

From 'States' to State: The Changing Regime of Peasant Export Production in Mid-Nineteenth Century Java

Abstract

Focusing on the decline of the Cultivation System, the author revises a number of basic assumptions in the existing historiography. 1870 was not the moment of abandonment; the system was already in crisis by the 1840s. The 1850s saw attempted reform, and the 1860s saw the gradual decrease of forced crop cultivation. The system's end was largely brought about by developments in Java rather than in Holland, since the increasing strength of the initially weak colonial state caused the coalition arrangements of the system to break down.

1. Introduction

'It is not the Cultivation System as such but the entire system of administration that is vicious' (Fransen van de Putte, 1864; quoted in: Fasseur, 1991: 49).

I have spent the best part of a decade, admittedly off and on, studying the social effects upon Javanese villagers of the set of production and related arrangements which goes under the name of the Cultivation System. Constrained by the tunnel vision imposed by my project, for the most part I accepted these arrangements as givens, and restricted my investigations purely into the impact they had upon Javanese peasantry society. One result of this focus has been to restrain me from probing into larger structural problems about the nature of the Cultivation System as a system of exploitation (or economic growth, if one looks at it in another way). This conference, however, has given me the opportunity to reflect on broader issues and to look more closely into various aspects of the System which have puzzled me, in a distant and distracted way, for a considerable period of time. In this short article, I want to concentrate by way of example on just one aspect of these broader concerns; by doing so I hope to stimulate discussion of these larger problems which I have previously evaded. This aspect is the problem of explaining the decline of the Cultivation System and its replacement by a system of Western owned and managed private enterprise in agriculture.

2. The historiography of decline

Most discussions of the Cultivation System (mine included) give the year 1870 as a convenient date for its effective demise. That, of course, was the year in which the Dutch parliament passed the famous Agrarian Law (*Staatsblad* 1870: no. 55), which greatly facilitated the ability of Western entrepreneurs to hire village land from peasants, or to lease out so-called *woeste* (unused) land for long periods, up to 75 years. This periodization, however, is no more than a convenient fiction. It ignores the fact that most of the crops which had been part of the System had already been abandoned during the 1860s; cochineal was last planted in 1861, tea and pepper in 1863, tobacco in 1864, and indigo in 1865. Thereafter only sugar and coffee remained as forced cultivation crops, the former phased out between 1879 and 1891, and the latter enduring, in an ever declining fashion, until 1919. More to the point, perhaps, such a periodization slights the significance of the 1854 Constitutional Regulation (*Regeringsreglement*) for the Netherlands Indies (passed by a Dutch parliament in which conservatives were in the ascendancy), which had viewed the Cultivation System as purely a temporary set of arrangements, to give way in time to a new regime of export agriculture in Java which would not be managed by the Netherlands Indies government itself but on the basis of voluntary agreements between entrepreneurs and peasants. While article 56 of the *Regeringsreglement* instructed the Governor-General 'as much as possible' to keep 'in place the cultivations introduced on high authority', it also required that 'there be prepared a regulation, resting on free agreements with the communities and persons concerned, as a transition to a situation in which the intervention of the government can be done without'.

The fact that the end of the System had been legislatively foreseen by 1854 and that, a little more than a decade later, most of the crops cultivated under its auspices terminated, should make us wonder a little about the historiography of the decline of the Cultivation System. In general there are two problematic aspects of the contents of this historiography. The first is that much of it is concerned with political debates and developments in the 1860s, a time by which, as I have already indicated, the last rites had already been pronounced over the System. The second, closely related to the first, is that much of the literature is taken up with discussion of developments in Holland, and not in Java, as though Holland was the decisive theatre of operations for deciding the System's fate.

