

## CHAPTER IV

### THE SALE OF LANDS

#### *The Deteriorating Finances of Java.*

The conquest of Java had been undertaken by the British Government only with the grudging support of the Directors of the E.I.C. While there may have existed some commercial reasons for the conquest of the Moluccas, there were none motivating the invasion of Java. Minto's orders were explicit.<sup>1</sup> He was to defeat the Dutch-French forces, reduce their fortifications, and depart, leaving the island to the mercy of the inhabitants. Minto's disobedience of these instructions, "because morally, impossible",<sup>2</sup> evoked little enthusiasm from the Directors, although his accounts of the riches of Java<sup>3</sup> tended to smooth the ruffled sentiments of the commercial gentlemen of Leadenhall Street.

During the period of his administration of Java, Raffles was likewise forced to exaggerate the resources of the colony, in the hope that the Company would decide eventually to take permanent possession of the island. At the worst he thought it would become a crown colony. Raffles' wildly exaggerated estimates of the finances of Java in January and June of 1812, as we have already seen, were welcomed in Bengal. The Supreme Government had suffered a severe run on its Treasury because of the Java expedition, so that the arrival of Raffles' June estimates convinced the Accountant-General and Minto that there no longer existed any necessity for the colonial Government to draw bills on Bengal.<sup>4</sup> Unfortunately, Raffles' estimates did not accord with the true facts of the financial

<sup>1</sup> Secret Committee to Minto, August 31, 1810, Deventer, M. L. van, *N.G.*, pp. 4—5, footnote 1.

<sup>2</sup> Minto to the Secret Committee, December 6, 1811, *Ibid.*, 6.

<sup>3</sup> See, for example, Minto to the Secret Committee, October 5, 1811, *Bengal Secret Letters*, Vol. 13; same to same, October 18, 1811, *Bengal Letters Received*, Vol. 61.

<sup>4</sup> Minute of Minto's, July 4, 1812, *Java Public Consultations*, November 4, 1812.

situation, especially those relating to the continued depreciation of the paper currency.

Since a paper money had first been introduced into Java in 1782, its value had continually declined. By 1807 it was estimated that a depreciation had occurred of something like 80 to 100 %. Daendels had ordered another issue of paper notes on the security of the silver reserves of the Orphan Chamber, and there was a further issue in 1810 after the sale of the estates in the Oosthoek to the Chinese.<sup>5</sup> At the time of the British conquest, a total of 85 lacs of Rix drs. paper was in circulation, made up of 4½ millions of Government paper, and 4 millions of Orphan Chamber notes, both amounts with a discount varying between 50 and 100 %. Lord Minto in a proclamation of September 11, 1811, officially recognized the paper at its depreciated value, establishing it at a ratio of 6½ Rix drs. paper to 1 Sp. dr. silver.<sup>6</sup> Despite this official recognition, the paper continued its downward course during 1811 and 1812, and caused Raffles considerable anxiety. The depreciation was caused partly by the want of an export cargo,<sup>7</sup> and partly because a large portion of the Government's disbursements had to be made in silver,<sup>8</sup> which had the effect of undermining the official recognition of paper. By August 1812, a depreciation had occurred of from 80 to 90 % on the rates established by Minto in the previous year, and by November the discount was generally more than 100 %. In an attempt to meet this serious situation, Raffles had suggested to the Bengal Government in the middle of August that the whole of the depreciated paper should be withdrawn, and a fresh quantity re-issued guaranteed either by the Government directly, or by a Colonial Bank, for which he asked permission to establish.<sup>9</sup> He also requested that he might draw another 200,000 to 300,000 Sp. drs. in bills on the Supreme Government, in expectation of exports of

<sup>5</sup> See p. 30.

<sup>6</sup> The proclamation is in *Gillespie Charges*, pp. 142—3, where further information on the subject of the paper currency can be found.

<sup>7</sup> The balance of trade continued to remain unfavourable throughout 1813, Raffles to the Secret Committee, June 30, 1813, *Java*, Vol. 60, Part III. Raffles had lost one valuable source of revenue through the abolition of the opium monopoly in Java early in 1812. Minto to Raffles, February 28, 1812, *Raffles Collection*, I, No. 15; same to same, May 15, 1812, *Java Public Consultations*, September 17, 1812.

<sup>8</sup> Mainly to the colonial troops. *Gillespie Charges*, pp. 2; 83; 215.

<sup>9</sup> Raffles to Minto, August 15, 1812, *Bengal Civil Colonial Consultations*, February 27, 1813.

teak, arrack and coffee being made either to India or Europe.<sup>10</sup> These proposals were eventually dismissed by the Supreme authorities early in the New Year, on the grounds that Raffles' earlier estimates had led them to believe that further demands on the Bengal Treasury would not be necessary.<sup>11</sup> In the meantime, Raffles received Minto's despatch of July which prohibited the drawing of further bills on the Supreme Government.<sup>12</sup>

Immediately prior to its receipt, Raffles had to face another awkward situation when two of the Company's ships laden with British manufactures for sale in the island, arrived from Europe. The Court had instructed him to dispose of the cargoes for silver,<sup>13</sup> but because of the scarcity of bullion he had suggested that payment should be made by a bill of credit to Bengal on the guarantee of a disposal of Java produce, including Banca tin, at Canton.<sup>14</sup> Raffles had estimated earlier, that the export of tin from Banca would yield to the Java Government a yearly sum of 1,000,000 Sp. drs., but the value of the production of tin during the British administration never reached anything like that figure. Raffles' other commercial speculations in the China market, Japan and the Archipelago were based on equally disastrous calculations. Nevertheless, the want of an export cargo suitable for Europe, and the distress caused by the disappearance of the American ships, did not deter him from continuing to describe to the Directors at home the bountiful resources of Java. He outlined extravagant notions of shipping English woollens to China via Batavia, and through Amoi, and exaggerated the size of the Java market for the disposal of British cloths.<sup>15</sup> In October 1812 he was given the opportunity to prove his statements, and he had hardly finished reading the Court's instructions regarding the disposal of the cargoes, when Minto's injunction prohibiting the issue of further bills of credit on Bengal arrived. In order to overcome the grave financial crisis which confronted the colonial Treasury, Raffles resolved on the somewhat drastic expedient of selling lands, with the ultimate intention of withdrawing the depreciated paper currency from circulation.

