of political or economic cooperation exists among the stratified, segregated Indians in the country.

The composition of the Indian population in Malaysia is a direct result of British colonial requirements for the development and organization of their agricultural producing, tin mining colony of Malaya. British-trained Sinhalese were recruited from Ceylon to fill top level posts in the administrative hierarchy on plantations and in government service while intermediate supervisory positions were given to English speaking Malayalees from the south Indian state of Kerala. Sikhs and the north Indian Punjabis were recruited for police and military duties which they performed well for the British elsewhere in the empire - although they have since moved into professional, commercial, and upper echelon bureaucratic positions in Malaysian society. The large majority of Tamils and other south Indians, of course, were brought in to build and maintain the shipyards, roads and railways, plantations, and transport facilities of the Public Works Department.

The traditional caste-class mentality of the English speaking, non-Tamil Indian supervisors was ideally suited to the rigidly stratified social systems of plantation society. They identified strongly with the "superiority" of the British and contributed willingly to the deprivation and even degradation of their "inferior" countrymen. In return for their loyalty and service they were rewarded with pay
and housing superior to that of the Tamil laborers, intermediate social
distinctions, and certain privileges and amenities not available to
lesser ranked individuals. One of their more important privileges was
the right to recruit qualified kinsmen and friends from their home
regions to fill comparable positions in the plantation "occupational"
hierarchy. The "recruiting prerogative" of these select groups rapidly
produced ranked socio-economic divisions within plantation and govern-
mental hierarchies, ranked positions that quickly became a private
preserve which the incumbents jealously guarded against all "outsiders".
This neo-caste system which has only begun to crumble in the last
decade precluded one of upward mobility via meritorious achievement
from within the system. Educated youths from the low ranked, Tamil
working class have long been unable to work or earn their way out of
the impoverished socio-economic conditions of their parents. The
rigid ethno-occupational social order reinforced caste-class differences
among Indians in the country and precluded feelings of fraternity or
solidarity that might have arisen from their common origins.

Frankly, many non-Tamil elites despise the Tamil working class
majority. They are, in turn, disliked and mistrusted by the Tamils
whom they have supervised and consistently mistreated for several
decades. Most of the non-Tamil elite groups have prospered at the
direct expense of the Tamil laboring majority and have willingly
contributed, thereby, to the socio-economic deprivation of the Tamil
population. Although they have posed at one time or another as the political champions of the Tamils, their role in Tamil development has been characteristically negative if not blantly oppressive. Non-Tamil Indians consider themselves to be the social and cultural superiors of the working class Tamils; they have long had a vested interest in keeping the large army of Tamil laborers "in their place". For some time they have formed a major block to Tamil advancement in Malaysian society.

A small but important Tamil merchant middle class has also taken root in Malaysia. Descended from migrant commercialists who came to "take full advantage of the mass migration of Indian labour [and]
... to provide goods and services that would be lacking in their new environment" (Arasaratnan, 1970:36), they have since assumed leadership roles in the national organizations (MIC, NUPW). Authoritative and politically conservative by training and experience, their overriding socio-economic interests are business-oriented, far more aligned with the capitalist interest of the ruling Malay and Chinese leaders of the Alliance party than with the masses of Tamil laborers they seek to lead and represent. Their quiet pursuit of status quo policies that reflect what they believe to be "politics of the possible", however, appear to be more self-serving than advantageous to the Tamil population as a whole.

Individuals from the small class of Tamil commercialists
monopolize prestigious, top and middle management posts of the
important Tamil national organizations (the NUPW, MIC, and NFLCS),
apparently, for their own aggrandizement. For a self-selected elite
management group the majority of them remain remarkably uninformed,
inattentive, and basically disinterested in the continuing problems
of working class Tamils. Except for a few elected officials in the
MIC and a few dedicated activists working in opposition political
parties, none of them have been known to have ever visited a Tamil
labor "line" community on a rubber or tea estate. There is not one
imaginative, innovative leader of any standing or notoriety among
them. They practice elitist politics - the politics of exclusion,
preside over closed political organizations - political membership and
activism by invitation only, manipulate the Tamil's penchant for
parochial factionalism to their own benefit, and generally follow a
policy of benign neglect toward the large mass of Tamil laborers they
claim to lead and represent. Most of these individuals have the
stereotypic view of Tamil laborers as being rather shiftless, lazy,
drunken, simple souls who are basically doing well enough under the
watchful care of sophisticated plantation managers and their staff
and the paternalistic policies of the NUPW. Few of them would
disagree with the somewhat realistic political assessment that there
is nothing to be gained from political agitation or similar disruptive
efforts on the laborers' behalf. A great deal could be accomplished,
however, with the assets and organizational strengths already secured by the Tamils in their past struggles for socio-economic liberation, but there are no programs of any real promise designed for self-help advancement or upliftment for the large class of Tamil laborers. In most every way it appears that the opportunities and advantages gained in the 1950's and 1960's are being squandered by an aloof, self-interested, self-satisfied elite.
Chapter II

TAMILS IN MALAYSIA
The Historical Background

Development of South Asian Colony

The modern history of Tamils in Malaysia begins in 1786 with the arrival of the British on Penang Island. Indian sepoys, domestics, army "camp followers", and government employed coolies accompanied the colonization and development of Malaysia by the British. Less than two hundred years ago Malaya was a sparsely populated, underdeveloped, jungle forested peninsula. The Malays were principally village fishermen and agriculturalists ruled over by warring feudal sultanates (Winstedt, 1949:216). In less than one hundred years British colonial expertise and Chinese and south Indian labor transformed the country into one of the world's leading producers of natural rubber and tin. (Since 1969 Malaysia has annually produced 45 percent of the world's natural rubber and about one third of the world's tin). Between 1786 and 1957 nearly four-and-one-quarter million Indians mostly from south India were transported across the Bay of Bengal to provide labor. Most of this migration occurred between 1900 and 1938, as the presence of Tamil laborers is directly related to the phenomenal rise of natural rubber as a world-wide commodity. Although nonlaboring south Indian groups migrated to Malaysia to provide needed services for their transplanted乡men and their British masters, the bulk of the Tamil peoples came as transient labor. The descendent Tamil
laboring classes of Malaysia today, constituting some 780,000 people, reflect the nature of their humble migrant origins.

The early years of developing large sugar, coffee, and later rubber plantations were dangerous and difficult. Living conditions were described by observers as "wretched", medical attention was poor or non-existent, and laborers clearing the virgin jungle forests fell victim to beri-beri, snake bite, and hyperendemic malaria. On some estates in Malaya before the 1920's, 60-90 percent of the labor force died within the first year of their arrival. Malaya was known as "the white man's grave" and a "death trap yawning to engulf the surplus population of India" (Sandhu, 1969:53,60).

These conditions presented the British with the problem of finding a cheap but reliable labor supply to develop the area. The indigenous Malays could not be induced to work long regular hours for little pay, and the abolition of slavery throughout the British empire after 1834 precluded the possibility of African slave-labor used successfully to develop the sugar colonies of Mauritius, Fiji, and the West Indies. The provinces of south China and south India became the obvious sources of the required labor supply and the British planters organized to actively promote the importation of these groups. Chinese coolies flocked to Malaya by the tens of thousands but their industry, independence, and combative ness soon became a problem for the British and Malay governors. The more docile and easily managed south Indian
laborers consequently came to be preferred by British planters and government officials. But steps had to be taken to encourage the less mobile, more conservative Tamil laborer to emigrate to a hostile and distant land.

Conditions in India

The British had inadvertently created a large pool of south Indian labor with the commercialization of land and mercantilistic colonial policies that subjected India to Britain's industrial machine; the colony became both supplier of raw materials and consumer of industrialized goods. Britain acted early through discriminatory legislation, excessive tariff rates, and high land taxes to discourage Indian commercial and industrial competition. It succeeded in "the conversion of India from an exporter of manufactured goods to that of a supplier of raw materials to the British industrial complex and a market for the consumption of the products of those machines" (Sandhu, 1969:56). Private ownership and marketing of land destroyed the Tamils' traditional system of communal ownership and operation of agricultural land in village India. This, coupled with a population explosion following the adoption of Westernized medicine, left peasant agriculturalists hard pressed to sustain themselves and their ever growing families on the land. Their poverty and desperate condition increased with the rapid rise in their numbers, greater dependency upon a cash economy, and severely limited alternative employment.
possibilities. By 1931 thirty-eight percent of all Indian households were landless peasants (Sandhu, 1969:58).* Most of these were of the lowest and untouchable castes, the greatest number of whom were found in south India. In the 1800's the untouchable or Adidravida castes represented one-sixth of the population of Tamilnadu (the land of the Tamils). By 1921 they numbered seven million and twenty years later they reached a total of eight million in south India alone (Sandhu, 1969:58-59).

In the Tinnevelly, Chingleput, South Arcot, Tanjore, and Trichinopoly districts of Tamilnadu the mirasi (landlord) system of land tenure locked the peasants of low and untouchable castes into a landless state of abject poverty. A few powerful landlord castes claimed hereditary rights to all the land in the village including the homesites of pannaiyals (farm laborers). These landless laborers could be driven from their homes if they failed to please their caste masters and it is reported that they could be "confined without victuals and beaten with rods" for failure to comply with demands of landlords (Sandhu 1969:41). They were expected to work from sunrise to sunset and always to show the proper respect and deference to their higher caste landlords.

*Kingsley Davis (1951:210) estimated that by 1941 there were more than 90 million "surplus people" in rural India (from Sandhu, 1969:38).
Wage-laborers, almost all of whom were of the untouchable castes, were in worse condition, as they were not assured shelter or food for their services to the ruling landlord castes. Their livelihood was ensnared with the unstable purchasing power of the Indian rupee. Consequently, "the vast majority of them led a hand-to-mouth existence in a chronic state of semi-starvation" (Sandhu 1969:41). In the 1920's the value of the Indian rupee fell fifty percent leaving many of these laborers with little choice but to emigrate or face a slow death by starvation. Due to these conditions more than half of all Tamil laborers emigrating to Malaya before 1938 were of various untouchable castes from these districts of south India (Sandhu 1969:99,103).

Despite their desperate living conditions few of the untouchables or Adi-dravidas were easily moved or willing to give up their homeland for the vagaries of a distant and dangerous foreign land. Impoverished, illiterate, and ignorant of alternatives to their wretchedness they clung to the familiar surroundings of home and family in hope of better times to come. It took a great deal of propagandizing by the British, Malay, and Indian governments before a steady stream of labor materialized from among these landless peasants of south India.

Indentured Labor

A neo-slavery system of indentured labor was used to initiate the south Indian peasant into the possibilities of immigrant wage-labor. Unscrupulous recruiters spread through the south Indian countryside
search of the required "bodies" to fill the ships bound for the western states of Malaya. Given the reluctance of south Indians to emigrate, it is not surprising that these men often resorted to fraud, seduction, and kidnapping to fill their ships with the required number of laborers. Most recruits were males between the ages of 15 and 45, but few women and children were taken for domestic and sexual purposes. Most plantations housed large numbers of males together on isolated estates.

Indentured labor was a system little improved over that of slavery. Tamil laborers were induced to sign away their personal freedoms for a period of three to five years, a period in which they promised to work for a particular employer to pay back the costs of transportation, support, and any advances they received prior to their arrival in Malaya. The indentured laborer incurred a criminal liability "for the most trivial breaches of the contract in place of the civil liability which usually attached to such lapses". They could be imprisoned with hard labor for "... negligence, for carelessness and ... for even an impertinent word or gesture to the manager or his overseers" (Sandhu, 1969:85). Desertions plus the high mortality rate noted above created a highly unstable labor force and continued demand for new recruits.

Abuses and the inefficiency of the indenture system favored for the most part by the colonial planters in Malaya led to its eventual
extinction. Coffee and rubber planters considered indenture to be an expensive and poor means of recruiting a durable labor pool and they moved to replace it with a system of "free" immigration under licensed representatives of their own called Kangany or headmen. The system of indenture was legally abolished in 1910 and became extinct in 1913 coincident with the demise of the sugar plantations in Malaya. Between 1844 and 1910, however, it is estimated that the indenture system provided some 250,000 laborers. The apex was reached in 1900 when 8,615 indentured immigrants were recorded as being brought into the country (Sandhu, 1969:81-82).

The Kangany System

The kangany system of recruitment was developed as early as 1865 and existed alongside the system of indenture. Kanganys or headmen were south Indian middlemen acting as both recruiters and foremen over their work "gangs" in Malaya. They were empowered to recruit workers from their home villages and districts, make all the arrangements and pay the costs for the transfer of the laborers to Malaya, leave money with relatives in India, and even provide large "farewell parties" for selected emigrants. In Malaya the kanganys were important and powerful intermediaries between the workers and management, a position of power and influence from which many gained economically. The complete reliance of the laborers upon the kangany left them vulnerable to abuse, fraud, and extortion by headmen but the system came to typify
Tamil labor immigration - the principle means of gaining the needed labor supply from south India. It provided an estimated 1,186,717 recruits throughout the life of the system between the years 1865 and 1938 (Sandhu, 1969:90-96).

Indian Government Regulations

Persistent and blatant exploitation of the illiterate and depressed masses of south Indian laborers by the planters and colonial governments caused the Indian government to intervene directly in the recruitment, transportation, housing, pay and management of their emigrant countrymen. In 1907 the Indian government set up the Indian Immigration Committee which acted to free immigrant laborers from prolonged indebtedness by providing them with free care and transportation to and from Malaya. The committee imposed a cess or head tax on the individual migrants, a tax which the planters eventually paid in order to gain a healthier and more reliable work force for their estates. The government and the Committee also began to agitate for the increased recruitment of females to alleviate the plight of Indian women pressured into prostitution due to sex imbalances in the Tamil labor population. Males, however, continued to make up about seventy percent of recruits throughout the 1920's (Sandhu, 1969:97).

In 1922 the Indian Emigration Act provided for the appointment of an Indian government agent based in Malaya to look after the interest
and welfare of the laborers. Following his appointment, the Indian government also forced Malayan planters to pay laborers a minimum standard living wage based on the prevailing cost of living in 1924: 35 cents Malay for men and 27 cents Malay for women per day (C. Kondapi, 1951:111). Conditions were slow to improve for the laborers and agitation both from within Malaya and without pushed the Indian government toward the use of their ultimate weapon: banning labor migration to Malaya.

The Great Depression of the 1930's undermined most of the Indian government's efforts in this area. The government was forced to pay for the repatriation of more than 250,000 workers who returned to India during the four years between 1930 and 1934. When emigration was resumed in 1934 and 1935, only 20,000 laborers were allowed to emigrate each year. The rush to emigrate threatened to swamp the permanently settled Tamil laboring community that had taken root in Malaya and undo the small but hard-won economic gains enjoyed by the laborers. Then in 1937 low rubber prices and limitations placed on Malayan planters to unilaterally cut wages by five cents per day - an affront that the Indian government could not tolerate. It was forced to ban all labor emigration to Malaya from June 1, 1938 onwards, a ban that remains in effect to this day. Before the ban went into effect more than 50,000 laborers crowded into Malaya, the last group of any size to enter the country.
The plight of the south Indian peasant is reflected in the willingness of tens-of-thousands to emigrate to alleviate their hard-pressed conditions at home despite the discomfort, hardships, and danger from over-crowding and disease in transportation and government port facilities, and poor housing and low wages on estates. Indian government officials and elites were correctly sensitive to the mistreatment and abusive neglect of their fellow countrymen overseas but the deteriorating socio-economic situation of their own country made the hazards of travel and settlement in a foreign country attractive to millions of their starving and debt-ridden peasantry. There was no lack of volunteers to migrate for work in Malaya for indefinite periods of time. Indian government policy forced many thousands of desperate laborers to remain at home and did nothing to alleviate the depressed and crowded conditions of south India. On the other hand, restrictions on emigration to Malaya condemned the Indian population of that country to a more or less permanent ineffective minority. Thirty years after the Indian government's total ban on labor emigration to inhospitable Malaya, Malaysian Indians find themselves in a more favorable socio-economic position than do those who were forced to remain behind by a well meaning Indian government. Malaysian Indians may be among the poorer of the working classes in their adopted home, but by present standards of living in India they are considered to be well off.
"Birds of Passage"

Once the opportunity of socio-economic improvement through temporary employment in a foreign and inhospitable land became a real possibility, south Indian peasant peoples responded by the tens of thousands to actively improve upon their difficult situation in their homeland. Temporary work in Malaya became a potential source of relief and a means of supplementing the peasant family's meager income. Unemployed sons could go and work from three to five years or longer and send back needed cash to pay off moneylenders with their exorbitant interest rates, extend the family agricultural plot, buy land for the first time in generations, build or enlarge homes, and increase doweries for improved marriage alliances with prosperous families in the village. Much of the increased income earned by migratory peasants was lost, stolen, or squandered both in Malaya and in India, but thousands of migrant laborers must have been partially successful in alleviating and improving upon their otherwise deteriorating economic situation in village south India. After 1924 an annual average of some 25,000 laborers a year volunteered to work in Malaya and their numbers continued to increase up to the time of the Great Depression. Close to 100,000 peasant laborers rushed to get into Malaya in the last few years that preceded India's ban on all migratory labor in 1938.

The mass migration of Tamils to Malaya, then, was in the main a
phenomena of south Indian peasantry - a positive response to changed environmental conditions precipitated by the British occupation and control of their country. The economic strategy of temporary migrant labor was not one the peasants embraced eagerly but one which they were eventually forced to pursue as a simple matter of economic self-sufficiency and survival. To do so they had to overcome a cultural bias against traveling overseas and undergo personal deprivation and hardships throughout. Thousands of destitute unemployed, untouchables, with little or no stake in south India fled in the face of starvation. Many of these must have had little desire to return to establish themselves in their mother country. The great majority of migrant laborers, however, planned on working and living in Malaya only on a temporary basis. This strategy came to characterize the entire Indian movement to Malaya. Up until recently they were known and thought of both officially and unofficially as "birds of passage" - temporary laborers seeking their fortunes in Malaya to improve their economic position back in India.

Socio-Economic Improvement for Migrants

Improved conditions in Malaya and the further deterioration of social and economic conditions in south India soon worked to make Malaya a more attractive place for India's dispossessed millions. Today, Tamils with Malaysian citizenship, job security, and the opportunity to share in Southeast Asia's most stable and expanding
economy are seen as being "rich" or well-off by their less fortunate brothers in India. Some Indian elites in Malaya can afford to maintain land, homes, and even families in south India. A wealthy businessman has financed a college in his home district in south India while Indian government employees, businessmen, and professionals in Malaysia send their children to schools and universities in India. In a world of shrinking job opportunities, overpopulation, and threatened mass starvation, Indian classes of Malaysia are seen as being in a relatively favorable position.

These facts are not lost in the minds of the Malaysian Indian labours. Nearly all of my informants agreed that they are better off in their adopted home than they would be if they had remained in India. Few of them had any hopes of returning permanently to their homeland and the great majority had long since given up the practice of sending money back to India to relatives to buy and augment their land and homes. Contacts with relatives have become strained over the years and trips back to the homeland have become less frequent. The Tamil laborer with Malaysian citizenship has slowly come around to the realization that his fortune and that of his family is bound up with the emerging state of Malaysia.

Escape from Caste Discrimination

One of the most immediate social effects of migrating to Malaya was the easing of caste identity and restrictions. Exact figures are
not available but it is estimated that nearly half of all Tamil
immigrants were of low and untouchable cast origins. Although there
was some housing and temple discrimination on some estates early on
in the development of the country the great numbers of untouchable
workers preclude any long-term overt discrimination in Malaya. In
the Madras presidency outcastes represented only one-sixth of the
south Indian population but in Malaya they came to equal nearly half
or more of the laborers on plantations. Today there is no obvious
caste discrimination among workers but caste differences do continue
to quietly play a role in the selection of marriage partners. These
differences happen to be aligned with the traditional practice of
cross-cousin marriage. As such, they are not offensive to the general
Tamil population.

Few Malaysian Tamils are unaware of their particular caste
origins but they are extremely reluctant to discuss the subject,
especially with an "outsider". Many were pained and offended when
I insisted on bringing up the topic. Most held that caste origins
were of no consequence in Malaysia and should, therefore, be disre-
garded. There appeared to be a "conspiracy of silence" on the matter
- an unspoken, unwritten agreement not to openly discuss caste
differences amongst themselves and certainly not with "Europeans".
I received the impression that most people hoped that the caste
system would die if everyone ceased talking and thinking about it.
The blurring of caste distinctions in Malaya for outcaste Tamils was a big step forward in the social and economic improvement of this group. It must have contributed immeasurably to an increased sense of well-being and self respect and an important factor as well in encouraging low caste Tamils to first migrate and then to settle permanently in Malaya.