The older historiography—still, I think, the received view—focuses on events in the 1860s because this period of parliamentary combat between liberals and conservatives over colonial policy brought forth repeated attempts to devise an acceptable legislative means to structure and expand the activities of Western agricultural entrepreneurs in Java. The first, introduced by Uhlenbeck, came in 1862; it was followed in 1865 by the more famous but equally unsuccessful *Cultuurwet* of Fransen van de Putte, and then by another failed bill in 1867. Finally, De Waal's 1870 bill—perhaps because of its brevity and generality—was successful. This busy and tumultuous parade of bill presentation has perhaps

encouraged some observers to see the transition from Cultivation System to free enterprise as a consequence of gathering pressure from an expanding and increasingly powerful Dutch bourgeoisie, now with a strengthening parliamentary voice, to allow it to feast upon the profits of Java, heretofore virtually monopolized by the Dutch state. Furnivall and Wertheim, for example, have made this argument (Furnivall, 1976²: 148; Wertheim, 1964²: 61–62), and in this they have been more recently followed by Ricklefs, who has claimed that ‘Dutch middle-class interests, grown wealthy on the profits which the Dutch economy had derived from Java, pressed for change. They urged a ‘liberal’ reform: a drastic reduction for the role of government in the colonial economy, a freeing of the restrictions on private enterprise in Java and an end to forced labour and oppression of the Javanese and Sundanese’ (Ricklefs, 1993²: 124).

Fasseur’s recent and important contribution to the discussion has sought to demonstrate that this view is untenable. In the first place, he argues, there was always room within the Cultivation System for private entrepreneurs to operate effectively, most notably and profitably as sugar contractors. Second, he suggests, even after the Agrarian Law was in place, there was no rush by Dutch entrepreneurs to invest in Java: ‘there is absolutely no question of private entrepreneurs taking Java by storm after [1870]’ (Fasseur, 1991: 42). This is, it must be said, is a highly debatable point. Even if, as Fasseur suggests, there was no rush of investment after 1870, it does not necessarily follow that this indicates a lack of desire to invest at that time and the absence of political pressure for change.¹ Moreover, there is evidence of a considerable growth in the private (Western) agricultural sector in the decade or so after 1870. For example, there were 31 private sugar factories operating in 1870, producing over 170,000 piculs of sugar. By 1875 there were 46 private factories producing 232,034 piculs corresponding to 9 per cent of the amount produced by the 93 government factories in that year. By 1884 the number of private factories was 52 whereas production had risen to 1,087,764 piculs or 27 per cent of the amount produced by the 94 government factories in that year (Koloniaal Verslag, 1872: 164; 1876: 187; 1884: 181). Similarly, while there were only 96 parcels of leased woeste gronden in 1870, by 1875 there were 176, by 1880 313 and by 1884 as many as 490 (Koloniaal Verslag, 1871: 179; 1876: Bijlage UU; 1881: 179; 1885: 184).

Fasseur’s explanation relies on the idea that a gradually strengthening liberal ideology finally won the day; that, after a prolonged struggle, liberal ideas held sufficiently sway to allow the successful passage of legislation which delivered control over the export economy of Java from government into the hands of (Western) private entrepreneurs (Fasseur, 1991; Fasseur, 1992: 135, 243). Like the explanation it seeks to replace, however, Fasseur’s argument is Holland-centric and (certainly in its most recent formulation) based in time on developments in the 1860s.

Both views have their merits, although the first (to my knowledge) has never been presented in a way that convincingly links parliamentary initiatives to

¹ I am grateful to John Butcher for this point.

extra-party interest groups, while the second seems to place altogether too much explanatory weight on what was going on in the heads of Dutch parliamentarians and makes too much of the apparent paucity of private capital investment in Java in the decade or so after 1870. Most of all, however, neither places much emphasis on developments in Java itself, on what was happening to the structure of the Cultivation System and why. There is, in all this, a certain similarity with the historiographical debates on the far more weighty question of explaining European imperial expansion in the last part of the nineteenth century. There, arguments raged over the relative importance of ideology, strategy and economics, and whether the real agency of change was European or local in origin. In the case of the Cultivation System's decline, I contend, we need an explanation which gives due weight not just to the debates in Holland but also to what was happening on the ground in Java, and which provides a structural appreciation of the transformation of agricultural regime which took place in Java.