<sup>10</sup> Loc. cit.

<sup>11</sup> Minto to Raffles, February 27, 1813, Ibid.; *Gillespie Charges*, 149.

<sup>12</sup> *Java Public Consultations*, November 4, 1812.

<sup>13</sup> Court to Bengal, March 6, 1812, *Despatches to Bengal*, Vol. 58; also in *Java Public Consultations*, November 24, 1812.

<sup>14</sup> Raffles to Ramsay, Secretary E.I.C., October 24, 1812, *Java*, Vol. 60, Part I.

<sup>15</sup> Raffles to the Chairman of Directors, October 29, 1812, *Java*, Vol. 60, Part II.

Raffles had first suggested a partial sale of lands to Minto as early as January 1812,<sup>16</sup> but had received no reply to his suggestion. He had, however, Minto's original instructions regarding the disposal of the coffee gardens when enough capital had accumulated in the island for successful investment, and Minto's views on this subject had become fairly general knowledge in Java. During 1812, the Government had received many applications for the purchase of lands, and these had been forwarded to the Mackenzie Commission for consideration.<sup>17</sup> Early in 1812 the members of the Commission had investigated the lands about Semarang and Surabaya,<sup>18</sup> which Raffles thought should be sold, and in their reports later in the year had recommended wholesale disposals throughout the island, as a method of improving cultivation. Raffles had hesitated about accepting these recommendations because they appeared too revolutionary, and because he still had hopes that Mackenzie's final report would contain some less drastic expedient to meet Java's financial ills. Nevertheless when he was forced to sell lands in November, he became reconciled to the decision, according to Muntinghe, on consideration that it was "in perfect unison with the ideas occasionally delivered" by Mackenzie himself on the subject, and "not less with the views entertained and manifested by the Right Honorable the Governor General during his Lordship's stay on the Island".<sup>19</sup> So that although the decision to sell lands was taken

<sup>16</sup> Raffles to Minto, January 29, 1812, *Java Public Consultations*, February 1, 1812. Raffles later justified his sales on the grounds that the Supreme Government had raised no objection to his proposal. *Gillespie Charges*, 2. But in his despatch of January, Raffles had only suggested a partial sale, so that the silence of the Bengal Government on the question could hardly have been taken as approval of his decision to dispose of lands in large quantities.

<sup>17</sup> The various applications for land are recorded in "Letter Book [of the] Commission", op. cit., and in "Letters read in Committee on the 12th August 1812", op. cit.

<sup>18</sup> See p. 25.

<sup>19</sup> Muntinghe to Raffles, March 20, [1814], Enclosure No. 20, *Gillespie Charges*, pp. 31; 35. See also Mackenzie to Blagrave, May 8, 1812, "Letter Book [of the] Commission", op. cit., Letter No. 10; and Letter No. 17, Mackenzie to Assey, October 15, 1812. In his Minute of November 4, 1812, in which Raffles stated the reasons which made a sale of lands imperative, he wrote: "[T]he sale of lands to the extent required may be readily made in the Batavian Regencies, and in the Environs of the Towns of Samarang and Sourabaya — where, according to the opinion of the [Mackenzie] Commission... such [a] sale will be not only safe, but moreover beneficial to the future interest and situation of the Colony in general". *Java Public Consultations*, November 4, 1812.

because of an "absolute and exigent [financial] necessity",<sup>20</sup> Raffles thought that the sales would be "beneficial to the future interests and situation of the Colony in general".<sup>21</sup> The reports of Lawick van Pabst, Knops and Rothenbühler, which had advocated a sale of lands as the necessary foundation for a system of free cultivation and trade in Java, had had their effect upon Raffles.

Raffles decided to dispose of large quantities of land at a special meeting of the Council held at Buitenzorg on November 4, 1812. The meeting was called to discuss the injunctions of the Supreme Government, and to consider remedies for the serious financial situation which those injunctions aggravated. It so happened that only Muntinghe and Raffles attended the meeting,<sup>22</sup> but despite what has been written to the contrary, Gillespie's absence from Council was nothing out of the ordinary, as he did not attend Council meetings regularly. He was, moreover, immediately informed of the decision to dispose of large parcels of land, and he eventually, though reluctantly, concurred. Cranssen agreed more readily.<sup>23</sup> At the meeting, Raffles and Muntinghe discussed various ways of withdrawing the paper currency, and the different suggestions were set aside one by one. As Muntinghe wrote later:<sup>24</sup>

The means of withdrawing the amount in circulation might have been either to purchase it on account of Government in the Market, or to draw Bills on the Supreme Government to that amount, or to establish a Bank, by whose intercession such an operation might have been effected, or to institute a

<sup>20</sup> *Gillespie Charges*, pp. 2; 81.

<sup>21</sup> *Ibid.*, 82.

<sup>22</sup> Much has been made by Dutch historians of Raffles' corruption as a motive for the sales — his desire to purchase a large estate for his own profit. (De Haan, F., *Priangan*, I, "Personalialia", pp. 287 et seq.; Klaveren, J. J. van, *The Dutch Colonial System in the East Indies*, (1953), pp. 92—4; and so on.) Although I do not justify the sale of lands, and think Raffles' participation in the sales a most foolish act, I cannot accept corruption as a motive for the decision to sell lands. Raffles' own defence against the Gillespie charges, from which the Dutch historians have mostly derived their material, seem to me to be thoroughly convincing so far as his personal motives were concerned.

<sup>23</sup> Gelpke, J. H. F. Sollewijn, *De Landerijen onder het Engelsche Tusschenbestuur Verkocht en het Verbod van Heerendiensten aldaar*, (1889), pp. 7—8.