It is important to recall the impoverished and destitute origins of much of the Malaysian Indian labor class in discussing the problems of social and economic development of Tamils in Malaysia. It is easy for the well-meaning social scientist to point out the harsh facts that Malaysian Tamils are poorly fed, ill-housed, under-educated, poorly paid, exploited, and discriminated against. It is more difficult to maintain the perspective of the laborers themselves: that of improved socio-economic well-being and increased opportunity for their children in a system free of caste stigmatization. The Tamil laborer faces a different set of obstacles to socio-economic advance, which will be discussed at length in this paper, but he should not be denied some sense of accomplishment and security that he undoubtedly feels, having escaped the social and economic morass of his birthplace.
The Tamil Majority

The Tamil population in Malaysia today is an indigenous one. In 1967 seventy percent of all Indians in the country were locally born while another 25 percent were residents for ten years or longer. The present generation of youths between the ages of 15-25 are therefore nearly all Malaysian born. Most of these have no desire to migrate to India. Unlike many of their parents who cling to unrealistic, sentimental ideas about the motherland, Tamil youth are not attracted to the over-crowded, caste-conscious, poverty-ridden country. Malaysian Indian youths who have been able to visit India, report that they were unhappy with the sub-continent and its strange "hot" food, congestion, poverty, and social obsessions. India is no alternative for Malaysian born Indians. They are in Malaysia to stay and to share in the growing Malaysian economy - an economy which their fathers and forefathers had a large part in creating.

Tamils in Malaysia can be succinctly described in familiar terms of depressed working class people everywhere: they work for very low wages; live in over-crowded, run-down communities; their children are under-educated and sent to work at an early age; unemployment is high; alcoholism is prevalent throughout the community; the petty crime rate is high and increasing; and malnutrition and disease sap the energies of an over-burdened neglected segment of society. This statement does
not accurately represent the entire Tamil community of Malaysia but it does cover the great majority of them. In 1970 fifty percent of all Indian households made less than $M200 per month while more than 82 percent made less than $M400 per month. More than 55 percent of all Indian households are found in the rural areas where 82.6 percent of families earning less than $M200 per month are found (Mid-Term Review 1973:3-4). Most of these are Tamils and other south Indian laborers working and living on large European owned and operated plantations. The greater number of urban-based Tamils are also locked into the low wage-earning classes of the country.

Estate Labor "Line" Communities

The life style and living conditions of the majority of Indians in the country is typified by estate "line" housing. The term "line" housing is a holdover from former times when laborers, mostly males, were quartered in elevated barracks built in several parallel columns or lines. The term stuck so that today Tamil laborers are said to live "on the lines".

The following description of estate labor "line" communities is presented to give the reader some idea of the living conditions experienced by most Indian laborers in Malaysia. The estate line community is the base-line community from which all developments and advances on the part of the non-estate Tamil communities are compared and contrasted.
Line housing on many plantations today has been changed to meet the needs of Tamil laborers and their typically large families. Many estates continue to provide attached linear housing with four to six apartments per building but more modern estates house their laborers in clusters of 40-50 semi-detached bungalows with two families per unit. Each family has standardized 260 square feet of living space consisting of front room, small porch, hallway, kitchen, bathing area, and one or two sleeping rooms depending upon the size of the family. Household areas are simply divided with 8 foot partitions. These are whitewashed infrequently - once every three to five years. The walls, consequently, are blackened from smoke that comes from raised cement hearths lacking smoke drafts and the sticky substance of latex that blackens the clothes, working utensils, and homes of the workers. Brush and fallen branches from the rubber trees are collected for fire-wood and is the principal fuel of the Tamils.

The workers live "rent free" and water is also provided without charge. Some houses have running water within or near the confines of the house but others must share water from a communal tap. Out-houses with or without septic tanks are also shared by two to four families. Houses are partially electrified with service from estate run generators between the hours of 6:30 p.m. and 10:30 p.m. During this time each house has the use of a single 100 watt light bulb and they are charged $M2-3 a month for its use. There are no other
available electrical outlets as that would require providing each household with a meter costing $150 apiece, a prohibitive cost and an unnecessary luxury. As a result, kerosene lamps are used to provide light for the Tamil community after dark.

Rooms are sparsely furnished. Bedrooms simply have sleeping platforms with straw mats and head-rests. The main room or entry way usually has a modern set of formica table and chairs and a glass-front china closet called an alamari. The alamari is used to display china and tea sets (pot, cups, and saucers) that Tamil women frequently receive as wedding gifts. Each home has a small decorated shrine to their favorite gods and the walls are invariably lined with family photos of young and old alike that were taken at transitional periods of life - some baby pictures, school graduation, and particularly marriages. Photographs of adult members participating in special events as well as calendar, magazine, and film advertisements with favorite Tamil film stars, political heroes, and the King and Queen of Malaysia are also well represented. Floors are naked, poured-cement slab foundations that are easy to clean, they also stay cool during the tropical heat of the day. The people nearly always prefer to sit on the floor and eat their meals on disposable banana leaves.

Tamil families are characteristically large averaging four to five children per family. Many Tamil households also include one or
both grandparents who are retired and totally dependent upon their children for a place to live. Plantation laborers are forced to retire at age fifty-five; by then they are "well worn and used up". If they have no working children on the estate at retirement age they are told to quit the plantation where they may have worked and lived most of their lives. Lacking the social security of employed offspring, retired laborers are pushed into urban areas where they can live out the remainder of their days, oftentimes in the vicinity of Hindu temples, begging for a living. During the 1960's the break-up and sale of many rubber plantations forced large numbers of Tamils of all ages into the urban areas where they developed a "street culture" of begging, vagrancy, and illegal survival activities such as vice and drug peddling.

Both parents work on the estate whenever possible, preferably as rubber tappers, but also as weeders if tapping jobs are not available. A daily wake-up bell at five a.m. gives the laborers one hour to eat a little rice cake and prepare their children for school before reporting for work at 6 a.m. A school bus to transport primary school children arrives between 7 and 8 a.m. This leaves the youngsters up to two hours on their own in which they usually can be found sleeping in the doorways of their locked bungalows. Preschool children without retired grandparents or non-school, elder sisters to look after them are put in creches (day nurseries). One
or two amahs (mothers) look after pre-schoolers until their mothers return for them after the day’s work on the estate.

**Income - Debt Strategies**

A tapper works from 350-400 trees a day, brings in from 25-30 pounds of latex, and earns from $M3.50 to $M4.50 a day. Sundays and rainy days are the rest days. A dispersed annual rainfall allows tappers to work twenty-five days a month most of the year and income is fairly stable throughout. The rubber trees do go through a wintering season during the months of February, March, and April and latex drops to about a third of normal flow. Tappers paychecks are directly affected but chemical stimulants can be applied to the trees to ameliorate this situation. The monthly and annual earnings of rubber tappers can vary significantly. Differences in income of up to $M100 a month, for both men and women, are due mainly to differences in the age and type of rubber trees tapped. Rubber trees require six years of growth before they can be tapped and they produce good quantities of latex for up to twenty-five years. As the tree ages or if the tree is wounded by inept tappers, production decreases. Different tapping assignments can make the difference of a dollar a day to the laborers, a difference which can directly affect the well-being of Tamil families. Field assignments, therefore, are an effective form of discrimination and social control as they can be used to punish tappers out of favor with the management or his field
representatives.

At least two members of the family must work on the plantations to support themselves and their family. Usually, both the husband and wife are employed, the wife taking time off only to have children. Their combined incomes must cover the family's expenses for food, clothing, "pocket money", entertainment, and social obligations. Children and young adults often assist their parents in collecting the latex. Young people are able to work on the plantations at the legal age of fourteen and Tamil parents will seek employment for all of their non-scholars whenever possible.

Tamil youth of both sexes who are able to gain employment are expected to contribute most if not all of their earnings to their parents' household. Young girls quietly submit to these expectations but young, single males often refuse to give all of their income to their parents. Young males with some degree of economic independence are said to be "difficult to manage" once they acquire expensive tastes for flashy consumer items such as watches, gold jewelry, and motorbikes, and costly pastimes as trips to nearby towns for Tamil movies. Tamil parents, hoping to head off this type of "corruption", begin searching for a suitable wife as soon as their son acquires full-time work. The prospective bride must always be younger than the groom, should stand in the correct relationship to her husband-to-be (see Dravidian Kinship), and preferably, she should be a full-time
worker herself. Most marriages are still arranged by Tamil parents through go-betweens, ritualized "bonding" ceremonies that involve important members of each family, and a "bride price" in the form of traditional gifts and gold jewelry. "Love marriages"—where a man selects his wife independently of traditional kinship arrangements—are not encouraged or even condoned unless the parents of each happen to be on very friendly terms. Securing a proper wife for a young, employed son is the easiest way to keep him from becoming "spoiled" by the many temptations that exist in nearby town and urban areas.

Nuclear family households are seldom set up before two or three years after a son's marriage. In Tamil tradition the daughter-in-law joins the household of her husband's parents and her income is added to that of her new family. The additional income that she brings into her husband's household is often computed as a means by which the groom's family can meet the great costs of marriage ceremonies and the traditional communal feasting in celebration. Tamil families assume a large debt, borrowing anywhere from $M1,000 to $M3,000 to pay for their son's marriage. Many believe that their daughter-in-law's income can eventually pay for much of the assumed costs. A dutiful daughter-in-law can be counted upon to work and contribute to the welfare of the entire family for several years. Monthly incomes from in-marrying women, however, are rapidly consumed by outstanding family debts and an early pregnancy, encouraged by both families of
the couple, further diminishes the earnings of the young brides.

All Indian households on estates are in perpetual debt to the local shopkeeper who extends them credit throughout the month for daily necessities. Where possible Indian families establish credit with two or three shopkeepers while they also charge purchases from traveling vendors and hawkers selling household supplies, fresh fish, meat, vegetables, and ready-made western-style clothing for children. A shopkeeper or vendor charges "a few cents more" for his credit services and normally, he keeps the books himself without question from the laborers. There is no attempt to budget scarce incomes or to shop for money saving purchases. Goods and materials desired are simply bought on credit whenever possible. If the money or credit is lacking they simply do without until payday which is twice monthly.

Most of the laborers live beyond their means: their household expenditures exceed their monthly incomes. The entire take home pay of one working adult is seldom enough to pay for the food consumed by an average family of seven - two or three adults and four or five children. The remainder of the second adult's net income must cover the costs associated with the education of children ($80-12 per month per primary school child, more for secondary school children), participation in kootu (a rotating credit-savings association discussed in some detail below), medical bills for favored non-Western practitioners, payments on debts and personal loans, and installments
on motorbikes. Numerous other expenses consisting of "pocket money" for adults and children, clothing, electricity bills ($M3 per month), union dues ($M2 per month per adult), betel nut (averaging $M3 per month per adult), cigarettes for men who smoke (approaching $M10 per month per male), travel, entertainment (movies), and lottery tickets ($M2-3 per month per adult) leave Tamil families hard pressed to meet their monthly expenditures.

Alcohol

The daily consumption of alcohol is widespread among Tamils and constitutes another serious drain on the limited incomes of many families. Observers and informants estimated that thirty to fifty percent of adult male laborers were regular to heavy drinkers in most Tamil labor communities and that ten to forty percent of their meager incomes are spent on alcoholic beverages.

Coconut beer (toddy) has long been the traditional drink of Tamil laborers and crowded toddy shops were once a familiar sight on rubber plantations. The toddy shops provided a meeting place for Tamil laborers after long, hot days of work in the sun and the revenues earned on the sale of the "cooling" drink contributed to the construction and upkeep of local Hindu temples. The profits from the sale of toddy were also used to defer the costs of communal feasting at Hindu religious festivals throughout the year. Then, a prohibition movement in the 1950's led by "well-meaning", non-labor
Indian urbanites succeeded in closing most of the toddy shops on plantations. The loss of the toddy revenue seriously disrupted the financing of local Hindu temples and group activities and the relatively nutritive toddy was everywhere replaced by the far more debilitating samsu (rice whiskey) that is made by the Chinese. The "enterprising" Chinese invariably cut their samsu with unwholesome, petro-chemical additives (methanol) which make it a principle health hazard to consumers. Unlike toddy, it is highly addictive, ruinous to health, but cheaper and more easily available. The low cost and highly intoxicating effects of samsu make it very attractive to laborers chronically short of cash but the long term effects to a drinker and his family are disastrous.

The sale of non-government regulated samsu is illegal but Chinese dealers manage to operate in every town and village in Malaysia. Each dealer must pay "tea money" to local police to stay in business. Small time, incessant bribery is a fact of everyday life in southeast Asian countries but the continued sale and profiteering on hazardous alcoholic beverages should not be "protected" under the system. The Indian working man is not likely to change his drinking habits soon but the least government officials could do is to see to it that its poorest class of citizens has access to unadulterated alcoholic beverages. Every samsu operation is known and exploited by the local police; a serious effort on the part of
law enforcement officials could close most of them down over night.

Kootu

The kootu or "chit fund" is a popular form of credit-savings association participated in by most working families in Tamil communities. It is a useful means for generating large sums of money needed at different times of the year to pay expenses for education, religious festivals, marriages, or accumulated debts. A group of from ten to twenty people agree to pay a specified amount ($M10 to $M50 per month) into a fund. Each household has a turn in receiving the total amount until all have had a chance to use the funds.

There are two types of chit-funds: draw and bid. Draw kootus are usually for smaller amounts ($M100 - $M200) and each family's name is selected at random. Everyone gets their full share of the funds minus $M5 per month for the individual who is running the kootu.

Ela-kootu (bid chit-funds) involve greater amounts of money where individual families bid against each other for the fund each month. The household that bids the most for the use of the kootu that month, receives the amount minus the bid. The amount bid is then divided up between the other members of the kootu and they pay the reduced amount for the month to the "winner" of the bid. Once the kootu has been taken, the household cannot bid for it again.

Bid-kootus are not the egalitarian cooperative ventures many believe them to be. Examination of figures from completed bid-kootus
reveals that some individuals receive more cash than the amounts they paid into the fund - that some members profit at the expense of others. Participation in kootu, in fact, is a lucrative source of funds for households in little need of cash - those who can wait till the end of the kootu and bid little or nothing for the fund. Poorer families in need of cash take the kootu first and bid high amounts; more prosperous families take the kootu later and bid low or nothing for the fund. In this way, the prosperous families can earn anywhere from 20-45 percent interest on their money in one to two years time, the lifetime of any one kootu. A rough way to gauge the relative prosperity of a family is to ask what kootu(s) they are involved in and if and when they have taken the kootu - at what point in time in the life of the kootu they act.

Most Tamil families participate in kootu and contribute to the social solidarity of the group. The people do not look upon it as a means to make money and exploit another's economic misfortune but as a constructive way for the community to help its members get through difficult financial times together. The actual debt and the responsibility of meeting the payment of the debt to other members of the community gives participants a feeling of belonging, supporting, and cooperating with his fellows for the mutual benefit of all!

The successful operation of the kootu indicates that there are important economic differences among Tamil families in the community,
differences that are known and exploited by the group at large. Men who run the kootu must be trustworthy, financially sound (not overwhelmingly in debt), non-alcoholic, and well-connected. Kootu operators are seldom the top financial people in the community but oftentimes they are expected to have access to them. If a man is requested to start a kootu he may need to get the backing of a few key individuals for others to join in. Top financial individuals in the community are seldom "up-front" men but entrepreneurs who are often engaged in illegal or quasi-legal activities, such as the profitable operation of "pirate-taxis" (providing automotive transport without a permit). Understandably, these men prefer to lead a quiet, conventional life removed from public disputes. They are seldom anxious to talk with outside investigators of any kind. In most cases they are "too busy" to speak with researchers and they are seldom available for interviews or consultations. These key men in the community, nevertheless, are known to the acknowledged leaders and spokespersons in the community and their influence can be significant.

Individual economic differences among Tamil laborers, however, are not readily apparent. As peasant proletarians they are very reluctant to display wealth differentials among neighbors who have little. Some few own automobiles and property outside of the estates but outwardly they live little better than others around them. The
principle of "inconspicuous consumption", described by the Wiser's (1971), operates to minimize socio-economic distinctions and envy among the majority of people who must continue to live under relatively deprived conditions. Socio-economic differentials do surface in the operation of the kootu, during religious festivals, and in community celebrations, especially weddings. Wealthier men are expected to contribute disproportionately (generously) to the common weal so that large numbers in the community can share in the family's good fortune. At these times, the womenfolk of wealthier men are also expected to appear in colorful new saris bedecked with finely crafted gold jewelry.

Gold Jewelry: Collateral Plus Social Display

The principle form of investment for Tamils is the purchase and hoarding of gold jewelry that is worn by the women on most formal and festive occasions. The gold jewelry has a double purpose of signaling the relative prosperity of the family to others (social display) and, for most of the poor people, it serves as collateral in borrowing money from pawn shops at relatively low rates of interest. Most Tamil women leave their gold jewelry in the pawn shop for "safe-keeping". After paying the pawn dealer a small fee they may redeem their jewelry to wear on special occasions throughout the year. For some time gold jewelry was also a popular means of transferring money back to India where gold ornaments could bring from two to two-and-a-half times the price of purchase in Malaya. Tamil "grandmothers" would often return
to India "laden" with gold jewelry beneath their outer garments before
the Malayan government acted to block this possibility of "unearned
income" for the Tamil working classes.

Indians have little faith in banks and paper money. While world
currencies fluctuated widely throughout my stay the price of gold
almost doubled. The Tamils felt quite justified, therefore, in their
preference for gold although the rise in the price of gold was seen as
a mixed blessing: beneficial for those with gold already in hand, but
unfortunate for those who must buy gold (especially for weddings) in
the future. Most women have from six to seven "pounds" (1 pound =
1 U.S. ounce, approximately) previously worth about $M250 - $M300, now
worth nearly twice that amount. In 1974 one Malay pound of gold sold
for $N70. Indian families traditionally give from five to ten pounds
of gold jewelry to brides at weddings. Informants felt that the
increased costs of gold jewelry would mean the purchase of less gold
for prospective brides in the future.

All households maintain and increase their supply of gold jewelry
whenever they can, often looking forward to the marriage time of their
daughters. There appears to be a limit where too much gold becomes a
liability (stealing) and a source of envy for one's ever-watchful
neighbors. Gold much beyond fifteen to twenty pounds per family is
considered "excessive" on the lines. People can more profitably
channel their money into other favored types of investments:
motor-bikes, cattle, small businesses (part-time vendors, coffee or rice shops), or land.

**Supplemental Incomes**

Most tappers and other estate laborers complete their day's work by 3:00 p.m. Four to five hours of daylight remain in which laborers can engage in auxiliary activities to supplement their incomes. Women have household chores to accomplish, meals to prepare, and children to supervise. But the men are free, more or less, to pursue part time work for contractors, perform odd jobs on the estate, work in garden plots, attend cattle, or collect and prepare firewood for sale. A few men do engage in these types of extra-occupational pastimes but most choose to idle away their leisure in talk, drink, and informal social gatherings.

Following a day's work on the plantation most Tamil men walk or bicycle into the nearest town or village to shop for family provisions, visit with other male friends, and catch up on the latest events in the locale and sometimes in the world. Newspapers from both Malaysia and South India (*Tamilnadu*) are read and shared by dozens of readers and discussants in coffee shops. Topics of interest center on sports (soccer—Indians in Malaysia play a role in national sport competition parallel to that of blacks in the U.S), the politics and personalities of Tamil film stars in Madras, south Indian politics and political philosophy, and nearing the bottom of the list, Malaysian politics and
government policies affecting the lives of the Tamils.

Part time gardening and the raising of cattle and goats are the two most popular means of supplementing laborers' incomes but only 10-15 percent of the families continue to engage in these pursuits. Problems involved with the spacing and housing of animals and general harassment by management invariably act to discourage poorly motivated individuals from these activities. The "low level of interest" in keeping milk cows is unfortunate as it can be a very profitable enterprise that requires relatively little time and investment. A family with four or five milk cows can generate an additional income of $600 per month, nearly doubling a tapper's income. In most cases, management also refuses to provide small plots of land for the cultivation of fruits and vegetables despite a clause in the labor code that states that this must be done whenever possible. Garden plots of fresh fruits, vegetables, lentils, and cash crops of other plants could be both an important source of income and a means for improving the diet and health of laborers and their dependents. Certainly, there is plenty of room for improvement in this area. Laborers and their children are known to be malnourished, plagued with intestinal parasites, and periodically afflicted with debilitating attacks of malaria (Ramachandran, 1972:85-93).

An improved diet and living environment for plantation workers, which should enhance worker productivity, is given a very low priority
by estate management. Plantation managers invariably consider cattle raising and gardening activities as a source of unending, time consuming, non-job related disputes among their peons. They also claim that keeping domestic animals on or near the lines increases problems of health and sanitation and that, in most instances, Tamil laborers "are not really interested" in these part time pursuits. After they have been abruptly refused and curtly dismissed on these matters they no longer ask for such privileges. In most cases it is easier for managers to discourage these activities and to use their unquestionable authority to arbitrarily allow some few to engage in these areas while denying most others the opportunity. On one relatively well managed plantation, management's prerogative in these matters permitted one family to have fifty cows while most of their neighbors had none at all. Apart from the arguments noted above, the dairy monopoly enjoyed by this laborer's family was said to be justified in that the man's father had been successfully raising milk cows for a long time.