3. States in Java and the origin of the Cultivation System

What I want to argue in this article is that the Cultivation System was a peculiar set of arrangements which had its origins in the weakness of the Dutch colonial state in Java in the early nineteenth century, and survived only for as long as that state remained weak. The System was, indeed, premised upon and dependent upon the weakness of the Dutch colonial state. Once the colonial state began to gather strength—something which began to become manifest by the middle of the century—the arrangements of the Cultivation System inevitably had to give way to some new method of organizing large scale commercial agricultural production in Java. In this view of things, what happens in Holland becomes much less decisive; it is not so much a struggle between conservatives and liberals about whether or not to persist with the Cultivation System, but rather a debate over the subsidiary questions of how best to organize its free enterprise successor regime, and at what pace.

In order to develop this idea, let me begin at the beginning. Most writers describe the arrival of Van den Bosch and the implementation of his new plan of forced production in Java in 1830 as though it was somehow foreordained and simply a matter of issuing orders. But it has always been something of a wonder to me that the Cultivation System got under way at all, given the weakness of the colonial state in Java at that time. The Dutch had taken some years, many guilders and many lives to extinguish the Diponegoro rebellion, and it was a close run thing. At its conclusion, their finances were exhausted and in disarray. Security in Java was uncertain. The continuing cooperation of indigenous powerholders could not be taken for granted. How, then, did Van den Bosch manage to get his massive system of forced cultivations and deliveries in place so rapidly in circumstances like these?

His success, I think, was a matter of necessity building on weakness. In a very general sense, there was no single strong state in Java in 1830. There were,

rather, at least four different kinds of political grouping, which we might even go so far as to call statelets, and which, because of the mutual advantage each saw in the arrangements, came together to form a coalition of convenience which we now call the Cultivation System. The first of these 'statelets' was the myriad of local Javanese indigenous powerholders who held sway in regionally limited areas. The second was the local representatives of the Dutch colonial state, notably the Residents. The third was those private entrepreneurs (both European and Chinese) who Van den Bosch needed for his scheme, especially in the sugar industry. The fourth was the colonial state itself in Batavia.² The signal political contribution of Van den Bosch in the years immediately after 1830 was to bring these forces together for the purposes of wringing agricultural surpluses out of Java. As a mode of exploitation, the Cultivation System admirably suited these groupings. As far as local indigenous authorities were concerned, it gave them status, the political security and authority which came from the backing of the colonial government, protection of their lineages, and a guaranteed income by means of cultivation percentages. For local Dutch officials, it provided a considerable—in some cases very substantial—increase in income, again through the mechanism of the cultivation percentages, as well as the means to exert their authority more widely and deeply than before. For private entrepreneurs, it provided a source of capital, the guarantee of a reliable labour supply, and assured prices and income. For the Netherlands Indies government, it provided a mechanism to mesh the power of the other players—particularly in relation to the mobilization and management of vast quantities of Javanese peasant labour—so that its single-minded desire to make money from Java might bear fruit.

Each of the players needed each other. The Netherlands Indies government, for example, was in no position to organize the labour of the Javanese peasantry on a grand scale without the cooperation of the indigenous Javanese leaders who enjoyed the legitimacy and awe of their peasant subjects and who alone could bring them to labour regularly and persistently; equally, the indigenous aristocracy could not avail itself of the regular income which the System promised without the overall administrative skills of Batavia and local Dutch officialdom. Each of the members of this coalition of convenience, however, was powerful only in a limited sense; none enjoyed a decisive or commanding supremacy over the others.