<sup>24</sup> Muntinghe to Raffles, March 20, [1814], Enclosure No. 20, *Gillespie Charges*, 35. Some documents relating to the sale of lands under Raffles were published in Anon., *Official and Secret Papers Relating to the Sale of Lands and Other Subjects During the British Administration of Java*. But all of these have been extracted from the volume of *Gillespie Charges*.

sale of Coffee, Spices, or other articles, which were found in the Stores of the former Government.

None of these different methods passed unnoticed, but none of them were found to be practicable or available. — To purchase in the market required cash, which was wanted, and was moreover liable to fraud and imposition. — The drawing of Bills on Bengal was a moral impossibility, under the existing orders of the Supreme Government, and so was the establishment of a Bank; an adequate Sale of Coffee or other valuable articles of trade was also impracticable, not only because the Prize Agents were in the possession of all the valuable produce found in the Stores of the former Government, but because many of those articles were literally unsaleable at the time. — The only effectual means, therefore, which could be devised, was a partial sale of Lands.

Raffles saw five main advantages which would result from a withdrawal of the paper currency by means of a sale of lands. These were:<sup>25</sup>

1. That Government will be thereby enabled to sell the Farms and other Revenues for Silver only, and consequently, should a free exportation of Specie be eventually admitted, one part of it at least will be ensured for the demand of the Island.<sup>26</sup>
2. That the support of the credit Paper circulating in the market, which has evidently been an object of the Governor General in his Proclamation of the 11th September 1811, will be thus secured — an effect which could never take place while there existed so large a quantity of circulating medium, which could not be appropriated to the mercantile concerns of individuals, or to the payment of the most important expences of Government.
3. That a Sale of Lands to the extent required may be readily made in the Batavia Regencies, and in the Environs of the Towns of Samarang and Sourabaya, where, according to the opinion of the Commission appointed to examine the tenure of landed property in Java, such [a] Sale will be not only safe, but moreover beneficial to the future interests and situation of the Colony in general.
4. That the supply of cash thus circulating, and to be brought into the Public Treasury, will, with the aid of Treasury Notes occasionally, as the state of the market may require, enable

<sup>25</sup> Raffles' Minute of November 4, 1812, *Java Public Consultations*, November 4, 1812. *Gillespie Charges*, 82; and Gelpke, J. H. F. Sollewijn, op. cit., pp. 2—3.

<sup>26</sup> See *Java Government Gazette*, December 12, 1812.

Government to conduct its expences on the Island without granting any further Bills on Bengal; an object which they are naturally most anxious to effect, in conformity with the sentiments expressed by the Supreme Government in the letter now recorded — and

5. That the Sale of Lands is in strict accordance with the principle of relieving the necessities of this Colony by its own resources, while the Batavia Credit Paper is still retained by Government, in pledge for any future or further disposal of it which the Superior Authorities may direct.

The Government's decision to dispose of lands was made public in the *Java Government Gazette* three days after the Council meeting,<sup>27</sup> and the following Committees were appointed to survey the lands in the Batavian Regencies, Krawang, Semarang and Surabaya, and to arrange them into suitable lots for sale.

For the Batavian Regencies and Krawang:

Thomas McQuoid, Resident of Buitenzorg,  
P. H. van Lawick van Pabst, member of the Mackenzie Commission,  
William Offers, Resident of Krawang.

For the lands in the environs of Semarang:

R. C. Garnham, Resident of Semarang,  
F. von Winckelmann, Inspector of Forests,  
J. Knops, member of the Mackenzie Commission.

For the lands in the environs of Surabaya:

A. Adams, Resident of Surabaya,  
F. J. Rothenbühler, member of the Mackenzie Commission,  
P. A. Goldbach.

The Commissioners were instructed to estimate the extent of lands necessary to raise 200,000 Sp. drs. in the Batavian Regencies and Krawang, and to arrange lots of land for disposal at Semarang and Surabaya for similar amounts, making a total of 400,000 Sp. drs.<sup>28</sup> They were told to parcel out the lands "into such portions and allotments, as appear . . . most likely to ensure an advantageous sale, and to meet the general wishes and interests of the pur-

<sup>27</sup> Ibid., November 7, 1812.

<sup>28</sup> The instructions are not clear as to the amounts to be sold in the Semarang and Surabaya environs. In his instructions to the Commissioners at Surabaya, (*Gillespie Charges*, Appendix O, pp. 224—5; Gelpke, J. H. F. Sollewijn, op. cit., pp. 9—10) Raffles referred to a sum of 150,000 Sp. drs. But see *Gillespie Charges*, Appendix G, 203.

chasers".<sup>29</sup> The lands were to be sold by auction at Batavia, Semarang and Surabaya on January 1, 1813, on the following conditions:<sup>30</sup>

First — The Payment to be made in Silver or Batavia Credit Paper, at the option of the purchasers, the Credit Paper being calculated at 6½ Rix Dollars paper for one Spanish Dollar Silver, and this Payment may be made by the purchaser either at Batavia or on the spot at his convenience.

Secondly — The purchase money is to be paid as follows:  
One half on the transfer of the Land.  
One half on the 1st March, 1813.

Thirdly — All feudal services to the Government, and all forced deliveries at inadequate rates are abolished on the Lands now sold, and in lieu thereof an annual quit-rent of one half per cent is to be paid to Government on the amount of the original purchase. The proprietors, however, will be bound to keep in good repair, the Public Roads and Bridges passing through the Lands, and to furnish such assistance at equitable rates as may be required for Public transport.

Fourthly — No feudal services are to be exacted on these Lands from the persons residing thereon, nor are any payments or revenues to be raised from the people except such as are derived from the produce and culture of the soil, or from the rent of Houses and Buildings, and these Revenues are to be such as are consistent with law, and with the established usage of the country.

Fifthly — The Bazars, Toll Gates, and Capitation Tax, or other taxes now existing on these Lands, are to remain exclusively in the hands of Government — and the Lands now sold, as well as others which have already been sold, are to be held subject to the general Laws and colonial Regulations of Government.