It is clear that estate management is not out to encourage initiative or to provide the means or resources for enterprising young men to improve upon their low station in life. Talk of beginning fish hatcheries or poultry farms on the estates by young, unemployed Tamils is quickly squelched by managers who cannot allow these types of self-help cooperative enterprises on corporate "private property". The overriding corporate-capitalist profit motive militates against
self-help measures that could be taken by the Tamils on their own behalf. Corporate managerial policies dictate just the opposite. Minimal efforts in these areas are considered the optimal strategy for keeping company profits high and expanding, and for keeping a labor force wholly dependent upon the company for survival.

The unending quest for higher profits which results in the deprivation and exploitation of the wealth-producers — those whose labor keeps the industry strong and competitive — prohibits the evolution of a more reasonable society in which many more would share more equitably in the riches they produce. It is clear that a well-run rubber estate could become a virtual paradise for workers and management alike but the institutional structure and goals of corporate capitalism militate against basic reforms. Idle men, denied the power to make basic decisions concerning their homes and family on estates are kept in a powerless, servile condition that can only benefit the absentee wealth-holders and incumbent power-brokers of plantation society.

It should be noted, however, that European owned and operated estates have little incentive to improve the living standards of their employees. They and their Tamil laborers are aware that plantation workers on European estates are working and living in the "best of all possible worlds". Western owned and operated estates are surrounded by a sea of humanity that is faced with numbing poverty,
hunger, malnutrition, joblessness, and severely limited opportunities for alternative employment. Tamil laborers on estates have nowhere else to go; compared to those around them estate laborers have a reliable income and the means to sustain a fairly secure living. Asian (mostly Chinese) owned and operated estates offer fewer amenities, lower wages, longer hours, fewer scheduled rest days and holidays, and ramshackle, badly neglected housing accommodations. Characteristically, unions are denied access to Indian laborers on Chinese owned plantations. The few Indian owned and operated estates are only somewhat better than those run by the Chinese. Capitalist reinvestment strategies everywhere are dictated by the overriding concerns of cost effectiveness and profits. Improved living and working conditions for the laborers are typically considered by plantation capitalists to be "utopian", "idealistic", "unrealistic" (in terms of market conditions) and worse, "socialistic"!

There is little doubt that the most important obstacle to improved economizing of time and money by working class Tamils is the lack of genuine incentives or real opportunities to motivate them to save, invest, and devote their time and efforts toward future prospects. Beyond the limiting confines of estates there are few or no employment or investment opportunities available by which Tamils can improve upon their restricted station in life. Today most retiring tappers are the beneficiaries of a government run
Employees Provident Fund (EPP) which provides them with a large sum of money (from $1,500 to $3,000 depending on the length of employment and the total mandatory monthly payments into the fund) to help them resettle their lives outside of the estates. This money can be used in combination with other savings as a down payment on a piece of land and the building of a new home.

A paramount value of landless laborers is the ownership of a piece of land and a home, on which, if nothing else, to retire. Tamil laborers want nothing more than a real opportunity to purchase a little land on which they might live, work, and produce for themselves and the country. Housing lots for non-Malays, however, are scarce and land for agriculture is even more difficult to obtain. Three quarters of the total land mass of Malaysia is in reserve for the indigenous Malays; while another two million acres is used by the Europeans for the cultivation of rubber, oil palm, and coconut on their large plantations. Consequently, little suitable land for farming remains for the non-Malay citizens of Malaysia. Ironically the break-up and sale of European owned rubber plantations, which put tens of thousands of Tamil laborers out of work in the last fifteen years, provided a few Indian families with their only opportunity to become enterprising small land holders or homeowners. Whole communities of land-starved Tamils, mostly from urban areas, have built homes on housing lots made available by the sub-division of rubber estates. This land is "open"
to non-Malay citizens because European plantations were never defined as "agricultural". The vice-President of the MUPW himself has built a large comfortable home on a sub-divided rubber estate. Technically, he and his family are "squatters". These people are forced to buy the only land available to them with no guarantee that the government will permanently zone their land as residential. Their life's savings and the welfare of their families are invested in the gamble that the government will eventually rule in their favor.

This description of Indians living on plantations is true with some small variations for town-urban, working class Tamils. The majority of Tamil urban laborers find low rent or "free housing" in and around segregated, government-sponsored Public Works Department housing projects, hospital attendent and orderly quarters, dock-workers' housing communities, and railway and tin miners settlements. All of these occupations are unionized but they still provide the workers only low income maintenance. Their incomes are comparable to those of rubber tappers on estates (82 percent of all Tamil families make less than $1400 a month), and living conditions and social problems are about the same. Urban laborers are subject to a variety of urban and industrializing influences that are still unimportant to the more isolated estate communities but their peasant social organization and orientations persist due to low incomes, segregated housing, and few or no alternatives for economic development. Peasant-poverty social
institutions, consequently, are perpetuated in both town and rural sections of the country.
Peasant Proletarian Culture

Tamils throughout Malaysia are encumbered but also held together by the fact that they remain unassimilated peasants. Peasant social systems do not necessarily disappear with urban living, spreading development, and modernization; they can persist for many generations if they are socially and economically isolated from the main stream of society. Gamst has recently noted that "peasantries may be viewed as extending along a continuum of modernization from a polar type of agricultural civilization to another polar type of industrial urban civilization", from a "classic" rural peasantry to urbanized, market oriented "postpeasants" (Gamst, 1974:3).

Postpeasant Tamils of Malaysia are what I prefer to call a peasant proletariat: a landless, propertyless, working class people, wage-earners totally dependent upon a cash-market economy for subsistence living, but a proletariat that retains a rural peasant culture and socialization processes characteristic of their former agricultural subsistence activities. A peasant proletariat occurs when the peasants lose control over their land and labor and are forced to become wage-earners to sustain themselves. Peasant proletarians can revert back to peasant agricultural subsistence activities, or given the appropriate incentives and opportunities, they may be able to develop into a more complete lower and middle class proletarian way
of life. The Tamil peasant proletarians in Malaysia would like to do both, but possibilities toward either development are blocked by social, economic, and political impediments. This situation enables and even compels a system of peasant proletarianism to continue for the most part, unchanged. Wage-earning postpeasants are locked into their "culture of poverty" by low wages, segregated housing, and few or no opportunities for socio-economic mobility.

**Tamil Peasant Culture**

Tamil social customs and beliefs characteristic of Indian peasantry are prevalent throughout the Malaysian Indian community. Some of the more important elements evident in institutionalized Tamil peasant behavior that suggest a mutual distrust in interpersonal relations and widespread suspicion of the motives and designs of others are (1) an extreme material consciousness that is noticeable in institutionalized, reciprocal gift-giving and the exact keeping of accounts, (2) an often expressed fear that the jealousy of others will lead them to use supernatural formulas and evil spirits to upset the economic success of others, (3) family cohesiveness and the maintenance of large in-marriage extended kinship groups with the corresponding idea that relatives must support and help their relations in difficulties however and whenever they can, (4) the use of gossip and character defamation as a primary and extremely effective means of social control, (5) fatalism and a resigned acceptance of difficult
subsistence activities, supplemented by a dependent "help me" philosophy, (6) lack of deferred gratification and rapid consumption of "excess" funds with friends and relatives, (7) economic strategies for perpetual indebtedness, and (8) self-interested parochialism and a stubborn adherence to traditional norms and behaviors that are buttressed by a rigid authoritarianism. These socio-cultural orientations interact and combine to ward off and deter external and internal forces of innovation and change, and work to preserve the old, familiar ways of Tamil peasant traditions. They also act to keep the Tamils of Malaysia poorly organized, under-privileged, isolated, and impoverished.

These elements, referred to as "leveling mechanisms" by anthropologists, constitute a primitive system of social security. They work both alone and in combination to provide support and sustenance to members of the community during times of travail by redistributing the wealth and limited resources of peasant communities. Institution-alized reciprocal gift-giving and familial community support systems are especially evident during rites of passage ceremonies, particularly those of female puberty rites, marriage, and death ceremonies. Recorded exchanges most often occur between agnatic (blood) and affinal (marriage) kin who because of the Tamil's extended kinship and preferred system of alliance cross-cousin marriage participate in large numbers in these various celebrations.
Dravidian Kinship

Tamils prefer to marry "cross cousins" (children of opposite sex siblings: that is mother's brother's and father's sister's children). Parallel cousins or children of the same sex siblings are referred to as "brothers" and "sisters". They are strictly prohibited from marrying one another. Daughters may also be married to mother's younger brother(s). In large, extended Tamil families the possibility of uncle-niece marriages are not as uncommon an occurrence as one might at first imagine. The practice of cross cousin and maternal uncle marriage is known as the Dravidian kinship system, one that is widely followed throughout south India among the Tamils. First cross cousin and maternal uncle marriage is common among Tamils in Malaysia (perhaps more so among the immigrant Malaysian population than those back in village India) but kinship marriages are more often contracted with more distantly related cross-cousins or terminologically equivalent kin.

The Tamil kinship system is an "extended" one in the sense that a marriage between two unrelated persons serves to unite the families of the bridal couple as well. Kinship terms are perfectly symmetrical and are, therefore, easily aligned between two newly connected families. Parallel cousins of the bride become possible marriage partners for the numerous categorical "brothers" and "sisters" of the groom. One's sister-in-laws' cross cousins also become
non-marriageable "brothers" and "sisters". Potential marriage partners are increased considerably in this way as nearly half of all Tamil marriages conducted annually in Malaysia are between unrelated families. This type of extended kinship also produces the phenomena of whole villages being "related" to one another. Many Tamil families "feel" related to those who have come from the same village or village area in India. If they are unable to establish the exact kinship ties with a family it desires to give a daughter to in marriage it is enough to know that they both are from the same village. They are said to be "related" and the marriage is considered to be one of "distant relationship".

Extended kinship ties with large numbers of neighboring families is a highly desirable situation for Tamil peasants. It provides them with (somewhat of a false) sense of security that relatives are morally bound to mutual support and cooperation. Tamils like to establish kinship ties with "significant others" whenever possible and, the Dravidian kinship system accommodates the Tamil's desire for extensive family connections nicely. The liberal use of kin-terms for non-relatives is another obvious manifestation of this tendency.

The ambivalence exhibited by Tamils for their relatives is an interesting situation created by the peasant social system and "world view". The underlying assumption, that a relative can more easily be called upon to help in time of need and that it is morally
incumbent upon the relatives to respond, is not always operative. Oftentimes, it works just the opposite. Moral incumbency leads economically viable kin to avoid or shun their less fortunate relations who can become a serious drain on the limited resources of peasants and peasant proletarians alike. After a visit of a few days the motives of an indigent relative become suspect and they are treated warily by the host. The more prosperous kin fear that the visiting relative has a favor to ask and that it will be difficult to refuse without damaging family ties. Outright "unjustified" refusal could lead to damaging talk about how inconsiderate, miserly, and selfish one is to his kith and kin. Gossip and scathing attacks upon one's character, in fact, are the principle means of enforcing peasant traditional norms and expectations. Tamils, in turn, are extremely sensitive about what "others might say or think" about them and how their behavior will reflect back upon their family.

South Indians are not "independent" of their families or as "individualized" as people are in the West. The community can punish a man's family - ostracize it from community functions and participation in a number of ways - for the behavior of any one individual. The marriageability of one's sister, for instance, can be adversely affected by one's nonconformity. News of even relatively minor improper behavior is unsettling to a Tamil family. An unmarried youth who smokes in public is said to dishonor his family and
especially his parents. He is thought to be arrogant and disrespectful to those whom he owes everything.

The Dravidian kinship is seen by Dumont and others as a system of "alliance" between families (Dumont, 1950; 1951; 1957). If, by alliance one means that there exists reciprocal rights and obligations of affines within and between several generations (Yalman, 1970:123) or that marriage alliance produces systems of affinal exchange and prescriptive marriage rules (Keesing, 1975:79), the Tamils of Malaysia may be said to persist in such arrangements. Reciprocal exchanges and mutual support among agnatic and affinal kin are best observed in ceremonies commemorating critical stages of life: birth, naming, the first haircut, ear boring, puberty, marriage, and death. Readers interested in the particular items and rituals in these ceremonies should consult R. Jain's book (1970).

Religion

Strong Hindu religious traditions contribute much of the content and continuity of Tamil culture in Malaysia. Every estate and almost every Indian community of any size has a local temple around which the annual religious holiday, festivals, and secular celebrations are centered. South Indians have long admonished one another not to settle in places where there is no temple. Early on, planters who were anxious to obtain a stable work force of Tamils provided primary schools and built Hindu temples to attract and keep a resident labor
force. Tamil religion is an integral part of Tamil consciousness and everyday life. Their gods and numerous lesser "evil spirits" are immediately present and frequently or during specified times of the year they need to be placated to avert misfortune of all kinds.

The principal dieties of the Tamils are their chief masculine god, Subramaniam, (also well known as Murugan but possessing dozens of other names as well) and their powerful mother goddess, Mariamman. All the major temples throughout the country are dedicated to these two dieties while numerous smaller temples and shrines are dedicated to lesser gods and "guardian" gods of the Tamils. Subramaniam has been incorporated into the Hindu "Great Tradition" as the son of Siva and Paravati. Mariamman, who in south India was long associated with the scourge of smallpox, is viewed as a benevolent goddess in Malaysia. Her amalgamation into the Hindu pantheon is less complete and she is sometimes held to be an aspect or incarnation of Paravati herself. Small shrines to the great Hindu gods Siva and Vishnu are found within the confines of the temple grounds but the central alter and dedication is to the original south Indian gods, Subramaniam and Mariamman. Among the Tamils in Malaysia, as in most sections of South India, they continue to reign supreme.

Characteristic features of the Tamil "little tradition" are trance, spirit possession, mortification of the flesh, and formerly, blood sacrifice. Tamils of every class believe in the religious
trance, spirit possession, and painless and bloodless piercing of the flesh with sharp hooks and spikes. Signs of spirit possession are the uncontrolled shaking of the body, rolling of the eyes, salivation, moaning, and eventually asking for the spear (velu) the symbol of the god. Individuals commonly take vows to carry kavadi (decorated wooden structures commonly attached to the naked body with metal hooks) in honor of the god should he grant them a personal request. The trance is normally proceeded by two weeks of religious fasting and prayers, a bath in the river near the temple, and chants and prayers by family members and officials around the devotee to be possessed. During the holy season of Thaipusam thousands of devotees carry kavadi in the annual pilgrimage – celebration for Lord Subramaniam at his now world-famous, limestone cave shrine at Batu Caves, several miles outside the capital city of Kuala Lumpur.

Trance and spirit possession also characterize local religious events. During local temple festivals the possessed is often tested to find out if the spirit is the expected deity. Objects are hidden and the god is asked to identify them. Temple priests claim that too many people become possessed and the testing is absolutely necessary to validate the possession. A number of spirit possessions, drunken arguments, and resultant confusion sometimes characterize this part of the local Tamil rituals. Several other gods can make an appearance during these rituals of possession: the terrible
goddess Durga or Kali, a perpetually angry deity who patronizes thieves and roadside maurausers in search of a blood sacrifice; another violent male god, Mathiriveran, who demands a drink of chicken blood; the “guardian gods” Kavalkaran and Muniandi who are associated with the Lord Subramaniam ask for salted fish and toddy; and a Sangalikarappan is associated with a whip and chain. Another goddess, Katiri (fierce woman) who is supposed to be “the deterioration of god into a devil” is a deity worshipped at night by women only at secret spots during certain times of the year. Few people were willing to talk about these malevolent spirits while many claimed ignorance or disbelief in them. Few doubted, however, that evil spirits existed and that they could be dangerous.

Authoritarian Socialization

The south Indian community of peasant proletarians is one that is culturally conservative. Their traditional authoritarian personality structure remains very much intact and they are a male dominated society par excellence. Authoritarian personality is characteristic of peasant social systems but south Indians emphasize this type of social conditioning to a degree that is seldom surpassed in other cultures. By Western standards, they are authoritarians in the extreme. Authoritarian socialization compounds the conservative elements and parochialism associated with peasant societal levelling mechanisms discussed above; correspondingly, it also discourages
initiative, innovation, and socio-economic independence. These attributes are thought to be prerequisites for the development of a peasant proletariat into a more modern, working class community.

Authoritarian socialization practices prevail throughout the Tamil society. Every family has its inviolable rank order determined by sex and order of birth. The male head of the family is the autocrat; the first born son is his designated successor. Together they share the responsibility of caring and providing for all the needs of the family and they represent the household in most communal affairs. Women without men-folk to protect and care for them assume the status of non-persons. The operation of the extended kinship system however insures that this is not a common occurrence.

Male-male and male-female relationships within the family are quite formal and based on the Tamil concept of "respect". In transactional terms "respect" means giving way at all times to one's elders and superiors - all elders by definition being superior. The father is an aloof, cold, autocratic figure and his exemplary behavior is soon adopted by each succeeding male member of the family. Warmth and affection are conspicuously absent in male-female family relationships. Communication in the form of orders and commands is uni-directional - from top to bottom. Subordinates must remain alert to the elder’s wishes, moods, and sentiments and a rigid formalized code of conduct must be observed at all times. For
example, a younger male should never sit before or in a more prominent position than his elder, nor should he ever smoke, take alcohol, or refer to anything bordering on the subject of sex in the presence of his elders. The elder, in turn, must always set the example and remain sensitive to his prerogatives and position before his subordinates. He bears the greatest responsibility for family welfare and prosperity. This division of authority and responsibility is acute between the first born and his younger brothers. The elder son often feels overburdened and unappreciated in setting the example and carrying out his "duties" to the family while the younger boys feel bullied and persecuted by the inordinate powers and prerogatives allotted to the elder brother.

The difficulty of loving and obeying one's "commanders" at all times leads to avoidance behavior and family brittle relationships between males. Ideally, the father is always "loved" and revered by his wife and children but more often than not, life is more relaxed and congenial when the family "tyrant" is somewhere else. Needless to say, relationships between father and sons are also frequently difficult and strained. A not uncommon adjustment of males with antagonistic familial relationships is to avoid speaking to one another for years! The facade of family solidarity, nevertheless, is maintained whenever possible. Sons and younger brothers can become economic parasites by withholding financial assistance to
the family while being pretty much assured that father and elder brothers will avoid "banishment" if it is at all possible. At the same time they expect their elders to support them, assist them in finding work, arrange their marriage, and pay for it as well. Women of the family oftentimes find themselves in a mediating role between unbending male egos. Women also serve as indirect conduits for communication between "governing" males in the household and the "governed".

In contrast to familial relationships, male-male relationships are noticeably informal, warm, intimate, and affectionate. Close knit male peer groups and friendships appear to be durable and long lasting. Apart from the mother-son dyad, they are the most important source of a male's nurturance and support in the community. Betrayal of a close friend or the peer group itself can lead to great disappointment, disillusionment, and depression. Among the Tamils it can be considered an "understandable" reason for suicide!

**Tamil Women**

The role of women in Tamil society in Malaysia is conservatively secondary and supportive of the men. This remains true despite the importance of the female in earning half of the family's income among the working class families of the society. Women are raised to be obedient servants and efficient domestics for their menfolk. They are "protected" and kept seclusion in the home, given limited
educational opportunities, and are never allowed to forget that they are inferior to and less appreciated than their brothers. The Tamil proverb referring to the raising of male and female children is instructive. *Anai potri vala; pennai attithu vala.* For success in rearing children, "praise the boy, hit the girl". Another popular custom reminding the girl that she is less valued than her brothers is to serve the sons choice pieces of meat while the daughters get smaller portions or none at all. The full status of wife and mother is withheld from a Tamil woman until she delivers a son.

Traditionally, a non-working wife is a matter of pride among Tamil men; a man's status is enhanced if he is able to support his wife and family. In the town areas where jobs are scarce or not as available to women, spouses of Tamil laborers enjoy this position of respect. Depressed wages, however, force most Tamil women to find some sort of employment or means of supplementing the family's income. Many Tamil women can be seen working alongside their husbands in the work gangs of the Public Works Department. Often they dress conspicuously in brightly colored saris and, incongruously, ornament themselves with gold jewelry, nose pins, and ear clips. On the great European owned plantations women have worked at a nearly equal wage-earning level alongside their men almost from the beginning. This economic "custom", arising from extremely low wage scales paid by the profit conscious capitalists, has been incorporated
into the legal system of the land.