This wobbly, interest-driven coalition of forces was sufficient to get the Cultivation System up and running and, indeed, to turn it into a great financial success for the Dutch within a decade or so. Batavia provided generalized orders, an overall sense of drive and urgency, and, where necessary military and legal backing; local Dutch officials filled in the administrative details and schedules; local Javanese leaders turned out their peasant followings for com-

² There are, of course, other candidates who might be added to this list, especially Chinese entrepreneurs and European merchant houses, but since they are not central to the argument advanced here I have chosen not to include them.

pulsory labour; private entrepreneurs in industries like sugar and indigo brought to bear their expertise and (such as it was) their technology.

For the first decade or so of its operation, the System was a stunning success. Millions of Javanese peasants were compelled to work regularly and (mostly) productively on a variety of forced cultivations, as well as installing the infrastructure of offices, factories, storehouses, roads, bridges, vehicles and port facilities which the System required. Most important of all, large amounts of money flowed into the Dutch treasury from the sale in Europe of the products of the forced cultivations. It seemed (as Money, briefed by opinions which were sadly dated by the time he was fed them, would later allege) that the Dutch had crafted a system of exploitation which benefitted all the players—the Dutch treasury, the Netherlands Indies government, local Dutch officials, the Javanese aristocracy, the private entrepreneurs working on contract, and even the labouring peasantry. J.C. Baud, now Minister of Colonies, could assert in 1843 that ‘Java is experiencing increasing prosperity ... The native people enjoy peace and prosperity’ (Fasseur 1992: 62).

4. The politics of decline

The achievement was astounding. But the whole structure was built upon a sanctionless mutuality of various interests with no consideration given to the possibility that the new coalition arrangements could create a dynamic of their own which might prove inimical for long-term administrative stability, efficiency and expanding export production. The rapidly increasing price of rice in the late 1830s was an early clue that troubles were in store for Java, and caused some concern that the System was reaching the limits of its extension (Fasseur, 1992: 69–70, 72). But the first clear sign of serious difficulties with the operations of the System came with the appearance of a series of enduring crop failures, famines and disease epidemics (notably the typhoid fever epidemic of 1846–50 which killed at least 100,000 people) that were to plague Java through the 1840s and which reached their peak in the famous famine in Demak and Grobogan in Semarang Residency in 1849 and 1850, in which at least 80,000 people died (Elson, 1985).

As far as the food crises were concerned, the most puzzling aspect for the Dutch was to explain not only why crops had failed—this was not an unusual happening in itself—but why crop failures had produced such an extent of death and misery, and why peasants—allegedly prospering under the System—had seemed so unable to defend themselves against what should have been just a temporary want. At the same time, officials began to realize that the outbreaks of disease were in some way connected with food shortages. The success of the System, as Van den Bosch had so clearly realized, was dependent upon the tricky task of keeping a balance between the labour and material resources needed by peasants for their own sustenance and those required for forced cultivation. In essence, it was the failure to keep this tenuous balance—a failure attributable

to an inevitable administrative breakdown of the coalition arrangements—that brought on the crises that punctuated the 1840s.

This failure was much more than a simple matter of over-exploitation, notwithstanding a commonly-held view at the time—and one that has since become enshrined in the literature (Booth, 198: 203; Boomgaard & Van Zanden, 1990: 45)—that the crises had stemmed from the Cultivation System being pushed too far and too fast, outstripping the ability of the Javanese peasantry to service its need for land, for other peasant resources such as water and cattle, and for labour, and at the same time provide for their own subsistence. J.J. Rochussen, Governor-General in the late 1840s, was adamant that an overextension of the Cultivation System was not the cause of the problems of the 1840s. Elsewhere I have analysed the direct impact of the system on peasant domestic agriculture and concluded that Rochussen's view is largely correct. The available data show not only that the amount of land devoted to forced cultivations grew only marginally between 1840 and 1846; indeed, as a proportion of the total cropped area, the area planted in forced export crops in fact declined from the early 1840s onwards. Similarly, there is no reason to think that the system's demands upon the peasantry's material resources—such things as firewood, timber, cattle—increased through the 1840s; nor is there evidence that labour demands were greater in the 1840s than before, or that these demands had any unusual effect upon levels of rice production. And as far as the compensation made available to peasants for their labours under the System, there is no reason to think that the 1840s were any different from the 1830s (Elson, 1994: 99–127).