After the sales a Board was to be established at Semarang and Surabaya on the principle of the former *Heemraden* at Batavia, to regulate the water-courses, the irrigation of *padi* fields, and other matters concerning the purchasers. Restrictions were placed on Chinese proprietorship,<sup>31</sup> but the Government declared its willingness

<sup>29</sup> *Gillespie Charges*, Appendix O, 224.

<sup>30</sup> *Java Government Gazette*, November 7, 1812. Gelpke, J. H. F. Sollewijn, op. cit., pp. 5—6; Norman, H. D. Levyssohn, op. cit., pp. 293—4; *Gillespie Charges*, Enclosure No. 20, pp. 28—9.

<sup>31</sup> Instructions to the Commissioners for the sale of lands, November 11, 1812, *Gillespie Charges*, Appendix O, 224. Raffles stated that he had made reservations in regard to the Chinese because of "the general recommendation

to consider private offers for lands before the actual auctions took place.

*The Lands Sold.*

(a) *The Batavian Regencies and Krawang.*

The three Commissioners for the sale of lands in the Batavian Regencies had soon carved out some fine estates, many of them including the coffee plantations which ran along the Hills of Buitenzorg. Their original instructions had directed their attention to the uncultivated lands,<sup>32</sup> but the coffee gardens were included in the lots in order to establish a clear north-south boundary between the private and the Government lands.<sup>33</sup> The lots in the Batavian Regencies and Krawang put up for sale are listed on pages 81—2.<sup>34</sup>

The work of subdividing the lots caused a delay in the auctions. The date of the sale was first postponed from January 1, 1813, till January 15, and then again until January 25. The sales at Semarang did not take place until February 10, while those at Surabaya were not held until five days later. In the meantime, would-be proprietors endeavoured to secure lots by private offers to the Government, or by attempting to bribe the Commissioners.<sup>37</sup> The first private offer came from a Dutch merchant J. B. Zimmer, who wished to purchase Lots 1 and 2 in the Krawang districts, and Lot 1 in Bandung, for a total of 160,000 Sp. drs. paper. This offer was finally accepted by the Government after Lawick van Pabst, Offers and McQuoid reported that it was higher than the price likely to be raised at a public auction.<sup>38</sup> Zimmer was, however, refused his requests for a

of persons, whose local experience and knowledge entitle them to consideration . . .", Gelpke, J. H. F., Sollewijn, op. cit. 4. Raffles was undoubtedly referring to the recommendations made by the Dutch members of the Mackenzie Commission, pp. 40; 58 above.

<sup>32</sup> *Gillespie Charges*, Appendix G, pp. 203; 205.

<sup>33</sup> *Ibid.*, pp. 31—2.

<sup>34</sup> I have extracted the following lists from *Java Public Consultations*, January 26, 1813. They are fuller than those given by Gelpke, J. H. F. Sollewijn, op. cit., pp. 24—5. A similar list of the Krawang lands is printed in "Stukken betreffende den Landverkoop onder het Engelsche Tusschenbestuur", *Tijdschrift voor Nijverheid en Landbouw in Nederlandsch-Indië*, (1884), Vol. XXVIII, pp. 181—208.

<sup>37</sup> McQuoid reported to Raffles on January 13, 1813, (*Java Public Consultations*, January 15, 1813) that a Dutchman named Lintels had offered him a diamond pin and breast pin if he helped in negotiating a private sale.

<sup>38</sup> *Java Public Consultations*, January 5, 1813.

I. BANDUNG and TJIANJUR :

Lots	Boundaries	Villages	In-habitants	Buffaloes	Horses	Oxen	Tjiangs of Padi (1,000 Katis)	Coffee Trees	Pikuls of Coffee (@ 128 lbs)
No. 1	River Tjikao, north; River Tjisomang, south; River Tjitarum, west; The Mountains Burangrang, east.	65	2,869	724	72	—	1,099	—	—
No. 2	River Tjisomang, north; River Tjitarum, south and west; Tjimahi, east.	100	4,041	938	114	56	1,369	200,150	1,200
No. 3	Mountain Tangkuban-Prahu, north; Public road, south; River ?, east; Tjimahi, west.	46	2,369	862	28	2	389	307,175	1,012
No. 4	District of Pagedungan and Pangasahan (also called Tjijurug).	152	2,666	248	54	30	1,591	498,310	1,622
No. 5	District of Tjiheulang.	64	1,527	106	26	—	653	388,880	1,653
No. 6	District of Tjimahi.	84	4,196	636	63	—	2,329	364,040	2,028
No. 7	District of Gunungparang.	144	5,039	1,049	120	—	3,461	934,510	4,901
No. 8	District of Tjiputri.	20	1,285	201	26	12 including cows	1,103	171,290	1,075
No. 9	District of Tjikalong.	59	4,137	934	186	2	2,406	319,688	1,409

II. KRAWANG :

Lots	Boundaries	Villages	In-habitants	Buffaloes	Rhineland square roods		Tijangs of Padi (1,000 Katis)	Djati Trees (young and old)
					Sawahs	Tipars		
No. 1	River Tjilamaja, east; River Tjitarum and estate of Tjabang Bungten[?], west; the New Road, south; the Sea, north.	38	1,700	1,080	222,109	322,325	436	—
No. 2	River Tjilamaja, east; River Tjitarum, west; Mountains Burangrang, south; the New Road, north.	73	4,038	1,802	48,047	691,517	1,560	—
No. 3	River Tjiasem, east; River Tjilamaja, west; Mountain Tangkuban-Prahu, south; the Sea, north.	50	3,000 to 3,785	1,222 to 1,552	97,865	465,330	1,133	61,000
No. 4	District of Pamanukan. River Sewo, east; River Tjiasem, west; Mountain Tangkuban-Prahu, as far as the source of the River Tjikramas, south; the Sea, north.	69	4,571 to 6,560	1,174 to 1,879	666,472	1,087,944	1,553	76,350
No. 5	Regency of Kandanghaur. <sup>35</sup> River Pangkalang, east; River Sewo, west; River Tjipanas, south; the Sea, north.	21	6,210	973	81,420	—	708	4,860
No. 6	Regency of Indramayu. <sup>36</sup> River Tjimanuk, east; River Pangkalang, west; River Tjiplang[?], south; the Sea, north.	38	9,425	1,536	455,940	—	1,356	70,185

<sup>35</sup> This district was formerly reserved as a place of hunting for the Sultan of Tjirebon, and was therefore left, for the greater part, uncultivated. The disturbances in Tjirebon under Daendels, and later under Raffles, had resulted in depopulation, and at the time of the sale, two-thirds of the district was said to be waste land.

