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Promise, pretence and pragmatism: governance and taxation in colonial Indonesia, 1870-1940

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Dutch colonial ideas and reforms in the nineteenth and twentieth centuries

“We must use our greater knowledge and skill [...] and intellectual advantage [...] to provide the Javanese with the benefits of civilization. [...] From us and through us they must enjoy material advantages, their means of subsistence must be developed, their agriculture improved and their industry stimulated; and they must also reap in large measure the fruits of their labour and enjoy material prosperity. Elevation from a state of moral abasement and misery to one of thinking and independently developed beings, from the slavery of oppression of greedy lords and notables to individual freedom, the cultivation of their minds and purification and refinement of their social institutions: all these benefits they must be able to thank us for.”¹

Thus wrote W.R. baron van Hoëvell (1812-1879), former preacher in Java and liberal parliamentarian in 1849, during the heyday of the Cultivation System in Java, of which he was an early, notable critic. The article from which this excerpt derives is titled ‘Sketch for an Ethical Program.’ While an ethical program only came to be launched in the early 1900s, its underlying ideas of moral uplifting and social improvement were as old as the colony itself.

This chapter traces the emergence of such ideas by contextualizing them in over a century of colonial expansion and political, economic and administrative reform. It aims to understand how Dutch colonial governance in Indonesia came into being and took shape and what policies were implemented. It will analyse and characterize the development of colonial policies, politics and bureaucracy, and demonstrate how, contrary to what Van Hoëvell’s quote seems to suggest, these were not only prompted by visions of socio-economic and political modernization, but also by pragmatic and financial choices. It will demonstrate how these choices led to the imposition of coerced labour and monopolized export of cash crops in the early nineteenth century, and the transition towards free entrepreneurship and monetary taxes in the later nineteenth and early twentieth century, as discussed in the next chapter. Rhetoric of improvement and progress followed these changes (and seemingly changed), but its underlying dogma’s and key concepts about colonized people and societies remained relatively stable.

The first section of this chapter describes the economic and social transformations of the nineteenth century, involving continuities in political accounts on the moral education of indigenous peoples, through economic

1 G.W.W.C. baron van Hoëvell, “Schets van een Ethisch Program”, *TvNI* 1 (1849), 59; translated and quoted by E.J.M. Schmutzer, *Dutch Colonial Policy and the Search for Identity in Indonesia, 1920-1931* (Leiden: Brill, 1977), 17.

policies of coerced cultivation. The second section analyses how these accounts were updated in the late nineteenth and early twentieth century to reform and support free entrepreneurship and more modern forms of administration. This provides a long-term analysis of Dutch colonialism, showing a protracted process of colonial state-formation, characterized by internal conflicts, paradoxical expectations and resulting in fragmented, incoherent and fluctuations in policy making.

1.1 GOVERNMENT MONOPOLIES AND COERCED PRODUCTION

Around 1800, Indonesia was a disunified collection of sovereign empires, sultanates, princedoms, semi-independent chiefdoms and various stateless spaces. Some of these had been absorbed into the colonial network of the VOC (the Dutch East India Company), providing the roots of the Dutch colonial state, as it would emerge in the nineteenth century. The VOC used shifting power-alliances and intermingled in regional wars, to extend its militarized political and commercial influence. In Eastern Indonesia this led to the collapse of the Sultanate of Makassar and the rise of the Bugis kingdom, securing Dutch power in South Sulawesi and the Moluccas.² In Java, the VOC intervened in the Javanese Wars of Succession to advance its own candidates and gain more influence over Central and East Java.³ In West Sumatra, the trading outpost in Padang was used as a base for diplomatic and commercial expeditions to the Minangkabau Kingdom of Pagaruyung.⁴ The majority of Indonesia, however, including Aceh and Seram, remained largely independent until the twentieth century. Only in North Sulawesi, the Molucca's and in particular Java, had the VOC gained administrative influence, though as "paramount chief rather than absolute ruler."⁵

Principle precepts

In line with the increasing Dutch focus on rule during the eighteenth century, the Dutch continued developing strands of colonial thought, culture, strategies and practices of governance, during the transition from

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- 2 L.Y. Andaya, *The Heritage of Arung Palakka: A History of South Sulawesi (Celebes) in the Seventeenth Century* (The Hague, Martinus Nijhoff, 1981).
 - 3 M.C. Ricklefs, *Jogjakarta under Sultan Mangkubumi, 1749-1792: A History of the Division of Java* (London/New York: Oxford University Press, 1974).
 - 4 J.E. Drakard, *A Kingdom of Words: Language and Power in Sumatra* (Oxford: Oxford University Press, 1999).
 - 5 R. Dubsky, "Ideology in Indonesia's Colonial Administration", *Asian Studies* 14 (1976), 37-64: 39. See also N. Tarling, "The Establishment of the Colonial Régimes", in N. Tarling (ed.), *The Cambridge History of Southeast Asia. Volume II: The Nineteenth and Twentieth Centuries* (Cambridge: Cambridge University Press, 1993), 5-78: 9-14.