The inability of a man to support his wife and family places the Tamil women in a critical role of family maintenance. Her considerable domestic chores, which the male has little or no hand in at all, must be managed while she is working full-time outside the home to sustain the family income. If her husband becomes a drinker, gambler, spend-thrift, or a combination of all three, she becomes the mainstay of the family and the source of inspiration and gratitude of her disadvantaged off-spring. Males denied the opportunities to fulfill their traditional bread-winning roles suffer psychological deprivation which leads to alcoholism, wife-beatings, vagrancy, and the general demoralization of family life.

Socially the Tamil women gain little or nothing for pursuing multiple task-roles of housewife, mother, and bread-winner. She and her daughters are still placed "behind" their male associates. They walk behind their husbands, eat only after the men have been fed, and suffer occasional beatings and emotional neglect to assuage male egos derived from Tamil concepts of masculinity. She is well prepared for her supportive role of buttressing the male ego. The Tamil woman has no life of her own apart from that of her husband and family. Her social status and success is intimately bound up with theirs; she shares in their failures and takes justifiable pride in their success. There is no socio-economic security or even life
apart from her family. The love and respect that she receives from her sons is perhaps the greatest joy she can experience in life. Failing that, there are few rewards available to a Tamil woman unless she is lucky enough to have a husband who knows how to express his love for her. The social system does not allow much room for such "luxuries"; it appears, rather, to be geared for meeting the everyday exigencies of survival and reproduction.

Tamil Political Factionalism

The males, meanwhile, are out competing with one another for power and prestige. They are divided up into numerous factions, each one trying to out-maneuver the other. To better understand the political nature of Tamil factionalism it will be helpful to review some of the important characteristics of authoritarian personalities that are derived from processes of Tamil socialization.

Unquestioning obedience to superiors and adherence to a strict formalistic behavior code produces rigid authoritarian personalities. Authoritarians are comfortable with the assumption that the elder or superior in rank or position is wiser, more aware, and better informed to make the decisions important for most aspects of social living. His edicts, pronouncements, and decisions should be followed without question or doubt. The command is absolute; it is almost a sacred duty to carry it out. Among the Tamils, to hesitate or make an alternative suggestion is disrespectful to the superior. It is an
act of insubordination and it is quickly handled as such. Obedience brings many social rewards; resistance to command only brings trouble and disharmony to the individual and his group.

If the superior is right and his position and commands are unquestionably correct, then those positions and ideologies of other opposing individuals and groups are "wrong" and they must be defeated at all costs. Actually, the question of right and wrong seldom plays a pivotal role in factional struggles. The main idea behind their political "games" is to win and lord it over the opposition. Compromise or accommodation to others' positions, interests, views, or concepts is only for the weak and feeble-minded. The democratic ideals of compromise, accommodation, and acceptance of majority rule have little value for authoritarians. There are few broadly agreed upon sets of rules which opposing camps will consistently follow. Political "rules of the game" are adhered to only when they serve the interests of leading individuals and factions; rules are persistently breached to maximize the disadvantages of opposing factions. Nor is there room in the organization or the administration of the community for those who are "disloyal" to the leadership. Wherever possible opponents are kept from legitimate membership in the organizations and dissidents within factions can be "purged" for indiscrete acts or statements interpreted to be signs of opposition to incumbent power holders. Might is right and only the steadfast, loyal, and
strong prevail.

Nearly every Tamil community in Malaysia is divided up into leadership factions that frequently find their expression in national organizations such as the National Union of Plantation Workers (NUPW) and the Malaysian Indian Congress Party (MIC). Community leadership struggles, which are organized around a strong, dynamic personality and his close inner core group of friends, relatives, and followers, characterize local chapters of these organizations. Political factions seek to control local chapters to further their own power purpose: the access, control, and distribution of political resources available to them through these organizations. The organizations, in turn, receive financial backing, an acknowledged constituency, and, hopefully, ballot-box support for their programs and policies.

The Tamil peasant-proletarian, however, feels strongly about little outside of his community. His allegiance and self-interests lie immediately in supporting his faction against all opponents. Apart from the faction's core group, the leader himself has allegiance problems. His followers remain loyal only so long as the leader is successful in serving the diverse needs and interests of the individuals in his group. The relationship between leader and followers is an exploitative one. The leader who fails to protect his followers from being outdone by their opponents can no longer command their allegiance; they will simply transfer their loyalties to another whom
they believe can do a better job. There is no moral or lasting commitment to a leader who does not "protect" or advance the interests of his followers.

Members of the Malaysian national Tamil community often lament the fact that there appears to be no appeal to high ideals or cooperation for the benefit of all that can counter the divisive self-interested forces prevalent throughout the society. They are up against the peasant's overriding pattern of survival: self-interest over and above all else. One informant summarized this phenomenon succinctly by saying that, "Indians prefer to show their colors to other Indians". Apparently, cooperation among Indians to "show their colors" to non-Indians has little appeal or cultural "meaning" to the Tamils. They prefer the excitement and personal involvement of sabotaging the efforts of their opponents and of monopolizing the means to local power oftentimes to the detriment of the interests of the larger community.

Political factionalism is endemic to the entire Tamil population in Malaysia. The two principle Indian national organizations, the NUPW and the MIC are ordered and function along lines of exclusion and repulsion. During the latter half of the 1950's, these two societies were themselves engaged in open competition for the financial support and allegiance of peasant proletarian factions at the grassroots level. They exploited local factions which they
understood and promoted to suit the needs of their own competition for national leadership of the Tamil laboring classes. The competition between these two national organizations exacerbated factional disputes within Tamil communities. As a result, the impact and effectiveness of these organizations has been minimized. In reality, they represent a hodgepodge of loosely aligned self-interested factions whose only common interest is the maintenance of power and influence at local levels. Today this is less true of the NUPW than the MIC but membership in both organizations is still hampered by local factionalism.
Chapter III

NATIONAL ORGANIZATIONS: THE NUPW AND THE MIC
The National Union of Plantation Workers (NUPW)

The NUPW is the "largest and best organized" labor union in the country. From its inception in 1955 and before, plantation labor unions were Indian organizations. By 1963, however, only 51.59 percent of its membership were Indians, 28.2 percent were Malays, and 19.29 percent were Chinese. According to NUPW officials and their highly exaggerated propaganda of self-praise, the union is single-handedly responsible for "emancipating" the Tamil labor from economic "slavery" and for "breaking the back of the repressive kangany system". Elections of union chairman in each estate division did provide a new structural means for "natural" leaders to circumvent the socio-economic hold of others, including some kangany, but it took more than just the election of union representatives to destroy the repressive kangany system. Selective communist terrorist activities aimed directly at unpopular kangany during the Emergency was a decisive factor in curbing the abuses of the system while restrictions on Tamil labor immigration from south India after 1938 insured the "natural death" of kangany dominance.

Union claims of having "liberated" the Tamil laborers from an oppressive system of exploitation are difficult to substantiate as the Tamil laborer appears to have exchanged one form of paternalism for another. The organization and operation of the union by urban
middle class elites has, in effect, replaced management and kangany paternalism with its own benevolent super-structure. The workers are kept ignorant and overly-dependent upon top level union officials and a removed union leadership in the urban areas of the country. Laborers have a controlled and therefore muted voice in the operation and management of union affairs; monination and election to higher union office are supervised and orchestrated at the state level; workers are seldom if ever consulted as to their views on contract negotiation, union demands, or management-labor relations; elected chairmen at the local level have little or no understanding of the principles associated with collective bargaining; and members have no voting rights to accept or reject contracts that the union negotiates for them. Members are dutifully loyal and quietly ignorant of what they believe their union could or should achieve for them.

The union is both authoritative and strictly hierarchial. It is a system that is tightly run from the top by its internationally well-known General Secretary, Mr. P. P. Naraynan and his carefully screened Executive Council. Members of the Executive Council are directly elected by the membership but nominations and election to the council are carefully guarded so that no individual is able to sit on the council without the tacit approval of the General Secretary. Power is placed in the Executive Council but most important decisions, including the hiring and firing of key administrative
personnel, has been delegated to the General Secretary. The union Executive Council is not known for its independence or decisiveness but for its deference in all matters to the dynamic leadership of the General Secretary.

The General Secretary uses his power of appointment to keep a tight rein on all matters pertaining to the union. Top echelon, highly paid employees at the union headquarters in Petaling Jaya, Kuala Lumpur as well as all state branch officers are appointed to their posts by the General Secretary. Each state branch office has a Secretary and a Treasurer who are responsible for all union activities and management of union affairs at the state level. Normally, these men of power and influence in the union are English-educated and from urban middle-class backgrounds. Such union officials, with a few rare exceptions, do not come from the laboring classes they are appointed to represent, organize and guide. Essentially, they are an "elite" who have found an organization through which they can sustain their superior social position. First-hand knowledge or experience of the living and working conditions of laborers is not a prerequisite for appointment to important union posts. Administrative ability and loyalty to the present leadership, on the other hand, appear to be the two most important criteria for securing top union jobs.

State branch officials collect union dues, handle personal
and employee-management problems of members, and run monthly

general meetings for locally elected union "Chairmen". Each estate
division or community has a popularly elected union committee with
a chairman and a secretary-collector. As noted above, many of these
locally elected office holders are factional leaders who are engaged
in union activities for their own narrow power purposes. Few of them
are educated beyond the primary school levels and most stand in
respectful awe of their appointed superiors. They have little or
no opinion on what the union should or could be doing to improve the
shackled position of laborers (apart from what the union itself has
been "fighting" for), but their loyalty to the union is steadfast.
They deliver the votes, collect monthly dues, attend meetings, listen
passively to the official union propaganda line presented to them by
state branch secretaries, and return to estates to disseminate inform-
ation that generally supports the widely held belief that the union
is "doing all it can" to help the workers.

The chief service of the union for workers is to arbitrate
disputes with aloof and still powerful estate managers. Workers are
assured that disputes and disagreements that arise between management
and themselves will be argued by union representatives who ostensibly
have little fear of such confrontations. Over a period of time union
officials have developed a quiet but successful "behind the scene"
pattern of negotiating problems of laborers with the manager.
Failing this, the union has been much less successful in winning cases in public courts of law. The legal rights of workers are severely limited as they are living and working on "private property" at the discretion and good will of the manager. Cases of dismissal and, by legal extension, banishment from their home and families on estates are generally upheld in court. Quiet negotiation and accommodation with the manager, then, is a far more practical means of assisting the Tamil laborer in Malaysia. Union officials speak openly of a "special relationship" that they have established with organized management for amicable negotiations on all labor-management differences. There is a wide-spread feeling among union administrative personnel that all differences between labor and management can be worked out peacefully and reasonably in time. Union militancy of the 1940's and early 1950's has quieted to steady but progressive accommodation and conciliation between the two.

It appears that cooperation between union officials and management has in some cases reached the point of collusion. During my stay in Malaysia an appointed union official in the NUPW offices of Negri Sembilan in Seremban was over-heard and openly charged with making a call to a MAPA official in Kuala Lumpur to ask for the removal of a certain troublesome unionist. Shortly thereafter, the targeted individual, a popularly elected union official on a large estate, was summarily dismissed on charges of insubordination. His
two young wives, both employed by the estate, were also fired for no
other reason than they were married to a particular man - another
violation of the existing union contract. He and his family were
ordered to leave the estate. Following seven long months of delayed
litigation, mostly due to unpreparedness of union representatives, the
union lost their case in court. The young family was left penniless,
unemployed, banished from their home, and permanently black-listed
from regaining estate employment.

The targeted union leader was a young, popular, aggressive
spokesman for his constituency, an articulate man who was effective
in airing grievances of his fellow laborers. Evidently he was also
viewed as troublesome by centralized union officials who quietly
acted to have him removed. The serious charges of conspiracy and
collusion between union officials and management were ignored by
union higher-ups. The accused union official simply denied the
allegation and no action was taken against him. The union argued
that the fellow got himself in trouble with his quick tongue, that
they supported him and argued his case in court, and that was about
all they could do for him in this situation. NUPW complacency, and
the seeming impotence of the union to protect their members in such
cases, undermines worker confidence in the union, lowers worker
expectations, and discourages others prone to activism from trying to
wake the "sleeping giant".
The mutual interests of entrenched union leaders and management officials have also coincided in the hiring and firing of rubber estate employees. The break up and sale of large numbers of plantations in the 1960's, technological improvements, and crop diversification produced a labor surplus and helped to make plantation work more attractive to dependent laborers with no opportunities for alternative employment in sight. During this time NUPW officials decided to restrict union membership only to those who were employed on the estates. Superficially this restriction appears to be a reasonable stipulation but the imposed selection process eliminated large numbers of outspoken critics and dissidents from participating in union affairs and activities. Estate employers prefer to hire only those workers who are least disrespectful of the on-going system and the labor surplus on estates made the task of weeding out potential "trouble makers" that much easier. The "boat rockers" are not hired and do not qualify, therefore, for union membership. Educated, talented, youthful reformers are silenced and their contributions in time, energy, and enthusiasm which could invigorate an anemic union movement are lost to the union, its future organization, and power. As a result, enlightened activists or sophisticated leaders at the local levels are conspicuously absent.

Appointed union officials at the state and national levels obviously prefer to deal with less ambitious, poorly educated, more
"settled" personnel who will pay dues regularly and quietly defer to the existing power structure. In turn, union officials are expected to cater to peasant proletarian requests to arbitrate family and personal disputes, to give or lend small amounts of money, and to perform small favors in a manner that is peculiar to peasant social interaction elsewhere: simply put, "you do me a small favor and I am your friend and ally". Union officials understand and exploit this type of peasant mentality, a form of patron-client reciprocity, in much the same way that politicians attempt to "buy" as many peasant votes as they can during elections.

In short, the union has not provided the structural means for the democratization or liberation of the Tamil laborer and has instead acted to keep the workers ignorant, blindly loyal, and overly dependent on a removed, entrenched leadership. Alternative unions have been squelched by government registrars and activist laborites from the ranks are denied the opportunity to reform or diversify the union movement from within. Correspondingly, Union membership has suffered and vocal critics of the NUPW abound throughout the Tamil population in the country. The facade of democratic organization is, of course, everywhere present. No one however, doubts the power and influence of its internationally famous leader, the General Secretary, Mr. P. P. Narayanan.

Detractors of the union note that the livelihood and living
conditions of the workers are little improved over that which existed before the union was formed. They argue that most improvements in housing, wages, and benefits come not so much from efforts of the union on behalf of the membership but from rising standards of living throughout the country, some government regulatory legislation, and successful policy enforcement by a few dedicated labor officials. General dissatisfaction with NUPW organization and its limited success is widespread, and many feel that the opportunities for emancipation of Tamil labor have been squandered by union officials and their policy of placating management. Its leadership role in the democratization and liberation of the Tamil laborer certainly has been a limited one.

Membership in the union is nearly as low as it was when the NUPW was formed in 1955. Union membership has fallen from 132,000 in 1967 to an all time low of 86,598 in 1971. Only 75,998 members were in benefit (dues were paid) in 1971. This was 4,000 fewer members than the original 80,000 members who formed the union. These dramatic losses in union membership are partly a product of the break up of large estates and partly due to increased efficiency in the production and processing of rubber. Between 1955 and 1971 there was a reduction of 70,360 employees on rubber estates. Given the proportion of Indians in the estate labor force a minimum of over 40,000 of these had to have been Tamil laborers. Not all of these, of course, would
have been union members. The remaining losses in union membership can be attributed to general apathy and disenchantment with union representation and achievements.

Modest Gains by the NUPW

The NUPW has scored some gains for its membership and provided the only organization with some semblance of south Indian unity in the country. Union officials note with pride that they have been able to increase the number of paid annual holidays from three in 1954, to ten in 1956, to nineteen in 1964. Hospitalization benefits at half pay for fourteen days was secured for ill and injured workers after 1954. The number of days were later increased to sixty in 1962 and to ninety in 1964. A guaranteed day of rest was finally won in 1956. In 1965 this was changed to specify a fixed Friday or Sunday to help insure compliance with this stipulation of the union contract.

The entire structure for determining wages was changed in 1959. A guaranteed daily wage with price bonus increments related to the market price of rubber was agreed to in the union contract of that year. An incentive pay factor was also included to allow laborers to earn additional wages for bringing in increased amounts of latex over a specified average poundage per day. Typically the guaranteed wage rate of $2.20 per day plus six cents per pound for latex in excess of fifteen pounds was low enough so as not to increase the daily or monthly income of the workers. At that time depressed market prices
for rubber did not permit the workers to earn much more than $1.00
per day, a rate they were able to earn in 1951 and 1952 when their
wages were not attached to the fluctuating market price of rubber.
In 1962 laborers won the right to collect the guaranteed daily wage
of $2.25 per day on "wash out" days when rain prevented the normal
round of latex collection. Up until that time laborers were paid only
for the latex they managed to bring in before rain made it impossible
to continue. Finally, in 1972, the union was able to secure a full
two weeks paid vacation for workers. Unaccustomed to such amenities,
laborers generally accept the money in lieu of time off and treat the
extra income as a type of annual bonus. The funds are incorporated
into the workers' debt strategies - it is used as collateral against
loans and for expenses associated with Hindu festivals occurring at
the first of the year.

The union has long sought to gain a gratuity or severance pay for
elderly and long-term workers, an annual bonus based on the idea of
profit sharing, guarantees against the hiring of temporary or indirect
labor, and some type of company shared insurance scheme, all with no
success up to this time. NUPW officials have also argued for the
establishment of "tappers' villages" where retiring employees would
be given a place to live and a few acres to farm. This type of program
would help to solve the problem of destitute workers at age fifty-five
with no place to go or call their own. The union has also supported
legislation to declare labor line communities and access roads as public property. This would deny management the right to forbid persons access to labor line communities and prevent them from ousting former employees upon retirement or loss of work. Neither of these ideas has been met by management or government officials with any enthusiasm. The issue of permanent housing and settlement of plantation laborers promises to be a troublesome problem for some time to come.

Although the MUPW has succeeded in gaining a "paper rate" increase of a guaranteed daily wage from $M2.20 in 1959 to $M3.20 in 1972, the real income of the tapper has changed very little during this time. The tappers were earning a rate of $M3.00 per day twenty-three years ago in 1951, less dependent on the rubber price in the international market. For example, tappers earned an average $M2.50 a day in 1953 and $M2.40 a day in 1954. In 1956 the union "setting out the details of the cost of living of a laborer's family based on a diet of minimum nutritive value", demanded $M4.50 a day for field workers "with further increases for various categories of tappers" (G. Sellan, 1973:20). In 1972 the union had succeeded in obtaining a $M3.20 daily minimum rate plus incentive allowances that permitted tappers to earn close to $M4.00 per day or more when the latex is flowing during peak months out of the year. Fourteen years later they are still fifty cents short of their initial demand.
The recent upturn in the price of rubber during the last few months of research allowed rubber tappers and other estate workers to earn unprecedented incomes; most of them were earning $N7 a day and more. The spiraling costs of living and inflation, however, were rapidly eating into the workers increased salaries, so much that Malaysian Agricultural Producers Association (MAPA), hardly known for their fairness or generosity, easily agreed to pay their employees a $N30 a month cost of living allowance retroactive to November 1, 1973. It remains to be seen how long the workers will be able to continue making these "fabulous" wages and how much real improvement they will be able to secure for themselves when economic conditions stabilize.

**Early Developments: Chinese Communists vs. Tamil Unionists**

Many of the problems related to the organizational structure and operation of the NUPW stem from political difficulties encountered by the union movement in its formative years (1945-1960). The labor movement in Malaysia got under way only after World War II at the end of the Japanese occupation in August, 1945. Prior to that time incipient labor organizations were limited to Chinese common interest associations. Throughout the Japanese occupation of Malaya the Tamils suffered terrible hardships at the hands of the Japanese but the formation of an Indian Independence League and a National Army of Liberation, organized and led by their charismatic leader, S. Chandra
Bose, provided many Tamil laborers with a new sense of pride and self-determination to challenge the socio-economic tyranny of their British overlords (Gamba, 1962:16).

Following the liberation of Malaya by British forces numbers of locally born Tamils began to organize labor unions and to agitate for social and economic reforms. In general, British colonials viewed these activist Tamils as misguided loyalists and zealous hotheads who had to relearn their place in the renewed order of things. Reactionary colonialists and plantation management were determined to resist all attempts to organize "their" Indian laborers into unions which they looked upon as instruments of subversion. Youthful Indian leaders on estates formed a militant Thondar Pidai or "youth army" and initiated strikes to improve the lot of their fellow workers on all fronts. The reformist ideas of these radical groups met stiff resistance from management-colonial interests and from entrenched Hindu leaders who resented the secular nature of the reforms promulgated by young activists (Gamba, 1962:17). After a number of unsuccessful strikes in 1947 many frustrated reformers allied themselves with the well organized and skillfully led General Labor Union (GLU), a collection of various labor unions openly run by Chinese communists. The GLU "fomented strikes which, in many cases, were successful and brought about improvements in wages and conditions of work, and thus encouraged a larger membership of its organization" (Gamba, 1962:20).
Almost from its inception the labor movement in Malaya was infiltrated and dominated by the Chinese communists. Heavily armed from the struggle to liberate Malaya from the Japanese, well organized, and militantly aggressive the Chinese communists soon led their followers into a bloody uprising in 1949. This communist insurrection, commonly referred to as "the Emergency", a protracted struggle between armed government and communist forces that lasted for over ten years (see page 71) was devastating to the labor movement throughout the country. Young, talented labor leaders known to have "leftist political sentiments" were forced to go into hiding and all union activity became tainted with the extremes of communist terrorism (Gamba, 1962).