<sup>36</sup> Many of the valuable padi fields in the south of this Regency had been abandoned during the troubles in Tjirebon. There were some salt-pans in the north of the Regency. For a description of the Krawang Lots, Gelpke, J. H. F. Sollewijn, op. cit., pp. 25—6.

free disposal of the produce of the lands, and the profits from the bazaars, and the opium farm on his estate.<sup>39</sup>

On January 22, the Government also accepted De Wilde's offer of 40,000 Rix drs. for Lot 3 in Bandung,<sup>40</sup> and that of Muntinghe for Lot 4 in Krawang (Pamanukan) for 30,000 Sp. drs. paper.<sup>41</sup> On the same day that the Council agreed to these private disposals, further conditions governing the sales of lands were promulgated. The most important of these stated that the cultivation of coffee on the estates was to be left to the option of the proprietors; that the salt in the lands of Krawang was to be delivered exclusively to a farmer, as in the case of the Salt Farm at Batavia; and that the recently established capitation tax of 24 stivers p.a. on each family in the Batavian and Preanger Regencies in lieu of the salt and other taxes, was to be paid to the Government.<sup>42</sup>

Lot 9 — Tjikalong in Tjianjur — was claimed at this time by the Regent *Adipati Wira Tano Datar*. He said that he had bought the estate from the Dutch Government for 2,000 Rix drs., but could not produce the deed of sale. In any case, Raffles thought it best to grant him the lot in compensation for any further losses which he might sustain in the sales.<sup>43</sup>

<sup>39</sup> *Ibid.* Zimmer subsequently had to surrender part of these lots because he could not meet the payments.

<sup>40</sup> *Ibid.*, January 22, 1813. De Wilde claimed that he had applied for the parcel during Daendels' administration, and had actually been promised it by the Marshal. (De Wilde to Mc Quoid, March 4, 1814, *Gillespie Charges*, Appendix Y, 239.) De Haan rightly questioned this, because it would have been quite contrary to Daendels' policy. (*Priangan*, I, "Personalialia", 287.) De Wilde repeated his efforts to secure the lot during the early months of the British administration (*Ibid.*, 288), and in October 1812, forwarded a fresh application for the land to the Government. (Cited *Ibid.*, 288). This application was forwarded by Raffles to the Mackenzie Commission for consideration. Mackenzie referred to it in a letter to Lawick van Pabst on October 15, 1812: "I enclose [a] copy of Mr. De Wilde's application to Government for some lands in the District of Bandong, as he is anxious to have it decided soon . . .", "Letter Book [of the] Commission", *op. cit.*, Letter No. 18. When the sales were announced in November, De Wilde sent in a fresh application for the lands. De Haan, F., *Priangan*, I, "Personalialia", pp. 288—9.

<sup>41</sup> *Java Public Consultations*, January 22, 1813. Muntinghe's offer was made in a letter to Raffles dated January 15, *Gillespie Charges*, Appendix V, 235. He subsequently sold the lot to J. Shrapnell and Skelton, *Ibid.*, Appendix G, 207. See Gelpke, J. H. F. Sollewijn, *op. cit.*, 27; Norman, H. D. Levyssohn, *op. cit.*, 295.

<sup>42</sup> *Java Public Consultations*, January 22, 1813; Gelpke, J. H. F. Sollewijn, *op. cit.*, pp. 23—4.

<sup>43</sup> Mc Quoid to Assey, December 22, 1812, *Java Public Consultations*, January

The public auction for the lands in the Batavian and Preanger Regencies was held at Batavia on January 25, 1813, in the presence of Gillespie, Raffles, Muntinghe, Cranssen and Hope. Bidding was apparently spirited, but the size of the lots prevented any but the "capitalists" (as Raffles called them)<sup>44</sup> from participating. Before the sale, Engelhard had asked Muntinghe to join him in the purchase of some lands, but Muntinghe was not attracted by the offer.<sup>45</sup> Engelhard therefore approached Raffles. The latter was forced, so he claimed later,<sup>46</sup> to accept the proposal because a refusal might have destroyed confidence in the sales. But Raffles' participation in the sale was kept secret, so that the only confidence it could have created was in Engelhard's own mind. It was a foolish action for Raffles to have bought lands, not only because it gave the critics of his administration something concrete to lay against him, but also because it was wholly outside the traditions of British administration in India. His own justification, which has some reason in it to commend it, was that a ruling Governor of Java actually possessing lands was nothing unusual.<sup>47</sup> At the same time, this only partly excuses an action which was foolish in the extreme, and which eventually was one of the reasons for his removal from Java.<sup>48</sup>

Raffles, Engelhard, De Wilde and McQuoid purchased between them Lots 4, 5, 6 and 7 (Tjitjurug, Tjiheulang, Tjimahi and Gunungparang) of the Bandung-Tjianjur lands for 58,000 Sp. drs.<sup>49</sup> The total number of people on the estates was nearly 14,000, and the annual produce amounted to more than 10,000 pikuls of

22, 1813; *Gillespie Charges*, Appendix Z, 240; Gelpke, J. H. F. Sollewijn, op. cit., 28.

<sup>44</sup> Raffles' Minute of February 18, 1814, *Gillespie Charges*, Appendix G, 207. See also pp. 93—5, *Ibid.*

<sup>45</sup> Muntinghe to Raffles, March 20, [1814], Enclosure 20, *Gillespie Charges*, 32.