If all this is true, it is puzzling. Why did the System enter a period of crisis in the 1840s when the essential conditions at that time were, on balance, certainly no worse than they had been during the period of rapid economic expansion and apparent general prosperity in the 1830s? The answer, I think, lies in the realm of politics. As I have argued earlier, the system of forced cultivations had been built upon the unsteady foundation of a coalition of interested players, some of whose interests meshed sufficiently neatly to allow the System to develop and, indeed—at least for a time—to flourish. The problem, however, was that the operation of this coalition set in train forces which, in the circumstances, could lead only to rampant and uncontrolled corruption and maladministration that caused the balance between peasants' subsistence and the demands placed upon them to service the System to break down and, consequently, the System to seize up. The success the System enjoyed over its first decade or so was inevitably temporary; it could not forever continue to deliver large, cheap and regular supplies of produce for the treasury of the Netherlands on a self-sustaining basis. The weakness of the colonial state to control the beast it had created manifested itself especially in relation to the corrupt exploitation of peasants' labour power, the land rent and crop payment system, and the appropriation of peasant land. The result of these processes of administrative deterioration in many parts of Java was the systematic impoverishment of a significant proportion of the peasantry.

The dynamics set in motion by the operation of this coalition of convenience essentially came down to a sanctioned empowering of those managing the System at close quarters, notably the indigenous elite, to plunder the peasantry for their own purposes as well as for those of the System itself. Indeed, the very terms of the coalition, and the weakness at the centre which had required its making, demanded the blurring of the lines between official and private interests to such an extent that it is impossible to envisage the System operating without corruption and maladministration. To put it plainly, the System's successful operation produced—indeed, very essentially depended upon—such maladministration and corruption. In the circumstances of the time there could have been no Cultivation System without such behaviour. These things were not, as some people then and later alleged, an unfortunate and correctable side effect of the System's operations, but a necessary ingredient of its original success. The coalition of interests which from which the Cultivation System was constructed could not have been forged without the potential for such behaviour being implicit in the arrangements arrived at.

5. Reformed to death

By the early 1850s, the urgency of reform was clearly accepted by the Dutch colonial state. There was a need, recognized by the 1854 *Regeringsreglement*, to protect peasants from abuse and regulate the activities of those who had profited from the power, privilege and protection that System had granted them. The very acceptance of the need for reform, however, is instructive. Earlier efforts to reign in corruption and root out maladministration had foundered on the perceived need not to disturb the arrangements which, originally, had brought so much success. The relative purposefulness of this reform, however, signalled that the old coalition based on mutual weakness had begun to give way to a new constellation of political forces in Java, one on which the colonial state was gradually emerging as the single and dominant player in Javanese politics—with its administration 'constructed with steel instead of with bamboo', as Furnivall exaggeratedly but evocatively puts it (Furnivall, 1976: 122)—even if it was still in no sense supreme (Fasseur, 1993: 109, 162–163).³ Through the 1850s the Dutch colonial state embarked on its agenda of reforming the Cultivation System by making it less burdensome on the peasantry and at the same time a more efficient vehicle for agricultural production.

An almost immediate result of this policy was the drastic scaling back of some of the forced cultivations. Indigo, the government gradually realized, could not be produced efficiently and profitably and with proper remuneration to peasant

³ One indication of this state strengthening was the development of specific educational and training programs for Dutch officials, notably at Delft and later at Leiden; from 1842 to 1864, the academy at Delft produced 318 graduate officials. Another was the substantial increase in the number of Dutch officials in the 1850s. A third was the abolition of some monopolies, notably the revenue farm on markets.

growers under the Cultivation System. An official in Cirebon hit the nail squarely on the head in 1864 when he remarked to his Resident that the only possible way of removing the burdens of indigo cultivation was to withdraw the cultivation altogether. As we have seen, the government finally ended forced indigo cultivation after the 1865 harvest. The other cultivations, apart from sugar and coffee, followed similar paths.