Somewhat earlier Malayan Indians had disassociated themselves from the Chinese communists by setting up a number of all-Indian estate workers unions. By 1946 fifteen of these were registered as official trade unions while seven others were affiliated with a Pan Malayan Federation of Trade Unions (Gamba, 1962:17). During the Emergency these Indian-led labor unions became the locus of all legitimate labor activities in the country. Apart from these officially recognized unions labor agitation was not tolerated. Government allowed only moderate, non-radical unionists to organize workers and to retain their positions of leadership. During that time, numbers of younger, more impatient, "radical" Tamil leaders were arrested, deported, or executed by British-Malayo government forces operating
under Emergency regulations. In almost every instance the conservative-
to-moderate leaders who were "trusted" to lead the workers in union
matters came from the English-educated, urban class of small business-
men. No leader from the rural or urban proletariat emerged to survive
as an effective spokesman or organizer of his people.

The process toward the consolidation of a conservative union
leadership, culminating in the birth of the all-encompassing NUPW,
proceeded through a critical period of amalgamation of the various
unions representing the plantation workers. With the blessings and
encouragement of colonial officials, the NUPW was set up in 1954
under the leadership of the present General Secretary, Mr. P. P.
Narayanan. Mr. Narayanan and his followers were acceptable to
government authorities because they were "militant anti-communists",
they held only "mild socialistic views", and they fostered and main-
tained "strong control over the estate workers" (Gamba, 1967:54).
Dissident groups were prevented from setting up competitive unions
and rivals for labor leadership positions were eliminated. The
conservative nature of the leadership provided by Mr. Narayanan led
to an extended period of frustration, opposition, and out-spoken
criticism among the workers. Gamba noted that with the ascent of
Mr. Narayanan to the top position of power and influence in NUPW
affairs, "the rank and file has consistently been more militant than
its leadership" (1967:54).
With the passage of time and the continued but unofficial support of government, Mr. Narayana secured his hold over every aspect of plantation unionism. His name became synonymous with the NUPW and his notoriety eclipsed that of all other union leaders in the country. His success and rapid rise to prominence led more militant unionists to refer to him as a "British agent, placed within the organization to tame the union movement sweeping the country". He is said to have "come from nowhere" and to have achieved his prominent position with helpful assists from colonial officials.

Mr. Narayanan's background remains somewhat obscure but it is certain that he came from that class of Indian small businessmen whose sons have come to monopolize leadership positions throughout the Tamil population in Malaysia. His father is believed to have been a small shop-keeper in the port city of Kluang - a self-employed entrepreneur with little capital but in a good position for generational mobility. In an interview with Horizons magazine (1970), Mr. Narayanan claims to have worked at every menial task from cleaning toilets and stitching clothes to working on rubber plantations and in tin mines. Born in India, English educated, and raised in an urban area of colonial Malaya, his affiliation with the large mass of Tamil laborers was tenuous. But his organizational skills and oratorical abilities gave him an advantage over less sophisticated spokesmen who were more closely associated with the Tamil masses. A high placed union
official remarked that, "P. P. still plays it very well" - his ability to cajole, harangue, persuade, and mollify the uneducated Tamil laborer remains unsurpassed by others.

Mr. Narayanan's leadership of the NUPW has, if nothing else, been controversial. Under his tutelage the union has persistently avoided dramatic confrontations with management and government officials and his insistence that NUPW remain "non-political" has seriously undermined the bargaining power and influence of labor unions in the country. Faced with entrenched management-government power and resistance the NUPW has, in almost every instance, backed down from a prolonged fight or even a demonstrable show of strength. In place of confrontation NUPW leadership has consistently followed a policy of "cooperation and conciliation" with management interests. While management has, in nearly every instance, remained obstinately regressive in their negotiations with labor, the NUPW has deferred to government appointed arbitration committees and a "packed" Industrial Court. Decisions from such bodies and individuals have been manifestly unfavorable to organized labor but union leaders are anxious to remain "responsible and law-abiding". Refusal to abide by the decisions of government-appointed arbitration boards is illegal. If necessary, government troops can be used to enforce contract decisions by the courts and officials of the union are subject to harassment and arrest. NUPW leaders assiduously work to avoid any
such type of confrontation. Their secret but assuredly generous
salaries, expense accounts, travel allowances, and power prerogatives
do not promote aggressive unionist activity on behalf of the lowly
laborers. As a result the bargaining power of unions has been
seriously impaired if not wholly constrained and the union movement
in Malaysia has effectively been rendered impotent.

"The Go-Slow"

1956 was a pivotal watershed year for unionism in Malaysia. The
NUPW's demands for a "fair and reasonable" wage for estate workers were
considered "exorbitant" by aloof management officials who were unaccus-
tomed to negotiating with their newly organized peons. Management
had long been contemptuous of even the idea of collective bargaining
and simply refused to negotiate with the untested union. In response,
the NUPW was forced to direct a nation-wide work slowdown of the rubber
industry over a difficult but exciting period of several weeks.

By almost any criteria the "Go-Slow" was extremely effective.
Both union and non-union workers cooperated in an unprecedented way
to meet the many reprisals imposed upon them by an intractable manage-
ment which tended to view such type of unified action as insubordina-
tion. Estate managers retaliated with threats of dismissal, banishment,
inferior work assignments, and other sorts of available punishments to
"break the back" of the union movement at its inception. On some
estates managers cut off the water supply and closed provision shops
to punish and intimidate their "rebellious" menials. Their actions seemed only to have strengthened the resolve of the workers to stick together in a defiant, successful confrontation with their heretofore unchallenged superiors.

The planters' firm resistance to collective bargaining prompted other urban-based unions to voice support of the NUPW action - a show of union solidarity previously unknown to union organizers in the country. The Tin Mine Workers Union of Malaysia declared all "moral and practical" support for the NUPW and the influential National Union of Transport Workers threatened to hold a nationwide sympathy strike if management continued to refuse to negotiate with an activist plantation workers union. Clearly, a prolonged NUPW management confrontation could have led to conditions whereby all unions in the country might have consolidated their power and support to become an important political force for reform and change in the emerging Federation of Malaysia. Unfortunately, the Go-Slow was short lived and the impetus for pan-unionism in the country was lost never to be regained.

The industry-wide slow down lasted for four weeks and cost the rubber industry an estimated $49 million in revenues. Union leaders demonstrated their ability to galvanize the workers into cooperative labor action and the rubber industry was forced to recognize the legitimacy of the union to represent their plantation workers in all
future contract negotiations. With these gains in mind the NUPW leadership called off the most remarkable demonstration of union solidarity and political clout that has ever been achieved by organized labor in the country. NUPW officials, undoubtedly under a great deal of pressure from government, are said to have been nervous about the political instability in the country caused by the Emergency and communist terrorism. They also feared that government, feeling pressure from an escalating nation-wide union movement, would take drastic action to retard further development of unionism in the country, actions which the government took in any case. Then there was the possibility that growing numbers of militant workers would "get out of hand" and they, as officials of the organization, would lose control of their membership.

With these considerations in mind NUPW leadership, dominated by Mr. P. P. Naraynan, agreed to submit their dispute to a government-appointed board of arbitration. Their willingness to cooperate with government officials must have been taken as a sign of weakness for they were granted little or nothing for their remarkable show of strength. NUPW leaders had to admonish disappointed workers to remain law-abiding and union officials pleaded with their members to wait patiently for a more advantageous time to press their demands for improved wages, and living-working conditions. In time this refrain has become the "war cry" of the NUPW leadership: be patient, wait, and
remain law-abiding and we will negotiate for you that which you have earned and deserve from the rubber industry.

The collapse of the Go-Slow action and the acquiescence of the NUPW to the regrettable settlement forced upon them by the Industrial Court robbed the union movement in Malaysia of their golden opportunity to build a strong unified, pan-union movement in the country. Mr. Naraynan not only led his union out of the Go-Slow action, he also permanently disassociated himself and his union from all organizational labor efforts of other unions in the country. The support given to the NUPW from its sister unions during the Go-Slow action has never been reciprocated by the NUPW. Evidently Mr. Naraynan and his top echelon cohorts decided that their own best interests and those of their union lie in keeping on the "good side" of the Malay ruling party. Numerous governmental decisions unfavorable to labor and Tamil workers in particular have shown this strategy to be of dubious benefit to the workers, but the NUPW leadership has remained scrupulously neutral in the separate but very important political struggle for securing pro-labor legislation. Many Tamils believe that the NUPW's persistent political neutrality amounts to quiet support for the pro-capitalist, Malay dominated ruling party and that a neutral, non-militant unionism greatly benefits NUPW leadership if not the union membership itself.

NUPW leadership bears a major responsibility for the emasculation
of the entire union movement in Malaysia. The aloof, politically neutral stance of the "largest and best organized union in the country", precluded the emergence of a strong, politically effective pan-unionism from the beginning. Having missed their golden opportunity for cooperative union action and mutual support, Government moved swiftly to limit, restrict, fragment, and control the entire union movement throughout the country.

Neutralization of the Union Movement

The threat of a politically strong, united union movement was not lost on the pro-management, pro-capitalist government which quickly moved to curtail the freedoms of unionists to organize and affiliate with one another without government supervision or interference. The strike weapon was neutralized by Emergency legislation and a politically appointed Minister of Labor was given the power to intervene in all labor disputes with management. A Registrar of Trade Unions was also granted absolute power to register or deregister trade unions. Without proper registration a union is illegal and subject to prosecution and penalties by government forces. In anticipation of the dramatic effect that a consolidated union movement could have on the nations' political and economic structures government also set out to restrict the right for small unions to amalgamate with bigger, better organized associations.

The progressive fragmentation of the union movement has continued
up to the present time; in many cases, it has been carried to extremes. During the 1970's the all-powerful Registrar of Trade Unions refused to grant permission for the National Union of Drink Manufacturing Industry Workers (NUDMIW) to amend their constitution so that they might include workers employed in the canning and bottling of milk. The Registrar held that milk was a food and therefore the workers should not be eligible to join the NUDMIW. More seriously, workers employed in the airlines and port facilities have been prohibited from uniting with the Transport Workers Union (Fifth Triennial Report, Transport Workers Union, 1973:59).

Restrictive legislation and overriding authority granted to government-appointed boards of arbitration and top labor officials have resulted in the emasculation of unionism in Malaysia. Labor cannot get a sympathetic hearing within official channels and the maneuverability of organized labor has been sharply curtailed. At this writing, any strike action is illegal without the expressed permission of the "ruling" Sultan of each state. Today, calls for a militant unionism border on treason. Outspoken critics, dissatisfied unionists, or militant union leaders can be arrested for encouraging others to "break the law". Entrenched union leaders have lost their incentive and no longer have the heart to confront the combined forces of management and government. The union movement has been rendered impotent by an avowedly pro-management, capitalist government and the
unwillingness or inability of union leaders to coordinate their efforts on behalf of their membership.

**NUFW Assets and Liabilities**

The NUFW, nevertheless, is a healthy organization with property assets worth over $M9 million. The national headquarters of the NUFW located in Petaling Jaya, Kuala Lumpur was built in 1957 at a cost of $M500,000. Initially, more than $M200,000 was collected directly from the members to fund this project; later, the entire cost of the building was paid for by donations from workers determined to build a strong centralized trade union. Similar office buildings throughout the country were built and financed in the same manner - from contributions by workers.

During the difficult years of estate fragmentation in the late 1960's the NUFW also purchased two rubber estates. The union reports that the operation of the estates is both successful and profitable, earning from $M22,000 - $M25,000 per month. The union, however, has decided against buying additional estates as "it doesn't want to get into the business of rubber production" no matter how much the purchase and operation of such land could work to the advantage of the laborers. Initially, there was a great deal of optimistic talk about instilling a new sense of pride into the Indian labor force which would "own and operate" the land on which they toiled. The NUFW plantations would also be used as a training ground for Tamil employees at all levels of
estate management. Approximately five years after purchase, however, the estates were run in exactly the same manner as the European plantations. The workers were unaffected by the change of ownership, operation, and management. There was no improvement in the homes, living standards, income, facilities, or life-chances for laborers on these NUPW estates. NUPW officials never made a serious attempt to set up or operationalize any program of self-help development that would act to educate, train, and/or liberate Tamil laborers from their traditional menial tasks on rubber estates. The workers, kept in servile, unenlightened conditions, remained as ignorant and dependent upon an autocratic management as they were when working for their former, European bosses.

In 1965 and 1966 contributions from members of the NUPW funded the construction of two student hostels in Kuala Lumpur and Kuala Krai at a cost of $M480,000 each. The Kuala Lumpur hostel, named after the General Secretary, was built near the University of Malaysia to provide lodging for university students from working class backgrounds. It seemed a small matter to union officials that there were few if any Tamil youths to occupy the spaces provided for them in the hostel. Of 120 living spaces built for workers' children in the Kuala Lumpur hostel, only four or five could be filled. For some years, the spaces had to be rented out to Malay and Chinese students who had no affiliation with the NUPW. By 1973, 43 Tamil students from the working
class were attending the University of Malaysia and living in the NUPW student hostel. This record number of Tamil students at the hostel still fell far short of the 120 spaces available. The irony is compounded by the fact that numbers of qualified Tamil students were unable to attend the university for lack of financial assistance. The NUPW has provided living spaces for the educationally advanced but has consistently failed to develop or maintain a comprehensive, self-sustaining, or renewable financial assistance program for the educational advancement of its Tamil youth. This "cart before the horse" mentality has since become characteristic of most NUPW efforts on behalf of its disadvantaged membership. Like others in developing countries they confuse the construction of large buildings and involvement with costly grandiose projects with substantive socio-economic development of the people.

Financial Assistance for Education

Union spokesmen consistently claim to have given "hundreds of thousands" in financial assistance for the education of Tamil youths. When pressed to substantiate such claims, however, it is difficult for them to do so. The NUPW began aid to education in 1962. Between 1962 and 1967 the union reportedly spent $M48,804 to assist 768 secondary school students. This money was collected at the branch level by local chairmen many of whom donated a percentage or all of their collection fees to scholarship funds. None of this money came out of
the monthly membership dues or other sources of union income and
should not therefore be counted as "union money" given to assist the
education of laborers' children. The money was donated by union
members and collected through the good offices of union representatives,
but it cost the union nothing to maintain this type of financial
assistance. The union in its unending, self-congratulatory propaganda,
nevertheless, has taken full credit for this type of educational
assistance.

During this same time, NUPW national headquarters reported that
it spent $M52,905 or approximately $M10,000 per year to aid 237
secondary school students. They also gave scholarships and grants
to 28 university students, averaging about $M2,000 per student per
year between 1963 and 1967. This amounted to a total of $M103,953
in educational assistance distributed over a five year period - a mere
2 percent of the union's annual income from membership fees (Gordon,

In 1968 alone union records then claim to have nearly doubled
this amount by giving $M98,675 among 19 students for their educational
support. Since this time, however, the NUPW has ceased awarding
financial grants in favor of providing student loans which must be
paid back at 3 percent interest after graduation. National head-
quartes has also stopped giving loans and scholarships to secondary
school students, shifting the whole burden of financial assistance
onto individual efforts made by local branches. In response to outspoken criticism by university students pursuing degrees in liberal arts and humanities, the NUPW also ended all funding for students studying within these fields. Despite these eliminations, the union was still unable to meet all the requests from the remaining qualified students who were unable to attend the university without institutional funding. The union is completely unwilling to spend another penny of its own income in the critical area of financial assistance for the education of working class youths. Given the importance of education in the socio-economic advancement of the Tamil people, educational assistance programs by the NUPW have been inconsistent, miserly, and extremely short-sighted.

"Monument Builders"

Faced with widespread dissatisfaction among the laborers and criticism from every sector of Indian society in Malaysia, NUPW leaders have resorted to adding to their concrete structures by creating large scale projects designed to provide alternatives to rubber estate employment for growing numbers of Tamil youth in rural areas. Two projects that NUPW officials are presently working on include the establishment of an Indian textile industry in Malaysia and the construction of a huge multi-million dollar Agro-Industrial Training Complex (A.I.T.C.). To meet the great costs of these ambitious undertakings the union, with the blessings of Government, has formed
separate companies to raise capital for joint ventures with textile merchants from India and locally organized, developmental agencies. The AITC project is a cooperative effort of the Negri Sembilan Development Corporation (NSDC), the Luther Institute of Vocational Education (LIVE), and the NUPW. The union has attempted to sell shares to workers interested in supporting these projects but the general response has been poor. Union officials seem to be alone in their enthusiasm for these new ventures while a skeptical public has adopted a pragmatic "wait and see" posture. The blind faith and enthusiastic support by union members, once the principal force behind the strength and organizational success of the union, has dissipated. The union appears to have exhausted the faith and good will of its diminished membership as many other "grand schemes" of the NUPW have failed to meet the exaggerated expectations of the union leaders. The projects themselves underscore the widening gulf between modern, business-oriented leaders of the union and its largely rural, uneducated membership.

Widespread pessimism among the workers seems to be well founded both in past disappointments in NUPW projects meant to improve the lot of Tamil laborers and in the real possibilities of dramatic improvements in the vocational training of Tamil youths envisioned for the AITC. According to NUPW officials who are working full-time on the plan, the Malaysian government will demand that at least forty
percent of all vocational training places be reserved for Malays.

Then, after ten years of development, it is estimated that only some
250 students will be able to be accommodated at the training center.

With the investment of millions of dollars and ten years of planning
and development no more than a handful of Tamil youths will be able
to benefit from such a scheme.

The cooperative venture with Indian textile merchants appears to be
more promising as 2,500 jobs are expected for rural youths in about
three years time. Again, nearly half of all these jobs will be reserved
for Malays while Chinese participation could further limit the benefits
of this project for the hard-pressed Tamil population. The recruitment
and training of the first group of Indian youths for the Textile indus-
try has also exposed the problem of reserving job opportunities for the
rural unemployed. High school dropouts in the urban areas whose parents
are union appointed officials or relatives of union "higher-ups" have
been sent to India with NUFW funds to learn the technical and supervi-
sory skills necessary to run the textile operations in Malaysia. The
two unemployed sons of the NUFW vice-president are the most notable
examples of those who have been allowed to take advantage of this pro-
gram designed presumably to benefit unemployed rural youths. The
visibility of highly placed urban youths in these programs subverts the
official purpose of such projects and contributes to widespread disillus-
sionment with the results of NUFW efforts on behalf of the workers.
The Malaysian Indian Congress Party (MIC)

The MIC has the distinction of being the oldest political party in the country but it has also long been the weakest and most ineffective member of the tripartite Alliance government that has ruled Malaysia since its independence in 1957. Organized in August, 1946 by urban, non-Tamil Indian businessmen to represent Indian interests in the exploratory discussions of a constitution for the proposed Federated States of Malaya, the MIC played an active and somewhat successful advocacy role in advancing citizenship rights for all Indians (Arasaratnam, 1970:chapter LV). Early leaders of the MIC, all non-Tamils, were described as reformist, radical democrats who were active in the war-time Indian Independence League. They vigorously resisted the idea of "communal politics" grounded in the racial composition of the country and promoted a system of proportional representation with a specified number of reserved seats for minority members elected from their respective constituencies. The communist rebellion in 1948 forced many of these idealistic, "leftist" elements to withdraw from the MIC under suspicion of being sympathetic to communist aims and the MIC itself voluntarily suspended its political activities for a time.

In 1951 the MIC made one last attempt to bring about non-communal based politics and joined with the once popular Dato Onn bin Jaafar in a multi-racial party, the Independence of Malaya Party (IMP).
Decisively rejected in the municipal elections of 1952–1954 by the Malay majority which controlled the outcome of the election at the time, a reconstituted, "Tamilized" MIC joined the victorious Alliance party.

The MIC has never enjoyed widespread support among the masses of Tamil laborers. Their political interests were largely ignored by elitist party leaders and there was little effort to extend party membership to laborers prior to 1954. After 1954, however, the first Tamil president of the MIC was selected and an effort to "Tamilize" the party got under way. The Tamil business community selected one of their own to lead the party, a Tamil-Hindu son of a businessman and rubber estate owner. In a short time he was able to consolidate his power and make the fortune of the MIC conform with that of his own. He was the undisputed leader of the party for nearly seventeen years until he was forced to give way to his "ambitious" vice-president in 1973. His reluctance to give up the party leadership provoked a schism within the MIC that would take some time to heal.