<sup>46</sup> *Ibid.*, pp. 7; 131; 209.

<sup>47</sup> *Ibid.*, 98. In a Minute of February 28, 1814, (*Ibid.*, Appendix G, 209) Raffles wrote: The lands bought "were a convenient acquisition to the Governor, in as much as they would afford European Vegetables, and enable him to establish a breed of Cattle, and obtain the convenience attached to a Farm, of which the Government-house at Buitenzorg had been deprived by the sale of the Lands in its immediate neighbourhood by Marshal Daendels".

<sup>48</sup> *Board's Drafts of Secret Letters to India*, Vol. 5, No. 97, January 3, 1815.

<sup>49</sup> *Gillespie Charges*, Appendix OO, pp. 262—5; De Haan, F., *Priangan*, I, "Personalialia", 289.

coffee,<sup>50</sup> and 80,000 pikuls of rice.<sup>51</sup> It was a bargain. Raffles owned one-half of the total land,<sup>52</sup> and McQuoid, Engelhard and De Wilde shared one-sixth each.<sup>53</sup> The other lots in the Batavian and Preanger Regencies were sold as follows:

#### Bandung and Tjianjur

Lot 2. not sold.

Lot 8. sold to A. Michiels for 13,700 Sp. drs.

#### Krawang

Lot 3. sold to J. Shrapnell for 35,000 Sp. drs.

Lot 5. sold to Muntinghe for 31,000 Sp. drs.

Lot 6. sold to Muntinghe for 43,000 Sp. drs.<sup>54</sup>

There were thus only eight participants in the actual sale, two of them members of the Government, and one a Commissioner for the sale of lands. No wonder suspicions were aroused in Java about the partisan nature of the sales! These suspicions were doubtless fanned by the jealousy of those who could not raise large enough sums to compete with the wealthy purchasers. Raffles claimed that he had disposed of the lands in large parcels in order to attract such "capitalists" because they were the only ones who could have afforded to make the necessary investments to improve their estates.

<sup>50</sup> Of 128 lbs. per pikul. The produce of 10,000 pikuls of coffee on Raffles' estate was a very high proportion of the total produce of the estates in Bandung and Tjianjur actually sold. The other lots produced only a total of 3,700 pikuls of coffee. *Gillespie Charges*, Appendix P, 227. Compare Raffles *Ibid.*, Appendix G, 210: "The Lands consist of three lots almost entirely waste, and a fourth in a state of tolerable cultivation, and the object was to unite them, in order to render the Districts which were uncultivated assist in the transport of the produce of that which was cultivated". Some capital was apparently invested for the improvement of cultivation during 1813. (*Loc. cit.*)

<sup>51</sup> 125 lbs. per pikul.

<sup>52</sup> Raffles found some difficulty in raising the 27,000 Sp. drs. as his part of the purchase money, and had been forced to borrow the sum from Robinson. When he learnt of the charges which had been preferred against him by Gillespie for participating in the sale, he quickly got rid of his share to Engelhard and De Wilde at the original price. The new division of ownership of the estate was thus: De Wilde 5/12; Engelhard 5/12; and McQuoid 1/6. On the subsequent history of De Wilde and his estate, see Ottow, S. J., *op. cit.*, pp. 169 et seq.; De Haan, F., *Priangan*, I, "Personalialia", pp. 290 et seq.

<sup>53</sup> *Gillespie Charges*, Appendix OO, pp. 262—5; Appendix T, 231.

<sup>54</sup> *Ibid.*, Appendix OO, pp. 262—5; Gelpke, J. H. F. Sollewijn, *op. cit.*, 29.

“Small Estates . . . would not have sold”, he informed the Supreme authorities when the sales came under attack,<sup>55</sup> “because it could not answer the purpose of wealthy men and speculators to sink their Money unless on a chance of considerable profit eventually — and thus, although there were several Bidders for each Lot separately, they fell off into the hands of a few large Capitalists, who could afford to bid highest in order to obtain a connected and extensive property.

Most of the Estates in the Western Division are of this nature, and however desirable it would have been to have sold the Lands in smaller Farms, a sale under such circumstances could not have been effected — but the Lots now sold are adjoining to each other, and it may be probably expected in time that as civilization extends, and the scope for speculation without adequate capital becomes lessened by the difficulty of borrowing Funds, many landed Estates will be separated, and Colonial landed property will become more generally divided”.

(b) *Semarang.*

The lots offered for sale at Semarang and Surabaya were smaller because of their proximity to the towns.<sup>56</sup> The Semarang lands are listed opposite.<sup>57</sup> A full list of the purchasers, who included the Commissioners Knops (Gumulak) and Lawick van Pabst (Lots 1 and 2), has already been published. A few of the lots were not sold, and Lot 8 which Middelkoop had bought, was subsequently repurchased by the Government.<sup>58</sup> The Semarang lands brought a total of 159,676 Sp. drs.<sup>59</sup>

<sup>55</sup> Ibid., Appendix G, pp. 207—8.

<sup>56</sup> Ibid., 208.

<sup>57</sup> I have extracted the particulars from a much fuller list in *Java Public Consultations*, January 26, 1813. The list has been printed, Anon., “Rapport omtrent de Partikuliere Landerijen beoosten de rivier Tjimanosk”, *Tijdschrift voor Nijverheid en Landbouw in Nederlandsch-Indië*, (1878), Vol. XXII, between Bijlage Ia and Bijlage K, but inaccurately. The list of purchasers of the Semarang lands is on p. 244.

<sup>58</sup> *Gillespie Charges*, Appendix M, 222.

<sup>59</sup> Ibid., Appendix MM, 261; Norman, H. D. Levyssohn, op. cit., 295. A figure of 163,160 Sp. drs. is given in *Java Public Consultations*, February 26, 1813, but this includes the amount Middelkoop paid for Lot 8, which was subsequently bought back from him. The total proceeds from the sale of lands in Batavia, Semarang and Surabaya was 455,443 Sp. drs., being the equivalent of 2,960,381 Rix drs. (*Gillespie Charges*, Appendix MM, 261). After deducting the money refunded to Zimmer, who could not meet the terms of his private offer, and allowing for other minor adjustments, the total amount which the Government netted from the sales was only 375,443 Sp. drs. (Ibid., 208).

