

CHAPTER 15

PROBLEMS AND PROSPECTS

In less than two centuries Malaya has emerged from obscurity to occupy an outstanding place among the new nations of South-East Asia. For most of this period it was a colony, a small part of the British Empire. The revolutionary changes that have occurred in this country were by-products of colonialism: the development of an economy based on agriculture, mining and trade, and the transformation of a homogeneous society into a multi-racial one were the fruits of a policy which delegated to Malaya, as indeed to the other British colonies, a role as a source of raw materials and a market for British manufactured goods. In fulfilling this role, Malaya started with two natural advantages. Its western coastline adjoins the narrow Straits of Malacca, one of the great trade routes of the world along which pass the ships plying between Western Europe and the Far East. From the earliest times Malaya has been in a position to take advantage of the opportunities for trade afforded by this international highway crowded with traffic. Malacca, of historic fame, and, more recently, Penang, Singapore and Port Swettenham served as convenient refuelling stations and as points of entry and exit for goods and people.

The other natural advantage was in possessing some of the richest tin resources of the world in an easily accessible and easily mined form. The revenue derived from the development of these resources paved the way for the early establishment of modern land transport which in turn was one of the main factors contributing to the remarkable rise of the rubber industry. Tin was the magnet which drew in thousands of Chinese miners, just as much as rubber was later to draw in further thousands of Indian labourers. The material results of the development of the tin and rubber industries are striking. Physically, it led to the opening up of large expanses of once unproductive land. A country which less than a century ago had only about half a million acres under crops now has more than five and a half million cultivated acres, and a further half-million acres alienated for mining. In addition one-quarter of the total land area of the Peninsula