The drive to enlist grassroots support for the MIC was encumbered by Tamil political factionalism throughout the country. Many Tamil schoolteachers and small businessmen, excluded from leadership positions in the NUPW, seized upon the new opportunity for MIC patronage and leverage. Members of opposing factions were not permitted to join the MIC in any large number and the situation worsened when
members of the NUPW began boycotting MIC activities. The political competition between the local interests of the MIC and NUPW clashed almost from the beginning. Widespread support for the MIC was also hindered by the Tamil laborers' distrust of the elitist nature of MIC politics and the inability of MIC leaders to stand for election in districts not approved by the Alliance directorate. Politically active Indians from the laboring classes were also attracted to and supportive of more democratically oriented, socialist-labor opposition parties many of which were led by Indians who were successful in winning electoral posts in the Parliament. Enlistment of enthusiastic support for the MIC, consequently, has never been much of a success.

The National Land Finance Cooperative Society (NFLCS)

Membership and enthusiasm for the MIC improved somewhat when the NFLCS was launched to relieve the plight of displaced laborers left homeless and unemployed by the sub-division and sale of large numbers of rubber estates. The partition and sale of large rubber estates that began in the latter part of the 1950's reached crisis proportions in the 1960's leaving tens-of-thousands of Tamil laborers and their families with no place to turn. Many were union members but NUPW leadership was unable to do much more than petition the government for legislation prohibiting the sub-division of estates into small landholdings. The MIC president, Tun Sambathan, seized the initiative and with the financial and political backing of the Alliance government,
created the NLFCS in 1964. Laborers joined the society by purchasing a $M100 share with monthly installments of $M10 if necessary and at least one member of each family residing on any cooperative estate had to join by purchasing at least one share.

The NLFCS enjoyed a good deal of success in the early years of its development. In the first year the NLFCS enrolled 15,000 members and raised over one million dollars in Malay currency to purchase its first rubber estate. Ten years later the society had 60,104 members who had contributed $M14.3 million in subscriptions. They owned and operated no less than twenty estates covering 30,935 acres of land with fixed assets worth more than $M38.7 million. The early success and widespread enthusiasm for the NLFCS led the General Secretary of the NUFW to denounce the society as being the "political baby" of the MIC. He urged his members to abstain from joining the cooperative by buying shares and to boycott MIC functions. There is little doubt that the MIC president used the NLFCS to greatly improve his image and to broaden his political base with the laborers; for some few years he became the political hero of the Tamils in Malaysia. The NUFW General Secretary, once the sole spokesman for estate laborers in the country, evidently resented this incursion into his sphere of influence and power. The battle between the Tamils' two national organizations raged for some years on and around the estates with local factions taking sides to suit their own parochial goals of local
influence and prestige. The two national leaders of the Tamils could not resist engaging the Tamil's propensity for factional feuds and blind adherence to personality cults (see Hardgraves, 1970). Both of their organizations suffered accordingly in membership, subscriptions, support, and talent. The needless rivalry between these two men and their respective national organizations is a prime example of the difficulty the Tamil people appear to have in cooperating with one another for the mutual benefit of all.

The ideals and excitement associated with the development and success of the NLPCS presented the Indians once again with another good opportunity for social and economic emancipation of the laborers. The society claimed that the attitude of the workers had improved, productivity increased, and that the prosperity of the working man was assured on their estates. The workers had a new sense of belonging to the country and a secure feeling of property ownership, a highly valued stake in Malaysian society.

Unfortunately, the initial euphoria generated during the early years of the cooperatives' success had waned and all but disappeared by 1973. Many estates appeared to be mismanaged by inept, autocratic appointees, living conditions on most estates had badly deteriorated, while sections of rubber plantations needed replanting, laborers were idle, some were "let go" for being "redundant", the workers were politicized - divided into supporters of the former president and his
successor in the MIC - and the society had lost money for two years in a row. Knowledgeable persons attributed the overwhelming problems gripping the society to top-heavy management practices by urban business elites who sit on the board of directors and to problems created by individual estate managers who were "fleecing" the society. The final crushing blow came when a European management firm was asked to take over and standardize estate operations, an admission of failure on the part of Tamil "leaders", tantamount to asking the European managers to come back in and revert to their heavy-handed practices to insure efficient economizing and high profits. The laborers were neglected, demoralized, and disaffected by their worsening conditions and the society in general was in disarray. The potential opportunities for uplifting the spirit and living standards of the Tamil worker were being squandered and lost by inept management, persistent factionalism, ignorance, and greed. It remains to be seen if the hopes and the promise of liberating the Tamil worker through the NLPCS can be salvaged and finally realized.
Chapter IV

AVAILABLE MEANS FOR SOCIO-ECONOMIC DEVELOPMENT
Education

It is axiomatic that increased opportunity for higher education enhances the upward mobility of the underprivileged in most any country. The educational "rank path" has long-term or generational effects that recommend it for both individuals and groups seeking socio-economic improvements, but formal education much beyond the primary levels remains out of reach for most poor people in developing countries. The long-term commitment and costly requirements all along the road to advanced educational levels are compounded by lack of space and facilities in secondary and post-secondary institutions. In most instances these factors alone permit only a few academically gifted children from the lower ranks of society to attain advanced degrees. In Malaysia, as elsewhere, higher education is both a privilege and a luxury. The Murad report of 1973 noted that 91 percent of children fifteen years and older who were enrolled in secondary schools had "well-to-do" parents; only 13 percent of children with poor parents were at comparable educational levels.

The Malaysian educational system is patterned after that of the British. After six years of primary school and three years of secondary school, students take national examinations which they must pass in order to continue. Those who pass are issued a Lower Certificate of Education (LCE). After two additional years of
schooling (Forms IV and V), students take an examination to earn a Middle Certificate of Education (MCE); a passing grade allows the students to take the last year of secondary school training (Form VI). A passing grade is required after this final year for university entrance, and a degree, the High School Certificate (HCE), is awarded.

Tamil primary schools are found throughout Malaysia. Most of them are located in and around rubber plantations where Tamil laborers were brought to work. The labor code of 1912 required reluctant estate managers to create and maintain Tamil primary schools on or nearby plantations with Tamil workers. Most companies also recommend the construction and maintenance of Hindu temples for the express purpose of encouraging a more stable labor supply. (Tamils themselves admonish one another not to settle in foreign places lacking Hindu temples.) As a result, Hindu temples and Tamil primary schools are scattered throughout all plantation areas in the country. Many are in ruins, but they continue to remind the traveler of the significance of Tamil labor to Malaysia's all-important rubber industry.

The organization of Tamil primary schools under the supervision of estate managers produced impoverished educational facilities and poorly trained teachers - colonial conditions from which the school system has yet to recover. In 1972, 88 percent of all Tamil schools were still located in and around rural plantations. They have been described as the "smallest and poorest" of rural schools: poorly
equipped, overcrowded, understaffed, multiple-classrooms that were poorly attended by malnourished, uninterested students.

Untrained Tamil school teachers once completed the long list of problems associated with Tamil "rural education". Prior to 1938 no formal training was required to teach in Tamil primary schools; most anyone could be appointed as a teacher in the run-down classrooms. After 1938, however, the colonial government assumed responsibility for "plantation schools" and required Tamil school teachers to complete a minimum of three years of secondary school. An additional three-year period of "normal training" in the classroom also became mandatory, and the salaries of Tamil school teachers were raised to match those of Malay and English school teachers. These measures helped to encourage academically talented youths to become teachers, and the process of replacing the older, mostly unqualified Tamil school teachers began.

The devastating Japanese occupation of Malaya between 1941 and 1945 interrupted this program, but even after this period progress was slow. In 1937 less than 25 percent of some 800 Tamil vernacular teachers held training certificates; by 1962, 25 years later, 50 percent of the 2,774 Tamil school teachers were still without the proper training (Ponniah, 1968:3). The disruptive effects of the subdivision and sale of rubber plantations in the 1960's, which caused more than 30,000 Tamil laborers to lose their jobs and homes on
estates, finally helped to rectify this situation. Between 1962 and 1969, 90 Tamil primary schools were closed, but total enrollment increased by 14,227, to 81,092 students. Only 17 percent of the teachers were untrained, and the number of trained Tamil school teachers doubled, from 1,391 in 1962 to 2,781 in 1969 (Ponniah, 1972:64).

Most Tamil school teachers today are native born, and a large percentage have estate backgrounds. The quality of primary school instruction in the Tamil language has greatly improved from colonial times, and the teachers have become an important – though somewhat conservative – force in the developmental chances of Tamil youth. Nevertheless, large numbers of better educated Tamil children are still caught in a bottleneck, because secondary schools in the Tamil vernacular have never been allowed to exist in Malaysia. Tamil primary school children must switch to English- or Malay-medium secondary schools and compete with children already conversant in one of these two languages. A full year of training in an alternate language, referred to as "Remove Class", is supposed to assist youths from Tamil primary schools, but the survival rate is not impressive: 57 percent of all Tamil school children drop out of school before reaching the Remove Class level, and of those who are able to continue only about 16 percent survive the first three years of secondary school (Form III, or the LCE level) (Murad Report,
Nearly all Tamil students (and many Chinese as well) who were able to attend secondary schools worked in the English language, formerly the language of business, government, and the educated elites. After 1973, however, the government abruptly eliminated English-medium schools and required all students to pass examinations in Bahasa Malaysia for all degree levels. The sudden imposition of this new requirement - rather than a gradual, year-by-year phasing in - prohibited most Indian and Chinese students from continuing their education in the public sector. The Malays, who consistently did less well than Indian and Chinese students in English competition, suddenly enjoyed a distinct advantage. Instruction via the English language at the university level is also being phased out, with much procrastination and some difficulty, but Malay government officials are determined to make Malay the functional language of a revitalized, Islamic Malay national culture.

Chinese and Indian populations view the elimination of English medium schools as a gross mistake, another form of Malay arrogance, and demonstration of the ultimate unwillingness of Malays to compete on a fair basis with non-Malays. Non-Malays argue that the Malay language is not an appropriate alternative to the extremely useful international language of English and they resent the implication that Malay is somehow more important than their own ancient linguistic
traditions. They conclude that Malay should not be ascendent over their respective languages and that English should continue to be a proper alternative by which all three races can communicate with each other and with others in the world. The exclusive use of the Malay in certain sectors of Malaysian society, as in government administra-
tion, is far more acceptable to the non-Malays than the blanket prohibition of English medium schools altogether.

The language "issue" has long been an extremely sensitive subject for all three races. The Malaysian Constitution states that Malay is the national language of the country and that Malay must be used in all "official councils" ten years after independence (1957) or, "there-
after until Parliament otherwise provides" (von Vorys, 1975:136).
The Malay government waited until 1974 to "abruptly" terminate English medium schools and the use of English in all national examinations. Chinese and Indian students who were using the English stream of study toward higher education were taken completely by surprise by the sudden requirement of taking all tests in Bahasa Malaysia. Most of them were unable to pass advanced examinations in Malay and found themselves effectively blocked from continued studies in the country. The abrupt change affected all groups within the country but the full force of the ruling fell hardest on the Indian population as they remain wholly dependent upon the public school sector for educational advancement. The economically independent Chinese were relatively
unaffected as most of them are able to send their children to "private" primary and secondary schools that are conducted in the Chinese language(s).

The preservation and continued use of the Tamil language is as important and as dear to the Tamils as the Malay language is to the Malay people in Malaysia. It is little exaggeration to state, in fact, that the Tamils have a "love affair" with their very ancient and beautiful language. The poorest laborer on the remotest rubber estate has an appreciation for the proper and poetic use of his mother tongue. Huge crowds turn out to hear visiting poets, well-known writers, political celebrities, and lecturers from south India, men who are able to speak at some length using the Tamil language in a novel and aesthetically pleasing manner. A Tamil audience listens attentively and with considerable appreciation to a speaker who has mastered the art of public address in Tamil. Tamil leaders are praised and admired for their ability to use both the spoken and written forms of Tamil while Tamil politicians, who can speak for hours "without repeating themselves", are famous for their excessive oratory. The satisfaction and pride the Tamils derive from their ancient linguistic traditions, reaching back for thousands of years to the earliest civilizations in the Indus Valley, reveals the depth of affection and commitment the Tamils reserve for their mother tongue. The Tamils, therefore, cannot lightly dismiss, surrender, or even modify their
linguistic affiliations without experiencing a sense of loss, a feeling that they have seriously compromised their highly valued cultural heritage. Any suggestion that the Tamils should subordinate the use of their language to improve the chances of educational advancement for their young people is dismissed outright as an unacceptable, needless, and even dangerous sacrifice for very uncertain rewards in the future.

Unfortunately, there is little or no economic potential for Tamil in Malaysia and the Tamils, a minority group representing only about ten percent of the population, need to subordinate their traditional use of their native tongue to the dominant language(s) of their adopted home. Immigrants to most other countries are expected to do the same if they choose to remain and become part of the citizenry. The subordination of immigrant language(s) in a new land is often a crucial step in the acculturation-absorption process that accompanies immigration and settlement. This does not mean that Tamil speakers should not teach their children their mother tongue or that Tamil should not be taught in schools as an elective for any who wish to learn. Now should it mean that all course instruction in Tamil should be terminated. The opportunities to study and learn Tamil in schools where Tamil children are in attendance should be safe-guarded but Tamil vernacular schools should be greatly modified to meet the cold realities of educational mobility
in an adopted country. Bilingual education in a multi-cultural, plural society is an obvious solution. It is a compromise that could greatly benefit and enrich all members of a composite social order.

It is interesting and somewhat disturbing to note that the Malay Government, at the behest of the Tamil political leadership in the country, has agreed to continue financing Tamil primary schools while disallowing English medium schools altogether. Their motives for doing so are questionable as government leaders and Indian politicians are aware that Tamil primary schools have long been a serious handicap for the academic advancement of Tamil youth in the country. The Tamil population is grateful, no doubt, for this government largesse but the socio-economic effects of this decision can only contribute to the continued academic deprivation of Malaysian Tamils. It is politically expedient and a popular move for the time being but the long term interests of Malaysian Tamils dictate that a modified, bilingual primary school curriculum replace the unfortunate, long neglected Tamil primary school system.

The "Educational Rank Path"

Although educational opportunities are severely limited to most Tamil youth in Malaysia, educational attainment to almost any grade beyond the mandatory sixth level once made a considerable difference to the social and economic positioning of a Tamil youth and his future family. Nearly 73 percent of all Tamil youth drop out of
school at or before the seventh grade level. Most of them are unable to pass examinations to permit them to go on; others have neither the funds or the family support to continue their education. More than half of the 27 percent who do manage to go on fail to complete the MCE (fifth year) level of secondary education. Only about 16 percent of the Tamil student population are able to earn a MCE certificate. Previously, a LCE (third year) level of education was sufficient for educational mobility into white collar work but today an MCE certificate is essential for gaining the prestigious clerical jobs in nearby towns and urban areas.

The 16 percent of Tamil youth with a MCE (fifth year) certificate may be considered an educated, "clerical-elite" among the working class Tamils of Malaysia. Advanced secondary school certificates qualify young Tamils for prestigious "white collar jobs" (administrative clerks and assistants) in town and urban centers but success in finding employment in these areas is no longer guaranteed. Formidable competition from urbanized Chinese and Indian youths as well as a four-to-one employment quota for Malays, unevenly imposed upon the business community by the Government since 1969, leaves many young, educated Tamils overqualified and unemployable. Once a Tamil youth obtains an advanced secondary school degree (MCE or better) he cannot easily revert back to the traditional menial labor tasks of his parents and siblings without severe loss of status. Unemployed, educated youths
typically refuse any sort of job associated with manual labor and, with the approval and support of their parents, they become a financial liability to their already impoverished families. Little pressure is applied to find some alternative employment and Tamil parents take up the unending refrain that there is no work for their (educated) son. Lacking appropriate employment, educated youths join their less educated peers in long hours of idle talk, sports-play activities, and expensive amusements. They also form a ripe cadre for political radicalism, gang warfare, and socially disruptive, petty-criminal behavior.

The traditional social and economic rewards of advanced secondary education and white collar employment continue, nevertheless, to make the educational rank path attractive to academically talented sons of plantation laborers. In most cases it offers them the only opportunity to break out of the endless cycle of labor-poverty endured by their forefathers for generations. White collar employees do not necessarily earn more money than their brothers in the rural areas and they are often unable to relieve the burdensome indebtedness of their parents. Administrative employment in town and urban areas, nevertheless, places them in a desirably strategic position for generational mobility. If educated migrants from the rural areas are unable to substantially improve upon their own socio-economic position the opportunities for their children to do so are enhanced considerably.
Any prolonged urban experience in white-collar employment invariably changes the life style, awareness, opportunities, expectations, and social development of a Tamil youth and his family.

Upwardly mobile Tamils in Malaysia (basically, home owners from working class backgrounds) all had long term, town-urban contacts and employment. In many cases town-urban employment permitted a few Tamil laborers to acquire a piece of land from subdivided rubber estates and to build a house in which to raise a family. Typically, the children of these home owners were then educated in English medium schools to increase their chances for continued advancement. An advanced secondary school degree, nevertheless, was the critical factor that permitted rural-bound, plantation youths to migrate into the urban centers for employment. Young Tamil migrants lacking the necessary secondary school education found it most difficult to sustain themselves for any extended period of time in urban areas. Jobs are scarce and low paying, housing accommodations are costly and difficult to find, and the isolation from their customary group support all combine to make urban living nearly intolerable for young Tamil migrants.

Tamil School Teachers

The teaching profession among the relatively homogeneous Tamil working class population has become the favorite, alternative means of upward mobility for the literate sons of Tamil laborers. Very
few Tamil girls are educated beyond the secondary school levels. Tamil parents with severely limited resources prefer to reserve educational opportunities for their sons and it is rare for Tamil women to enter the male dominated teaching profession. Students with the minimal qualification of a LCE (third year) degree can begin an additional three years of "normal training" - conducted mostly in the classroom - and join the prestigious ranks of Tamil school teachers. The teaching profession as an avenue of upward mobility is especially important for students who are unable to continue much beyond the LCE level of education. Today, large numbers of Tamil youths with LCE degrees are working alongside their less educated parents and siblings on rubber and oil palm estates.

Traditionally, the teacher or vadiyar is given a great deal of respect and held in high esteem in Tamil culture. The importance attributed to the teacher is expressed in the Tamil proverb which simply lists in order of importance those to whom respect and deference is due: ama, appa, devan, vadiyar - after mother, father, and god, respect and esteem is due to the teacher.

Over the years Tamil schoolteachers have enjoyed improved standards of living and a social status commensurate with their traditional respect while at the same time they have developed into a professional middle class in both rural and urban areas of
the country. In 1972 Tamil schoolteachers were earning two to three times the salaries of ordinary union worker laborers and they were often given spacious homes of convenience, comfort, and prestige by estate managers in exchange, perhaps, for their cooperation in handling the problems of workers and those of their children. After 1956 many Tamil schoolteachers also assumed activist-leadership roles in MIC politics, standing for election to posts within the party. Today, large numbers of MIC leaders at the local levels are Tamil schoolteachers. As political operatives and leaders they have long-term intimate contacts with their "constituents" and they maintain and have access to wider contacts outside their communities. Most schoolteachers are bilingual, many are familiar with or are fluent in three or more languages, and they are tightly organized in a rather conservative, national union, the Tamil Teachers Union. A large number also belong to the national Malaysian Teachers Association.

The superior social and economic position of Tamil schoolteachers is obvious and widely recognized by the Tamil laborers. Researchers interested in Tamil culture in Malaysia are invariably referred to the local Tamil schoolteacher or headmaster for "accurate" detailing. Tamil schoolteachers are found at the forefront as organizers and leaders of most Tamil cultural, social, and literary events and they are a valuable repository of information and knowledge of local,
state, and national issues, personalities, and events concerning Tamils in both Malaysia and south India. Through these activities and their coveted leadership-emissary roles in society they have become important "cultural brokers" for Malaysian Tamils.

As leaders, educators, and spokespersons of the Tamil people in Malaysia, Tamil schoolteachers have unwittingly accepted a major responsibility for the future socio-economic development of their people in the country. At the same time, they are also confronted with a serious conflict of interest. Tamil schoolteachers are aware that there is no economic potential in the study or mastery of the Tamil language for the masses of laborers in Malaysia. The best interest of the Tamils dictates that Tamil primary schools be greatly modified to include classes and study in the Malay vernacular - the language in which all testing for advancement to higher education is now required. Tamil schoolteachers, nevertheless, are concerned that all Tamil children receive instruction in the Tamil language in order to preserve their linguistic traditions and cultural heritage. While espousing the merits of having workers' children attend the disadvantaged Tamil primary schools, however, the children of all the Tamil schoolteachers interviewed were being sent to English medium schools. The Tamil schoolteachers argued that their children received instruction in Tamil at home so that attending English medium schools in no way deprived their
children of this necessary aspect of their education. Unspoken was the fact that their children were positioned for upward mobility in the truest sense: they had social and economic opportuntiy to rise to the top of Malaysian society through the mastery of the prestigious and extremely useful English language. In a sense, their children had the opportunity to advance at the expense of the working man's children who were admonished to attend impoverished schools which pay the comfortable salaries of the esteemed teachers. In essence, Tamil schoolteachers are faced with the ironic predicament of serving the best interest of the community by undoing the social and economic fabric that provides them with their place of privilege and superior means of livelihood.