Lots	Villages	Huts	Men able to work	Chiefs of Villages	Reli- gious Of- ficials	Buffa- loes	Horses
District of Gumulak	29	1,057	883	64	44	1,344	44
District of Torbaya	3 + 53 kampongs	780	567	14	25	34	8
District of Kaligawe	15 + 72 kampongs	1,465	1,303	33	13	327	17
Lot 1	11 + 7 kampongs	636	517	29	13	225	2
Lot 2	19	480	389	38	19	182	—
Lot 3	12	402	315	24	12	217	—
Lot 4	13	241	173	26	7	198	—
Lot 5	20 + 8 kampongs	1,071	959	30	12	199	1
Lot 6	18	444	391	36	18	203	9
Lot 7	4 + 14 kampongs	435	378	18	7	90	9
Lot 8	8 + 1 kampongs	217	188	14	3	141	1
Lot 9	6	159	126	12	4	145	1
Lot 10	14 + 9 kampongs	472	403	29	10	172	—
Lot 11	7	93	74	9	3	21	—
Lot 12	4 + 1 kampongs	223	198	7	3	36	12
Lot 13	3 + 12 kampongs	432	359	10	21	13	3

(c) *Surabaya.*

Few lands were sold at Surabaya,<sup>60</sup> and the competition was not keen. Reporting on the sale the day after the auction, Adams informed Raffles that there was "not the least competition, nor was there any bidder . . . except the inhabitants of Surabaya".<sup>61</sup> The total amount raised by the sales there was only 78,912 Sp. drs.<sup>62</sup>

*The Financial Results of the Sale.*<sup>63</sup>

The object of the sale of lands had been the withdrawal of the depreciated paper currency from circulation, and this Raffles partly achieved.<sup>64</sup> But unwisely, he immediately issued another quantity of paper on the guarantee of the Government,<sup>65</sup> and the result was, of course, a sharp depreciation. Actually Raffles had few alternatives at the beginning of 1813 but the reissue of a paper currency. The amount of specie in circulation had rapidly diminished during the course of 1812, and fresh supplies were wanting because the balance of trade remained unfavourable. Raffles had thought that payments for the lands would have been made in silver as well as in paper, but only paper appears to have been offered. Indeed, by recognizing Minto's original rates of 6½ Rix drs. paper to 1 Sp. dr. silver, little else could really have been expected. It has been argued in this connection that Raffles was unwise in admitting the depreciated paper money at the sales.<sup>66</sup> He should instead have accepted only specie. Raffles asserted in reply to this criticism, with much justification, that a sale conducted for silver only would have been fruitless,<sup>67</sup> since it was the very lack of specie which had caused the depreciation in the value of paper money. He claimed, moreover, that he could not have established new rates for the paper because he was morally bound to respect Minto's earlier proclamation.<sup>68</sup>

<sup>60</sup> For further information and details about the Surabaya lands, *Java Public Consultations*, January 26, 1813.

<sup>61</sup> Adams to Assey, February 16, 1813, *Ibid.* A list of purchasers, who included Rothenbühler, can be found in *Tijdschrift voor Nijverheid en Landbouw in N.I.*, Vol. XXII, pp. 245—7.

<sup>62</sup> *Java Public Consultations*, February 26, 1813; *Gillespie Charges*, Appendix MM, 261; Norman, H. D. Levyssohn, *op. cit.*, 295.

<sup>63</sup> Footnote 59, p. 86 for the total sum raised by the sale.

<sup>64</sup> Minute by Raffles, February 18, 1814, *Gillespie Charges*, Appendix G, 208.

<sup>65</sup> Minute by Raffles, March 31, 1813, *Java Public Consultations*, March 31, 1813. Treasury notes to the value of 250,000 Sp. drs. were first issued.

<sup>66</sup> *Gillespie Charges*, 72.

<sup>67</sup> *Ibid.*, 91.

<sup>68</sup> *Loc. cit.* Gillespie charged Raffles with the withholding of paper during the sales in order to prevent competition. (At the time of the sale a total of

The whole trouble was, of course, that a sale of lands in those circumstances was no solution to the financial problems which faced the Java Treasury at the end of 1812. Daendels' own experience should have made that clear to Raffles. But while this criticism is valid, it is difficult to suggest any satisfactory alternative to a sale of lands. Even Minto, who was not altogether happy about the sale, was forced to admit that it had been "an *able expedient* in a case of *great emergency*",<sup>69</sup> and both Edmonstone and Seton, the members of the Bengal Council, agreed.<sup>70</sup>

### *The Question of Forced Services on the Private Estates.*

It is beyond the scope of this study to investigate in any detail the actual practice of the proprietors in demanding forced services from the people once they were in control of the estates. Sollewijn Gelpke in his little-known book *De Landerijen onder het Engelsche Tusschenbestuur Verkocht en het Verbod van Heerendiensten aldaar* (1889) has shown clearly enough that whatever Raffles' views on the question of forced services were, he was powerless to prevent the proprietors from demanding them on their estates.<sup>71</sup> For the

3 millions of Rix drs. was in the Government Treasury, and another 2 millions in the hands of the Vendue Department, Orphan Chamber and other institutions.) Raffles' counter to this was that he wished to withdraw paper from circulation, and that to have issued it in large amounts would have been rather foolish. (Ibid., 152). There is something to be said both for Gillespie and Raffles on this question. The shortage of paper at the time of the sale would undoubtedly have had the effect of reducing competition; but at the same time to have flooded the market with paper would have produced few beneficial results.

<sup>69</sup> Minto to Raffles, November [22], 1813, Lady Raffles, *Memoir*, 196. Minto at first approved the sales (Minto to Raffles, June 24, 1813, Ibid., 189) probably because he thought it was an attempt to follow his instructions. But he was surprised to learn of the extensive sales later, and politely told Raffles so.