Set against this decline, the story of coffee and sugar was a relatively stable one. It could hardly have been otherwise, because these two crops, sustained by rising international prices from the late 1850s on, alone provided 96 per cent of the profits from the Cultivation System in the period 1850–59 (Fasseur, 1992: 151). The government could not afford to abandon them in the immediate future as it had other and less important forced cultivations, and it turned its attention instead to removing abuses and attempting to improve profitability both for itself and the peasants involved in these cultivations. In the sugar industry, for example, the government pared back the generous privileges it had originally provided the sugar manufacturers in order to entice them into the Cultivation System in the first place, notwithstanding the bleatings of the manufacturers.

Government efforts at reform extended not just to the cropping and other arrangements of the System but, more important, to its political underpinnings. Convinced that many of the problems which had emerged under the System were the result of the freedom with which indigenous authorities had made capital of their new found powers, the government sought systematically to rein them in and regularize them. It moved, for example to regulate more closely the system of *corvée* labour, a significant contrast to the fluidity and vagueness which had hitherto been in vogue in the organization of forced labour. The government moved as well to eliminate the landholding of indigenous officials, and to regulate more closely the privileges they enjoyed from their peasant followings.

While the implications of these moves was not immediately clear at the time, hindsight allows us to conclude that they effectively ended the Cultivation System. The System was, in essence, an arrangement based on shared benefits. Once the colonial state was sufficiently strong to limit the benefits accruing to the other players, the System could barely survive, and never thrive. The indigenous elite which had mobilized peasants to work no longer enjoyed the independent powers and unrestricted and uncomplicated loyalties of their erstwhile followings; gradually they had become domesticated to and increasingly dependent upon the gathering colonial regime. Separated from their constituencies by the new powers the Cultivation System had given them, they had been freed from the need to cultivate them; correspondingly the attachment of their followings began to falter, especially since they could appeal above the heads of their leaders to an obviously more powerful source of authority which would no longer tolerate every abuse. Accordingly, 'from the cornerstone of the building [the indigenous aristocrats] became a beautiful ornament' (Fasseur & Kolff, 1986: 40). The Cultivation System was an ingenious ploy which neatly meshed with the prevailing political and social context of the 1830s and 1840s.

Founded on weakness, it thrived—for a time—on local and arbitrary power, for as long as that weakness remained and as long as Java's peasantry could continue to feed itself. But with the gathering strength and confidence of the colonial state, the circumstances which had given the System birth were disappearing. In short, by around the middle of the nineteenth century, the System was outmoded. With a strengthening colonial state there could be no Cultivation System along the old lines; moreover, as the Dutch colonial state was quickly to find, attempts to reform the System could only result in its demise. With power in Java increasingly concentrated in the colonial state, the arrangements and perquisites which had been the lifeblood of the System could no longer be tolerated. The Cultivation System and a strengthening state were in contradiction with each other.

This much was clear by the 1850s: another means of producing wealth from Java would need to be established. There were two alternatives. The first was to continue the old system of peasant compulsion, but this time managed and closely supervised by the state itself, rather than the old system of, as it were, farming out these rights to other powerful players in Javanese politics. Notwithstanding its growing power, the colonial state simply did not have the administrative reach, the expertise, or the money to run such a system of managed export crop production and delivery from its own resources. There were, after all, only 175 European officials in the regional administration of Java (not including the Princely Territories) in 1865 (Fasseur, 1992: 22, n.).