Understandably, Tamil schoolteachers are reluctant and many are militantly opposed to tampering with the Tamil primary school system. The Tamil Teachers Union is conservatively against such action and they have long been an effective and outspoken adversary to curriculum reform. Previously, outspoken, reform minded teachers were forced out of the union and leading Tamil scholars and educators at the university level were deemed "traitors" for advocating "drastic changes" in Tamil primary school education. More recently, however, there appears to be an emerging consensus that Malay medium schools with required Tamil studies in language and culture for Indian children would be an acceptable if not an entirely appropriate
alternative for many. This solution answers, in part, legitimate concerns for preserving the Tamil language and culture while it simultaneously meets the incumbent realities of educational advancement for Tamil youths in Malaysia.

University Education

The years 1972-1973 witnessed the appearance of the first group of estate youths to reach the impressive heights of university education. During my stay in Malaysia there were forty-three male students all from working class estate backgrounds at the University of Malaysia. All of them reached the university level by completing six years of English secondary school and by passing national examinations in English to qualify for university entrance. Each was subsidized in one way or another with scholarships, grants, and loans of various kinds. Indian professors at the university stated that there were other Tamil youths eligible to attend but the shortage of education funds to sustain them throughout their academic career prevented them from enrolling at the university. Numbers of other Tamil youths had completed six years of English secondary school but failed to pass the national examinations. Young people from the urban middle classes who are in this situation are commonly sent to India by their parents for university education. Plantation youths have no alternative but to seek employment elsewhere or join the growing numbers of the educated unemployed.
The existence of estate youths at the university level lends weight to the argument that there are, indeed, socio-economic opportunities for advancement available to all in Malaysia. The students' high status and advanced degrees, however, do not guarantee them important, well paying jobs or, for that matter, membership in the MIC. Party officials and incumbent union leaders fear the untested, reformist tendencies of student "idealists". The students themselves nevertheless were all well mannered and polite. Most of them were primarily interested in the economic and social rewards of a university education; a few of them entertained national political ambitions but there were no "fire-brand", radical reformists among them.
The Acquisition of Land for Farming

Obtaining a high level of education sets people on the surest path toward socio-economic development, but this route is limited to young, academically ambitious members of society. Adults and school dropouts must pursue economic improvement over longer, less certain pathways. Opportunities are in short supply, as already noted, but some few Tamil families, perhaps a thousand or more, have been able to acquire land not covered by the national ban prohibiting non-Malays from owning agricultural property.

As far back as 1913, the British colonial government began setting aside large tracts of agricultural land as Malay Reserve Land. By 1930 Malay Reserve Land covered about three fourths of the total land mass of Malaya (Sandhu, 1969:273). Since there were also the extensive areas already allotted to rubber plantations (nearly two million acres), little or no suitable land was left for non-Malay agriculturalists. This land policy has effectively blocked Indians from independent farming. Sandhu estimated that in 1965 no more than 20,000 Indian farmers could be found in the country, as compared to 600,000 Malay and 150,000 Chinese farmers (1969:273). It seems anachronistic that in a country long unable to produce enough rice to feed its people there has been a long-standing government policy prohibiting non-Malays from agricultural production.
There have been two cracks in this wall of exclusion. The first, ironically, is associated with the breaking-up of rubber plantations and the sale of small plots to individuals. The "plague" of rubber estate fragmentation, which deprived so many Tamils of their livelihood and homes, also gave a few of them the opportunity to become small land owners. This situation occurred because of a technicality: rubber plantations were never classified as "agricultural land" in the first place, and so the Malay Land Reserve Acts didn't apply to the plantations. In the low-rubber-price decade of the 1960's, European owners began to sell their holdings, and this land became available to non-Malays for the first time since colonial times. Most of the land was quickly snapped up by enterprising Chinese capitalists, but some parcels of land were acquired by Tamil laborers.

The second opportunity for land acquisition by non-Malays was provided by the government-sponsored, massively financed Federal Land Development Authority (FLDA). Created in 1962, this government agency has opened up tens of thousands of new acres of rubber and oil palm. By March, 1971, FLDA had developed one hundred "schemes"* (60 rubber and 40 oil palm) covering 256,859 acres. On these schemes 21,182 families were settled, of which only 653 families were Indians (3.08 percent), while 19,804 families (93.49 percent) were Malays.

*The British term for development projects or programs.
(M. Rizwan, 1972:33). The overwhelming participation of Malays and the poor representation of Indians and Chinese on the schemes is, in part, a direct result of the government Bumiputra policy of "Malays first".

Participation by the Indians on FLDA development projects is greater in West Malaysia than on those schemes being built in East Malaysia. The Malay government has noted the fact that Indians of all ages refuse to migrate and settle in the underdeveloped, relatively primitive sections of the country. Malay officials suggest that Tamil lack of interest in pioneering new agricultural land in remote areas reflects the Indians' absence of allegiance to the country. But this is not the case. There are simply no incentives to undertake a course of protracted isolation and personal deprivation for an uncertain and insecure future.

Fortunately, the numbers of Indians who have been able to gain access to the projects in West Malaysia present us with a good example of Tamil laborers pursuing newly available opportunities for advancement. Families on these projects had come directly from the plantation communities from which most of my data was collected. All the Indian settlers had close relatives and friends still living and working on nearby rubber estates, while many found it an economic necessity to keep at least one adult family member working on an estate.
The healthy response to these opportunities for advancement and the developmental experiences of Tamil families on these projects provided very useful data in ascertaining the many problems and potentialities faced by underprivileged groups in developing nations. It is important to note that the relative success of these Tamils demonstrates their willingness to invest considerable time, money and energy to secure the capital goods (land and homes) helpful in generating future possibilities in socio-economic advancement.

**Federal Land Development Projects**

The FLDA effort is an almost ideal program, in concept, on the part of government agencies to assist the people in economic development and independence. The projects were created for the express purposes of getting productive land into the hands of landless agricultural workers; to promote socio-economic opportunities for its citizenry and thereby improve living standards throughout the country; and, by giving more people a valuable stake in society, to boost nationalism. The motivation and conceptualization of these programs are generally commendable and worthwhile, but the reality in practice falls a good way short of the ideal. The multitudinous problems inherent in designing and implementing these ventures highlight the types of bureaucratic, socio-political snafus characteristic of most developmental efforts around the globe.

There were two FLDA projects conveniently available to my home
base near Seremban, Negri Sembilan. Project A had 64 Indian families, 59 Chinese families, and 316 Malay families. Project B had 56 Indian families, 70 Chinese families, and 294 Malay families. Each family was allotted a small, standard house, of 250 square feet, and ten acres of land: one-half acre for the house, seven-and-a-half acres for rubber or oil palm, two for a produce garden.

The land was designated as "free" to the settlers, but adult males were required to give up their jobs on rubber estates and to work full-time on the projects at a substandard wage. Workers had to help clear the land, plant the trees, and maintain them for two to five years. For this they were paid $M70 a month - $M30 to $M50 a month less than their rubber estate wage. Their monthly earnings from the government, moreover, were treated not as earned income but as a loan from the government that had to be repaid in full - the first of a bundle of charges assessed the settlers for the development of the entire project(s). In addition to the initial government "loan", settlers were charged for their 250-square-foot house, for the rental cost of bulldozers to clear the jungle forests, for the value of the rubber plants and fertilizers, the cost of building and maintaining access roads, and the costs for any subsequent improvements such as providing water mains and electricity for the communities.

The accumulated indebtedness is to be repaid by profits that the settlers derive from the agricultural products (latex, oil palm)
they produce. But the settlers are required to sell all their products to the government at a below-market, fixed-value price! The government exacts repayment by taking 50 percent of all earnings above the first $M70 earned each month. Ideally, the total expected repayment per month came to between $M120 and $M200 per household—a sum approaching the entire salary of two working adults on a rubber plantation. The accumulated indebtedness and steep repayment requirements suggest that the government has become, in effect, a landlord agency with plans to capitalize on its investment. It has been willing to provide the capita. (much of it borrowed from international capitalist development agencies) and organizational expertise to develop the new land, but unwilling to assume any of the long-term costs required for these projects to reach fruition.

Indian settlers guessed that they owed the government $M14,500 to $M25,000, but none of them was sure of the total debt because government officials kept the records and only infrequently gave the settlers receipts for monies paid. Furthermore, receipts were given three to four months after payments were made, and some of the settlers told me that they expected to be given receipts only once a year! In no case was the balance or total owed shown on any of the receipts.

Malay administrators, trained at government-sponsored, Malay-only schools at government expense, were reported to be aloof and arrogant.
Complaints or questions by the settlers on most matters were treated as a form of insubordination by the Malay staff and curtly dismissed. Settlers have learned to avoid upsetting the Malay staff for fear of "getting into trouble" and being forced off the project. Indian informants reported that all three races are being treated in pretty much the same way by the Malay administrators.

The administration of these projects appears to be hopelessly corrupt as the government apparently makes no serious effort to keep their local administrators honest or efficient. The Malay managerial staff receive their $M400 per month salary from the government and "don't care about the place at all". Reportedly, they are also stealing ample sums from both the settlers and the government through independent bookkeeping and "mandatory" deductions from the accounts of the settlers. Settlers told me that administrators unilaterally deduct monies for latex that is "stolen" or missing from the projects at the end of each month and that a mandatory savings scheme was instituted in which only half of the sums collected is deposited in the name of the settlers. The other half disappears into the pockets of the FLDA administrators.

Settlers are mostly silent about these practices because they have learned to operate quietly within the "system" to their own advantage. The government requires all settlers to sell all of their latex to government collectors at one-half the price for latex on the
open market. Government has also refused to pass on or to share any price increases for latex with the primary producers. These restrictive repayment policies, that many would argue are truly "exploitative", keep the fixed wholesale price for latex on development schemes far below market values. In response, settlers sell only a portion of their latex to government collectors. The remainder, said to be from one-half to two-thirds of their harvest, they sell to the ubiquitous Chinese dealers in surrounding towns. The Chinese pay up to three times the price permitted settlers on the development projects, an attractive incentive to debt-ridden settlers locked into a punitive repayment procedure by government fiat. FLDA officials "look the other way" - an interesting quid pro quo, one suspects, for silence by the settlers about the irregular, clearly illegal practices by Malay officials themselves. Local police officials also demand their share by exacting small sums of money universally referred to as "tea money". This localized "system" of graft and corruption can benefit all those who quietly consent to "play the game". The only apparent loser is the centralized government whose poorly concealed aim is to capitalize on its land development effort.

FLDA mismanagement and institutionalized corruption is not an isolated case or in any way unusual; it mirrors the large socio-political, economic system of graft and corruption that permeates
the entire society. By Southeast Asian standards Malaysia is relatively "free" of official corruption but to observers from the West it can appear that most everyone in a position of authority (Malay government officials and police officers) is "on the take". Sooner or later, most citizens of the country are selectively allowed and actually coerced into ignoring or circumventing the law when Malay officials make it expedient for them to do so. Top Malay government officials react by either denying or denouncing institutionalized corruption but they seem to be in no hurry to rectify the situation. They appear to be satisfied that, at least for now, the Malays, who are the only police officials in the country, are benefiting at the expense of non-Malay groups. This is a "refreshing change" for most Malays who have long felt overwhelmed and out-maneuvered by immigrant Chinese and Indian populations.

A State Land Development Project

Additional organizational features of the FLDA schemes became apparent with contrastive data collection from a state land development project. Located in the vicinity of the FLDA projects in Negri Sembilan, the state project consisted of 29 Indian, 45 Chinese, and 75 Malay families. This project is very similar to the Federal Land Scheme discussed above with a few important differences that were viewed as distinct advantages by the Indians. They are (1) Book-keeping is orderly and receipts are given monthly and on time;
(2) The people have been given a figure of exactly how much they owe for the land and state supported improvements, and they know exactly how much of this debt has been paid off. This is not the case on the Federal projects and the people are subject to fraud and gross manipulation by the corrupt and aloof Malay staff administrators. (3) The price of the latex increases with the market value of the product so that the people benefit along with the state with such increases. This has not happened on the Federal scheme; only the government benefits by rubber price increases on the market. (4) People on the state schemes need only pay $650/month to pay off their debt to the state; federal administrators demand from $1,200 – $2,000/month, depending upon the amount of latex collected. (5) Homes were not provided on the state scheme as they were on the federal. The people were able to build homes to their own liking and specifications from the beginning and now they own their homes outright. On the Federal scheme, settlers have had to enlarge or rebuild the smaller less adequate houses provided and charged to them by the government. (6) On the state scheme Indians were allowed to live with other Indians in a cluster, as were the other races; on Federal schemes they are forced to live among the more numerous Malays. As a result, Indians on FLDA projects are more easily intimidated and bullied by the Malays; many felt very insecure when isolated from their customary group support. (7) The 2 acres for produce
gardens are contiguous with the house plot on state schemes; on the
Federal schemes they are located 2-5 miles from the homes of the
settlers. The proximity of this land to the house encourages its
utilization, proper up-keep, and discourages stealing by others.

Indian settlers on both state and federal projects believe the
state project to be the better one. There appear to be fewer social
problems on the state programs and there is a more genuine effort to
get the land and its utilization into the hands of the people.
Unfortunately, state projects have been superseded by the nation-wide
federal effort. The comparative benefits found on state development
projects have been lost to the national FLDA "monster". In both
land development schemes settlers are prohibited from selling their
homes or land for a period of 99 years.

Despite the system of institutionalized corruption, social
problems, and the other important drawbacks (noted above) of living
on these development projects, Indian settlers are able to at least
double the income of their friends and relatives living and working
on the plantations. Many families are able to do much better than
that. At the same time, the settlers are paying for their land and
homes so that they will eventually have something to show for a
life-time of toil and effort. Estate workers can end their days
with absolutely nothing and throughout, job and home security are
unassured: they can be fired and asked to leave the estates at any
time. In many cases the psychology of home ownership and economic independence has taken hold among the settlers on land development schemes, especially among those families that have been able to earn "extra" cash income for improvements on their homes, land, and in their overall standard of living. In an impressive number of cases the Tamil settlers provided with a real opportunity for socio-economic advancement, rapidly acquired the sacrifice-investment strategies of "modern" economic men.

Settlers improve upon their holdings by (1) enlarging or completely rebuilding their homes initially provided by the government, (2) working two acres of fruit and vegetables for their own consumption and cash sales, (3) maintaining full-time adult male employment on nearby rubber estates and (4) raising cattle and goats (not very successfully due to crowded spacing and stealing by the locals). Pig raising, once a prosperous enterprise in a nearby Indian community, is disallowed by the majority of Malay settlers who are all Muslims.

One of the first priorities of settlers with accumulated funds is the enlargement and improvements on their homes. Tamil families invariably prefer a living space at least twice that of the 260 square feet they are allotted in rubber estates and FLDA schemes. It is not uncommon for them to triple and even quadruple this size when possible. On two FLDA development schemes 25 out of 38 families
interviewed (65.78 percent) had made significant improvements in their housing, most always in an effort to enlarge their homes. Several homes were planted with flowers, shrubs and fruit trees, while 28 of the 38 families (73.6 percent) worked their two acres of garden produce to supplement family incomes. This is a dramatic improvement over the numbers on rubber estates (10-15 percent) who engage in gardening and cattle raising activities. All of the families interviewed preferred to maintain their debt-credit strategies with various shopkeepers and vendors, an important source of credit security in difficult times, but six families reported having some savings of more than $250. As might be expected, Tamil laborers are extremely reluctant to divulge their savings opportunities or accumulated amounts to outside investigators. They can be counted upon to nearly always understate their earnings, savings, and assets and to focus upon or emphasize their financial difficulties and impoverishment.

In general, FLDA settlers appeared to be measurably better off than their friends and relatives on the rubber plantations. All settler families owned motor-bikes, women owned more gold jewelry, homes were more substantial and more completely furnished with store bought furniture, radios, sewing machines, and other time-saving, utilitarian items. In 1974, there was no electricity on the FLDA projects but electric power for several schemes was expected "within a year". Electrical service will, no doubt, insure a buying spree
by the Tamil settlers who fully expect to purchase prestigious electrical appliances beginning with television sets. A healthy consumer trend of this type among landed Tamils is confirmed by additional, complementary data from nine families on the state development project, 19 families on a sub-divided rubber estate, and interviews with 13 prosperous families in a long-settled Indian agricultural community.

**Land Settlement on Fragmented Estates**

A recent opportunity for Tamil laborers to acquire land for housing and agriculture occurred with the subdivision and sale of large numbers of rubber estates. Purchase of this type of land is possible because rubber and oil palm estate properties are not classified by government officials as agricultural land—a category that would prohibit non-Malay purchase. It is ironic that the break-up and sale of these rubber plantations, which put tens of thousands of Tamil laborers out of work, now provide laborers with one of the few available possibilities to acquire productive agricultural land, secure a stake in Malaysian soil and society, and pursue a farmers path to economic improvement. The anthropologist Eric Wolf (1972) has succinctly stated the problem: the preoccupation of the peasant is subsistence; the aim of the farmer is reinvestment. Peasants in developing countries are expected to learn to reorient their traditional concerns and cultural systems to incorporate more modern, farm-market calculations in a relatively brief time. A central
problem for governments in developing countries is how best to help them to do this. Unfortunately, few governments in developing countries are motivated, prepared, or well equipped to extend long-term, low interest loans, provide necessary technical-informational assistance, encourage common-interest associations or co-operatives, or promote similar measures that would stimulate self-help development.

The displaced Tamil laborers, denied these types of institutional support mechanisms, were also unprepared for land purchase provided by the unexpected subdivision of estates. Some few Tamil families were able to pool their labor, resources, credit, initiative, and skills to buy from five to ten acres of rubber land but most of the land from subdivided estates was sold to Chinese capitalist speculators. Their poorly concealed profit motives obliterated most of the chances for Indian laborers to become enterprising, land-owning farmers. Large numbers of Chinese capitalists moved in quickly with their superior (established) contacts, credit, and resources to fully exploit the unprecedented sell-off of large tracts of agricultural land. Few Chinese speculators had any intention of ever relinquishing the valuable land to the displaced, hapless laborers but they were ready to capitalize upon the desperate plight of the jobless, land-starved Tamils to produce an unconscionable profit from their "property investments". Under the pretext of reselling homes and land to the Tamil laborers, exorbitant interest rates, compounded frequently,
were piled upon finance charges, operating costs, and late payment charges. These and a whole list of similar, widespread extortionist practices that remain outside the highly selective, expensive, time-consuming judicial system, were inflicted upon the powerless Indians. Many bankrupt Indian families struggled for years against impossible odds to gain a foothold in Malaysian society only to be forced from their holdings by unconscionable Chinese landlords. The people received no assistance or relief from anyone in a position to help. With very few exceptions, lawyers, banking officials, union leaders, politicians, so-called development aid programs, and government agencies left the dispossessed, struggling Indian to the "Simon Lagree" expropriative tactics of unregulated, merciless, capitalist exploiters.

Taman Jaya - A Fragmented Estate Community

One partially successful attempt to get land into the hands of Tamil laborers occurred in the remote, mountain valley community of Taman Jaya. A wealthy Chettiar and a "few business partners" secured three hundred acres of rubber land from a large sub-divided European rubber estate. They divided the land into five acre plots and sold them to Tamil laborers, all of whom were rubber tappers from nearby estates. Thirty eight Indian families moved onto the land, built homes for themselves, and worked the old dying rubber trees for as long as they were productive. The area was completely underdeveloped
apart from the home sites of the settlers. There was no running water, no electricity, and the community had one unpaved access road along which the homes of the Tamil settlers were situated.

The Tamil families pooled their resources, invested the EPF retirement funds of their parents, and bought from five to twenty acres of rubber land at approximately $1,000 per acre. Most managed to raise about half of the cost of the land and then financed the remainder with payments of about $100 per month. The interest rate seems not to have been exorbitant and many were able to pay off the debts on their land in due time. The financial situation for the settlers should have been a very flexible one as a large number of households were led by retired workers and several members of each family continued to work on nearby rubber estates. In addition, some of the families were able to tap the old rubber trees and earn up to $300 per month for some time after acquiring their property.