<sup>70</sup> Edmonstone in a Minute of June 18, 1814, (*Java*, Vol. 63) admitted the financial difficulties which confronted Raffles, but was not prepared to commit himself on the wisdom of the measure. He expressed, however, complete faith in Raffles' personal motives for the sales. Seton in a Minute of the same date, (Ibid.) stated that given the pressing financial situation in Java, the sale of lands was the best local measure that could have been adopted, except, perhaps, the leasing of the lands.

<sup>71</sup> Mackenzie had advised Raffles in October 1812, after he had inspected the lands around Semarang and Surabaya, to establish strict regulations regarding the rights of the people on the estates. "I conceive", he wrote, "it would be an object of importance & humane consideration with Government, in the event of selling these lands, to devise such a system of regulation &

moment, I wish to examine briefly the protests on this controversial subject addressed by the Commissioners for the sale of lands to Raffles before the auctions actually took place, because those protests reflected the views of the Dutch members of the Mackenzie Commission, and generally repeated arguments which had been advanced in the Commission's reports. They also reflected clearly the predominant attitude of the European proprietor class in Java at the time.

As early as November 25, 1812, the Surabaya Commissioners for the sale of lands had written to Raffles objecting to the prohibition on the exaction of services stated in the conditions of sale.

[B]e it permitted us to observe, that it will be impossible to cultivate the lands to so much advantage as they might be capable of yielding, without admitting servitude on equitable terms. No Javanese will do more work than his own utmost necessity requires. If two acres of land supply his wants, he will certainly not cultivate a third, and it frequently happens that, when his crop is very abundant and he has gathered a supposed sufficiency for his use, he leaves the surplus on the field, being too lazy to bring it home. We think therefore, that some modification is highly desirable.

... If the landowner... is not permitted to levy... [the *Wang Grabag* or *Wang Tjatjah* or Capitation] Tax, he loses the profit of the ground which he bought and paid for, because the whole extent of the *Dessas*, where the Javanese has his house and trees, is included in the number of acres he purchased.<sup>72</sup>

If, however, Raffles viewed the matter in another light, and thought that the tax should be levied for the benefit of the Government, then the Commissioners believed it should be collected by the proprietors for the Government "without the interference of native chiefs whose influence upon the Javanese proprietor of the land,

reservation, as may tend to secure the comfort & protection of the Families now resident on these lands, thus coming into the possession of private Individuals;... [and] the period or term of warning of removal, of the compensation & remuneration of property in houses, trees, or other improvements of the ground occupied by families should be regulated". Mackenzie to Assey, October 15, 1812, "Letter Book [of the] Commission", op. cit., Letter No. 17.

<sup>72</sup> Adams, Rothenbühler and Goldbach to Raffles, November 25, 1812, *Java Public Consultations*, January 26, 1813; Gelpke, J. H. F. Sollewijn, op. cit., 11.

we consider as highly prejudicial".<sup>73</sup> The Commissioners forwarded a set of regulations incorporating these ideas,<sup>74</sup> and asked Raffles to approve them. The main point of these regulations was that the people on the private estates were to be subject, under specified conditions, to the landowners, who were to be able to divide the lands among them as they thought fit. The European proprietors were also to have the rights "to exact private services from their male tenants".<sup>75</sup>

It was not only the Surabaya Commissioners who complained about the restrictions which were to apply to the exaction of feudal services. Garnham had asked Raffles at the end of November to remove these restrictions, and grant the proprietors the right of collection of the capitation tax.<sup>76</sup> Raffles replied that the advertised conditions governing the sales would have to be considered as final.<sup>77</sup> But when Lawick van Pabst and Offers both attempted to persuade him that if the proprietors were not allowed to exact feudal services, any improvement in cultivation would be impossible,<sup>78</sup> Raffles felt it necessary to issue more defined regulations. The most important of these gave the proprietors the option of continuing the cultivation of coffee on their estates.<sup>79</sup> McQuoid in a separate report expressed the opinion,<sup>80</sup> which Raffles probably shared, that it was "hardly in the power of Government, *publicly* to convey to, or sanction in Landholders the exaction of feudal services from their tenants." He told Raffles that the proprietors would not be "tyrannical or oppressive" since the people were not transferred with the lands, and would flee if subjected to ill-treatment. In this pleasing fiction, Raffles, like the ostrich, buried his head. Writing in February 1814 on the conditions which had been established for the sales, he stated:<sup>81</sup>

<sup>73</sup> Loc. cit.

<sup>74</sup> Gelpke, J. H. F. Sollewijn, op. cit., pp. 12—3.

<sup>75</sup> Ibid., 13.

<sup>76</sup> Garnham to Assey, November 28, 1812, *Java Public Consultations*, January 26, 1813; Gelpke, J. H. F. Sollewijn, op. cit., 11.

<sup>77</sup> Raffles' reply was dated December 4, 1812, *Java Public Consultations*, January 26, 1813.

<sup>78</sup> Gelpke, J. H. F. Sollewijn, op. cit., 17.

<sup>79</sup> Ibid., pp. 23—4.

<sup>80</sup> McQuoid's report is in *Java Public Consultations*, January 26, 1813; and Gelpke, J. H. F. Sollewijn, op. cit., pp. 15—23. Italics mine.

<sup>81</sup> Minute by Raffles, February 18, 1814, *Gillespie Charges*, Appendix G, 204.

From these Conditions it will be evident that every practicable attention was given to the interests and welfare of the population — they were expressly retained under the protection of the Government, and it should not be forgotten that in point of fact they have been emancipated. Their feudal service is abolished, the forced deliveries and vexatious taxes . . . have since been altogether done away, and Government have only given up in these Sales that Revenue from the people, or in other words, that proportion of the crops, to which, as Lords of the soil, they had an indisputable claim.

It was on the latter principle — the Government's sovereign rights to the soil — that Raffles came to justify his sale of lands. It was this principle, too, which provided the theoretical basis for the land rent system, which was introduced into the North Eastern districts of Java in 1813.