The only other choice was for the state to relinquish its roles as the principal manager, overseer, financier and trader of export agriculture and pass them to the only available large-scale source of capital and agricultural and merchant expertise, private (mostly Western) entrepreneurs, operating on the basis of hiring in free wage labourers and land. From the early 1850s, a gradual process of handing over had already begun. Private entrepreneurs were permitted, under the Governor-Generalship of A.J. Duymaer van Twist, to contract with peasants for the delivery of export produce, to hire in village land, and to lease unused land for plantations. While Fasseur has argued that such arrangements 'gave Western entrepreneurs little room for manoeuvre outside the Cultivation System', the fact remains that there was a considerable elaboration of the private sector as a result of these reforms (Fasseur, 1991: 36).

The paradox of all this, however, was that the colonial state's wish and ability to manage things more surely destroyed the Cultivation System as it had been constituted in Java. A stronger state no longer had to resort to the accommodations of the past—at least not to the same extent—to get production moving. It could—now that there were no insuperable obstacles in its path—shape things to provide for a more efficient and more productive system of export agricultural production in Java. The Cultivation System had been necessary because it was the only way to unite a disparate set of forces in Java to a common end, increasing the productive capacities of Java. Now, with a stronger state in command, able to control, more or less, local sources of indigenous power, fully in command of its local representatives, able to guarantee the security of private capi-

tal, and at the same time strong enough to regulate the activities of private entrepreneurs, there was no longer the need to make the kinds of accommodations which its former limitations had required of it.

6. Sugar and coffee

If this thesis is correct, namely that the Cultivation System was a product of a weak state system and that, conversely, it was both impossible and unnecessary under a situation where the emerging colonial state was essentially in control of the other contending sources of power, how are we to explain the persistence of forced sugar and coffee cultivation in Java?

In the case of sugar, most manufacturers were keen to retain the sheltering protection of the government in their productive activities, and notably nervous about facing the chill winds of the free market in their search for land and labour. Second, the factory infrastructure which had been established in Java already enjoyed the best and most profitable areas for sugar production; the field available for newcomers was limited. Third, these establishments were already privatized in the sense that they were owned and managed by private capital and their owners could, especially after 1854, sell a large proportion of the sugar they produced on the open market rather than delivering it to the government at contracted prices. Finally, manufacturers themselves, supervising cultivation and harvesting activities for their factories on areas of no more than 200–300 hectares each, were able to organize and manage land and labourers through networks which they themselves constructed and maintained; in short, they could manage and control things in their compact domains in a manner still unavailable to the state. In the case of coffee, we need to bear in mind that it was always the least intrusive, the least demanding of capital and labour, and the most loosely organized and controlled cultivation, and had a minimal effect on the ability of peasants to provide for their own sustenance. It was never in need of the protective reforms which other branches of the System required and which brought them to their knees. It could survive maladministration and corruption without bringing peasants to their knees and inviting state intervention, and still yield a great profit.

7. Conclusion

What I have attempted to show here is that the decline of the Cultivation System cannot properly be understood just by reference to the debates of the 1860s on ‘the colonial problem’, the development of liberal ideas amongst Dutchmen or the emergence of a new class of Dutch capitalists. A broader understanding of the phenomenon needs to take cognisance of the political structure of the System in the context of the changing nature of state formation in mid-nineteenth century Java. The liberal ideology which increasingly gained

strength from the mid century onwards was not born in a vacuum of romantic idealism but gained its tenacity and its ultimate victory from the realities of life on the ground in Java, as the System's administrative troubles were laid bare and the System itself began to fail. Then, as the colonial state grew in strength and purpose, it could dispense with the system of accommodations to which its earlier weakness had consigned it, itself consign the System to the grave, and introduce a new system of exploitation which depended upon its ability to guarantee security of land, labour and property to the private investors to whom would henceforth be entrusted the task of growing profits from Java's soil. The state's position from the mid- to late-nineteenth century was by no means as dominant as it was later to become; it was, indeed, a transitional state, moving gradually from weakness towards the strength which would later allow it to control Java as firmly as it has ever been controlled. That half-way house of power and authority, however, was sufficient to consign the Cultivation System to an end and begin a new kind of economic regime in Java which was to last until its own imperfect politics became manifest around the turn of the twentieth century.

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