There were, nevertheless, a number of failures where the families were forced to sell some or all their property because of their inability to continue to meet the monthly payments. Many were unable to raise the funds to clear their land or the old unproductive rubber trees and to replant them with improved strains of rubber seedlings. Others had to sell off sections of their holdings just to be able to remain in their new homes. Of the nineteen settlers interviewed there were six reported failures (31 percent) and three partial
losses. Only one prosperous family had twenty acres, another had fifteen acres, while a third controlled twelve acres. Five held ten acres, nine held five acres, and the remaining two families had two and two-and-one-half acres each. Seven of the households interviewed were the second owners of the land having bought from previous Indian owners forced to sell. Two lots were sold to Chinese people but they had not built homes in the community.

By 1974 only eleven of the nineteen families interviewed were from estate-labor backgrounds; the eight others were from distant town-urban areas seeking a solid investment, retirement security, and comfort for themselves and/or their family elders. Six of the eleven families from estate labor backgrounds were from the lower supervisory ranks (mandos) while most of the non-estate settlers were economically solvent. Fourteen of the nineteen settlers had made additional improvements on their new large homes building them three to four times the size of home allotments on estates.

Superficial contact with the settlers did not permit me to explore in depth their economic strategy for survival and success in developing their land. Not unexpectedly, their basic economic strategy was family oriented in keeping with the very high value placed on family solidarity by the Tamils. There appeared to be no long-term budget planning and monthly contributions from employed family members were said to be voluntary and irregular. Feuding
brothers and uncooperative, unmarried sons could withhold monthly contributions, and proud, unbending male egos could make monthly shared finances very uncertain. The inability of settlers to obtain bank loans for clearing and replanting was the greatest obstacle to agricultural success. Lacking the necessary financing, many of them were forced to sell their valuable rubber land but most of the settlers were determined to hold onto a few acres and their new homes for retirement security.

Bukit Pelandok - A Prosperous Indian Agricultural Community

The single prosperous Indian agricultural community where the inhabitants were said to be "rich" was the famous pig-raising, coconut-beer producing community of Bukit Pelandok in Negri Sembilan. This community was set up in 1933 when 242 acres were given to some eighty Tamil families by the British. The land has remained in the hands of the Indians because it was awarded under a "red-grant" which stipulates that no land can be alienated or sold to other races! Most families have four acres of land with at least two acres planted with coconut palms - the source of the Tamils favorite alcoholic drink, toddy. The area is an Indian "paradise" as it has become the principle source of toddy for the entire state of Negri Sembilan. Residents have access to "all they can drink" while the remainder keep their pockets full of ready cash.

The other traditional, lucrative enterprise of Bukit Pelandok
residents was pig-raising. Early on, a "hardy and greatly improved strain" of pigs were imported from Australia and the Malayo-British government set up a large pig research and development center nearby. This center supplied improved stock to the free-holders and subsidized the purchase and feed for the animals until the stock was sold for slaughter. For many years pig-raising was a very profitable enterprise for Bukit Pelandok Indians and neighboring Chinese farmers. Then, the profit-hungry Chinese glutted the market with animals drastically lowering the price of pork. This, coupled with two successive waves of "pig-fever" which annihilated two thirds of the pig population, discouraged most Indians in the community from raising pigs. Today, pig stys are empty and standing in ruinous neglect while the Tamil residents seek jobs elsewhere oftentimes back on the surrounding plantations. Others have turned to planting more reliable, lucrative cash crops such as coffee, coconut, oil palm, bananas, tapiocca, and garlic.

The community as a whole is still quite prosperous. Many homes are large, clean, and spacious (four to six times larger than estate line houses!). Most of the people have television sets, motor-bikes, plenty of furniture, and even prestigious "beds with mattresses". Leading families in the community (three of them are Tamil school teachers) have refrigerators! There are families who prefer to "hoard" their profits and live in "simple" (outwardly poor, run-down)
homes while other dwellings of toddy tappers who are imported from south India for this purpose only, are also dilapidated. Much of their income is sent back to India where they are supporting families, buying land, and planning on returning someday.

The continued success of the residents of Bukit Pelandok helps to refute the notion that there is some inhibiting factor, some inherent inferiority in the peasant culture or racial make-up of the Tamils in Malaysia. The Tamils of Bukit Pelandok are in no way different from their Tamil friends and relatives who work on the surrounding plantations. Given the institutional support mechanisms and freedom to make basic economic choices, Bukit Pelandok residents have not heedlessly squandered their assets or ignored opportunities for maintaining and building upon their holdings. Their land and homes, secure from unscrupulous, predatory money lenders, the majority have prospered. None have gone bankrupt. In addition, most have had to create alternative means of securing a livelihood in the face of changing economic circumstances and all of them have done reasonably well.

Tamil freeholders and FLDA settlers, on the other hand, have had considerable difficulty first in gaining, and then maintaining a foothold in the Malaysian economy. In the absence of institutional support mechanisms similar to those afforded to the residents of Bukit Pelandok the acquisition of a piece of land and a home becomes
a desperate gamble for Indian laborers. Faced with very uncertain results, nevertheless, the willingness and relative success of many of these people to accept long-term indebtedness, personal sacrifice, and reduced incomes suggests that the Tamil working class people of Malaysia are as yet an untapped resource in the developmental potential of the country. The entire history of Tamils in Malaysia has been one of pursued socio-economic advancement in the face of extreme hardships, danger, and uncertainty. Today, few Tamils are willing to forego hard-earned gains, but, given appropriate incentives and genuine opportunities for advancement there is little reason to doubt that the Tamils would respond characteristically with alacrity and enthusiasm in the building of a strong, economically sound, independent Malaysia.
Chapter V

PERSISTENT PROBLEMS AND FUTURE PROSPECTS
Aside from a great deal of political rhetoric, the Tamils have received few indications that they are being included in the government's avowed plan to establish a just, multi-racial society for all its citizens. The four-to-one hiring quota for Malays in private and government employment displaced many Indian employees whose forebears held these prestigious clerical positions since colonial times. As a result, much of the success of the Bumiputra movement, in which large numbers of Malays have moved into the bureaucratic ranks of society, has been achieved at the direct expense of the Indian population.

Despite the hardships placed upon the Indians and their growing numbers of unemployed youths in both the urban and rural areas of the country, there was a widespread understanding and acceptance among the Tamils that the government should help the Malays to "come up" and have their "fair share" of the economy in the country. Fellow victims of European and Chinese capitalist exploitation, Tamils were able to sympathize with the Malay government's concern for its people. Generally, the Tamils believed that the government was doing the best it could to insure prosperity for the greatest number in a difficult situation. Many were aware that the situation could have been far worse if "extreme" Malay nationalists were ever allowed to come to power.

The Tamils' willingness to support and have confidence in the government, however, has been seriously undermined by policies which the Tamils cannot help but feel are designed to exclude them from
equitable participation in a prosperous Malaysia. In 1969, for example, the introduction of six month, non-renewable work permits for all non-Malays lacking proof of citizenship was an unsettling jolt to the Tamil working class community. Uneducated, mostly illiterate, estate-employed Indians were the most seriously affected by the issuance of these permits. In 1970, the university based, Tamil Language Society determined that 22.6 percent of the Indian community, or 211,183 individuals were without citizenship. It is estimated that some 30,000 Tamil laborers, convinced that there was no future for them in Malaysia, left the country because of the work permit issue. The remaining 150,000 or more affected Indians have since found it extremely difficult to secure citizenship. Technical and bureaucratic difficulties in acquiring documentary "proof" of birth and/or residence in Malaysia has kept many of these Indian laborers in the disadvantaged class of "stateless" persons. They are the first to lose their jobs and the last to be given re-employment. Other Tamil laborers who have secured sufficient evidence to qualify for citizenship are unable to pass an arbitrarily difficult oral exam in Bahasa Malaysia. Many of these laborers, most of whom were born in the country, have a functional knowledge of Malay; they could be given citizenship on this basis.

Indian laborers who have the means and the opportunity to return to some sort of stake in India apparently have done so. The remaining "stateless" persons have nowhere else to go. They are undergoing
hardships, in many cases, due to no fault of their own. A gesture of
good-will by the government toward the Tamil community would be to
ease the unnecessarily strict requirements for individuals who would
otherwise qualify for citizenship by right of birth.

Government's sudden imposition of a ruling in 1974 requiring that
all national examinations for educational advancement be conducted in
Malay only further demoralized the unprepared South Indians. The
new requirement effectively eliminated thousands of Chinese and Indian
students with formerly acceptable English language proficiency and can-
celled the few educational opportunities available to the children of
working class Indians. Tamil youths with their normally high attrition
rate could ill afford to come up against newly imposed stiffer require-
ments in Malay language proficiency. The implementation of a mandatory
examination in Bahasa Malaysia in all subjects would have been more fair
and acceptable to all if it were linked to a year-by-year phasing out
of English and Tamil medium schools where the public and the students
had ample time to prepare themselves for the new requirements.

Tamil primary schools are under-financed, poorly equipped, and
ill-staffed by teachers with minimal qualifications. These schools
are attended by South Indian children of the rural and urban poor and
they act to keep them in the cycle of poverty. English vernacular
schools have now been eliminated in favor of the national language but
Tamil primary schools which ill serve the children of the poorest, most
backward community in the country have been allowed to continue in existence. If the government is genuinely interested in eradicating the sources of poverty and restructuring society to serve all Malaysians, an important first step should be the restructuring of Malaysian primary school curriculum. The recommendation of the Murad Drop-out Study Report calling for the development of centralized multi-racial schools for disadvantaged rural children of all groups is an excellent one. Opposition from a large block of conservative Indians led by the influential Tamil School Teachers Union could occur but the larger Tamil community can be won over by a sincere effort by government to provide improved educational facilities for working class Tamil children.

The language "problem" is perhaps one of the most sensitive issues for the government and Indian population to handle. Tamils are extremely proud of their language and cultural traditions, and rightfully so. Both the Tamils and the Chinese have long favored English as a second language but the educational-economic realities of the "new" Malaysia are forcing them to accept that Malay will be the lingua franca of the country. The Tamils, nevertheless, are anxious to preserve the traditional spoken and literary forms of their language in Malaysia and they expect the government to help protect the status and position of Malaysia's third language. In this respect, it was particularly disconcerting for the Tamils when officials in the government controlled
radio and television networks halved the number of programs produced in the Tamil medium since 1970. Some 24 "favorite" programs were cut from radio broadcasting while television programs in Tamil have been reduced to 1/18 the total viewing time per week or four hours and thirty minutes of Tamil television viewing a week. Tamils view this action as a direct slap at their cultural heritage and traditions. Arbitrary government decisions of this sort only compound feelings of rejection and neglect created by other, more important government policies that adversely affect Tamil well-being in the country.

Several of these persistent problem areas which lead to the discontent and continued impoverishment of the Tamil community include (1) failure of the government to show any interest in halting or alleviating the disrupting and pauperizing results of rubber estate fragmentation. The state government of Selangor itself bought large tracts of estate land for industrializing purposes but nothing was done to assist the displaced Indian laborers who were forced to move into make-shift squatter settlements. It is unlikely that such government inaction and disregard would occur if those being adversely affected were of Malay origin; (2) absentee landlords are allowed to circumvent the laws that are supposed to protect the people from substandard housing and unsanitary living conditions. Many of those abandoned to the mercy of socially irresponsible capitalists are also the victims of estate fragmentation; (3) uncontrolled money-lenders
continue to "suck the blood" out of individuals who must struggle to survive against illegal and exorbitant interest rates and crippling pay-back schemes; (4) illegal, "health destroying" samsu shops flourish in every community under the protective eye of local police "on the take"; nothing can be done about this exploitative situation without persistent and extended government action; (5) absence of minimum wage laws applicable to non-union business enterprises permits unscrupulous, debilitating exploitation of the working poor by local firms and international business concerns alike; and (6) the unavailability of suitable housing and agricultural land for non-Malays as well as difficulties in gaining access to government sponsored land development schemes (only three percent of all FLDA families were of Indian origin in 1970) prohibits non-Malays from securing a valued, productive stake in the Malaysian economy. No one in the Indian community of Malaysia expects to get much relief soon from many of these socio-political ills that combine to prevent even modest socio-economic gains for many of the ignorant and unsuspecting members of the society. Effective government action in any of these problem areas, however, could inspire renewed confidence among a Tamil population which appears anxious to affirm full support and loyalty to the emergent nation.

**Five Year Development Program**

The government's present approach of successive five year
developmental programs based upon traditional capitalist models which require large amounts of capital investment, a high rate of savings, and the acquisition of expensive, labor-saving technology promises little or no economic relief for Tamil working class people. Fresh from a field trip to Malaysia, a Harvard economist visited Rice University in 1976 to lecture on the design and socio-economic effects of Malaysia's five year programs of development. He noted that (1) the five year programs are "extremely well thought out" by bright, young, Western-educated economists in the Economic Planning Unit of the Prime Minister's office; (2) their developmental plans focus on the distributional aspects of economic growth that pertain to the Malays' participation in the economy; but (3) increased participation for the Malays is dependent upon continual enlargement of the economic pie; income redistribution is not a goal or an "integral part" of their programs; (4) consistently high, sustained increases in the GNP remain dependent upon continued involvement with outside investors (multi-nationals) which invariably leads to production for export, externalization of profits, and economic dependency upon rich developed nations; and (5) wage rates are kept low while profitability is "absolutely fantastic", "absolutely enormous" - more than twice that available in the long-time "favorable investment climates" of nearby Taiwan and Korea. Similar conclusions concerning Malaysia's developmental strategies have been reached independently by van Vorys (1975), Kasper (1974),

This glowing report for investors can hardly be good news for the laboring classes of Malaysia but the distributional effects of such policies are now predictable. Following his stewardship of the capitalist "show-case" developmental experience in Pakistan, Haq (1972) concluded that capitalist models of development simply and rather quickly replicate systems of income/wealth distribution of the developed West where five percent or so of the population own and control the bulk (eighty percent or more) of a country's wealth (also see Mills (1956), Lampman (1962), Dumhoff (1967), Lundberg (1968), and Anderson (1974) for wealth distribution patterns in the United States). Experience has shown that systems of wealth/income distribution are implicit in the design and structure of economic growth models of development. We now know that it was a mistake for developmentalists to assume that

... income distribution policies could be divorced from growth policies and could be added later to obtain whatever distribution we desired. Here we displayed a misguided faith in the fiscal systems of the developing countries and a fairly naive understanding of the interplay of economic and political institutions. We know now that the coverage of these fiscal systems is generally narrow and difficult to extend. We also know that once production has been so organized as to leave a fairly large number of people unemployed, it becomes almost impossible to redistribute incomes to those who are not even participating in the production stream. We have a better appreciation now of the evolution of
modern capitalist institutions and their hold on political decision making and hence we are more aware that the very pattern and organization of production itself indicates a pattern of consumption and distribution which is politically very difficult to change.

... In my own country, Pakistan, the very institutions we created for promoting faster growth and capital accumulation later frustrated all our attempts for better distribution and greater social justice ... the evidence is unmistakable and the conclusion inescapable: divorce between production and distribution policies is false and dangerous. The distribution policies must be built into the very pattern and organization of production. (Haq, 1971:12-13)

Inequitable distribution effects are inevitable wherever capitalist models of development are employed. Weaver (1973) has carried ul Haq's observations further by arguing cogently that the core institutions of capitalist economy - "markets in land, labor and capital, and bureaucratic and hierarchical firms which are dedicated to maximizing profits and in which specialization of labor is the norm" - are by their very nature inequality producing. In reaching a clearer understanding of the political economy in capitalist development we discover that "our core economic institutions perpetuate and even worsen inequality over time ... income inequality is required for the core economic institutions to function. And ... a good deal of income immobility is also required" (Weaver, 1973:340). In addition, inheritance, "a necessary institution in a capitalist economy, means that such inequality is passed on and increased from one generation to the next" and a most "startling"
discovery is that "taxes have virtually no impact in terms of redistributing income" (Weaver, 1973:348).

This information is depressing and discouraging . . . they also reveal that all of our past governmental activities which have been designed to reduce inequality have failed. And these governmental activities have been impressive. They include mass, public, free, and compulsory education; taxes on inheritance; progressive income taxes; the social security system; unemployment compensation; the welfare system; the war on poverty, etc. Despite all these massive governmental programs, inequality has not been reduced and is in fact increasing. (Weaver, 1973:348).

Finally,

. . . each firm acts to maximize private profit and has a very great incentive to convert private costs into social costs [and] in a capitalist economy all of nature comes to be viewed as a commodity to be used for whatever purposes [to] produce the greatest private profit . . . the environment becomes a commodity to be exploited, used, and abused for the sake of maximizing profit. It is, as John Muir said, "a gobble gobble economy" -- mine the land, dump garbage in the rivers, fill the air with carbon monoxide, and assault the nerves with noise. All to the end of greater profit.

George Orwell pointed out a long time ago that in a money economy good things happen only by accident. (Weaver, 1973:350)

Third World countries which continue to employ capitalist models of development risk a bitter harvest of socio-economic conditions that characterize advanced capitalist states -- fragmented, routinized, alienated work; great disparities in wealth/income and increasing inequality; and the destruction of community and the environment.

Clearly, capitalist models of development do not offer very effective
solutions or much assistance in solving the developmental problems faced by capital poor, labor surplus, Third World nations. These models appear, rather, to be prescriptions that enable rich, developed countries to continue to exploit the depressed, socio-economic conditions of economically dependent, underdeveloped nations.

A New Strategy: Full Employment and Intermediate Technology

After three frustrating "decades of development" it has become clear that a new focus and a broader approach is required if the "roots of poverty" among the masses is to be relieved if not irradiated. The old strategy, "based on the quiet assumption that poverty can be taken care of through high growth rates which will eventually filter down to the masses and distribution can be taken care of after growth is achieved" (Haw, 1973:378) has proven bankrupt by now.

We were taught to take care of our GNP as this will take care of poverty. Let us reverse this and take care of poverty first as the GNP can take care of itself since it is only a convenient summation, and not a motivation for human efforts. (Haq, 1973:378)

What is good for the rich is not necessarily good for the poor and market models of development imposed upon the impoverished majority of people in society are self-defeating.

In other words, market demand -- which is so largely influenced by existing income distribution -- should be rejected explicitly in favour of fixing national consumption and production targets on the basis of minimum human needs. We have been slaves to the concept of market demand for too long. But the concept of market demand mocks poverty or plainly
ignores it as the poor have very little purchasing power.  (Haq, 1973:360)

There is a good deal of information on self-help development, based on the success of programs such as that experienced by the Vicosenos of Peru (see above), that is widely dispersed throughout the world but there is no organization or international agency "to collect, systematize, and develop the scattered knowledge and experience already existing in this vitally important field" (Schumacher, 1973:189). Schumacher has been instrumental in calling for such an agency, the development of an intermediate technology, and a "gift" to the Third World of scientific knowledge that would contribute in a positive way to the liberation of millions. A study of intermediate technologies as they exist today already would disclose that there is enough knowledge and experience to set everybody to work, and where there are gaps, new design studies could be made very quickly. (Schumacher, 1973:188)

The development of an intermediate technology is not a turning away from the "accomplishments" of science but the rational application of scientific method and knowledge to indigenous sets of problems that afflict the majority of mankind. The practical application of an intermediate technology would bridge the gap between primitive methods of production and the "need" for costly, labor-saving technology that will "self-destruct" in a relatively short period of time. Illich has noted that agricultural machinery in developing
nations should outlast a generation; agriculturalists need a "mechani-
cal donkey [that] requires entirely different engineering and design
than one produced for the US market. This vehicle is not in produc-
tion" (Illich, 1973:404). Planned obsolescence of manufactured goods
is a capitalist strategy of rich developed nations - a luxury that
poor Third World nations cannot afford to imitate.

The emphasis in development must be shifted from profits for the
rich, disguised in the respectable pursuit of GNP growth rates, to
full employment of people long overburdened by the worst forms of
poverty - malnutrition, disease, illiteracy, squalor, and unemployment.
Employment, "is the very procondition of everything else" (Schumacher,
1973:183). The primary task of people-oriented development is to
"put them to work so that they will produce useful goods from local
materials for local use" (Schumacher, 1973:186). Gandhi noted long
ago that "the poor of the world cannot be helped by mass production,
only by production by the masses" (Schumacher, 1973:153). "It is
therefore more important that everybody should produce something than
that a few people should each produce a great deal" (Schumacher,
1973:174). It makes little sense to argue that jobs cannot be
created without a massive influx of large amounts of capital and
the importation of expensive, labor-saving technology in under-
developed countries with little capital but a plentiful supply of
labor. Job creation for the majority poor is achievable with a
concerted effort

... to maximise work opportunities for the unemployed and under-employed. For a poor man the chance to work is the greatest of all needs, and even poorly paid and relatively unproductive work is better than idleness. (Schumacher, 1973:173)

Profits for large scale capitalist investors may be diminished and remarkable; sustained GNP growth rates may slacken or disappear for a time but a greatly improved distribution of goods and services to the masses would occur and large numbers of people will be given a useful start toward economic productivity, self-sufficiency, and self-respect.
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