commercial empire to colonial state, which increasingly focused on Java.⁶ Following the resonating transformation of political ideologies, governance and politics after the Atlantic Revolutions around 1800, the influence of European political thought became more articulate overseas. This was certainly the case under the governance of the colonial state's principle architects, H.W. Daendels (Governor-General in 1808-1811) and British commander T.S. Raffles (Governor-General in 1811-1815). Both Raffles and Daendels, though of different ideological backgrounds, were fervent, enlightened reformers. They considered the VOC to have kept the Javanese in a state of 'feudal darkness', by using and supporting systems of 'indigenous despotism and exploitation', as rooted in political-economic and fiscal structures of labour duties, tributes and contingencies.⁷ They envisioned a European-like, centrally coordinated and bureaucratic state to replace these alleged forms of indigenous 'feudalism'.⁸ Hitherto, the colonized population had to be 'reconditioned' for doctrines of free entrepreneurship and unrestrained access to capital and labour markets – precisely the elements, as explained below, that had been destroyed under militarized company rule prior to 1800 – under a supportive, responsible state in order to protect indigenous industry from 'predatory' indigenous aristocracies. Both Raffles and Daendels aimed to improve the colony's political and economic foundations and establish what was supposed to become a colonial bureaucracy, but had limited success.⁹ Daendels, for instance, greatly curtailed the power of Java's indigenous aristocracy in an aggressive manner and undertook the construction of the *Grote Postweg*, a new, main trunk road connecting East and West Java, for which he used numerous unpaid coerced labour services. Raffles, taking over after the British invasion of Java in 1811, considered the forced deliveries and contingents, as maintained by the VOC, obsolete. He attempted to cut out the layer of Javanese provincial lords and their assessment and collection of taxes by imposing a *land rent*, a fictional tax on yield, based on the area of owned arable land, levied directly on the peasants through the village chiefs. This land rent was rooted in the idea that the government was the owner of all of Java's land (see Chapter 4), and that as

6 A.F. Schrikker, "Institutional Memory in the Making of Dutch Colonial Culture in Asia (1700-1870)", in R. Koekoek, A.I. Richard and A. Weststeijn (eds.), *The Dutch Empire between Ideas and Practice, 1600-2000* (Cham: Palgrave Macmillan, 2019), 111-134; J. van Goor, *Prelude to Colonialism: The Dutch in Asia* (Hilversum: Uitgeverij Verloren, 2004), 83-99.

7 See T.S. Raffles, *The History of Java* (2 vols., London: Black, Parbury and Allen, 1817), vol. I: xlv, xxvii-xxx, xxxviii-xxlvii; Dubsky, "Ideology", 49; A.B. Lapien, "Indonesian Perspectives of the Colonial Power", in J.C. Heesterman et al., *Comparative History of India and Indonesia Vol. 4: General Perspectives* (Leiden/New York: E.J. Brill, 1989), 77-86: 81.

8 J. Kathirithamby-Wells, "The Age of Transition: The Mid-Eighteenth to the Early Nineteenth Centuries", in N. Tarling (ed.), *The Cambridge History of Southeast Asia. Volume I: From Early Times to c. 1800* (Cambridge: Cambridge University Press, 1993), 572-620.

9 C. Fasseur and D.H.A. Kolff, "Some Remarks on the Development of Colonial Bureaucracies in India and Indonesia", in *Itinerario* 18:1 (1996), 31-56: 35.

such, the peasants were tenants who owed 'rent' to the government; hence it was not called a 'tax'. This land rent was the first centrally administered tax levied directly by the colonial government, and was intended to replace the duties or tributes levied by various layers of, what Europeans considered to be, 'feudal' aristocracies.¹⁰ However, as was the case with similar taxes elsewhere in (colonial) Asia, it was increasingly flawed by a lack of proper land surveyance and remained dogged by collection problems, characterized by fear for unrest, negotiation, personal ties and patrimonial levying practices, until far into the twentieth century.¹¹

Daendels and Raffles met the same challenges as precolonial rulers who accumulated wealth, power and people, following various local geographical, economic, and social constraints. And combining bureaucracy with 'patrimonialism', for lack of a better word, did not seem to obstruct fiscal consolidation. In fact, in the face of specific local difficulties and societal conditions such as societal fragmentation and resilience, it appeared to be a more an efficient and pragmatic way to collect taxes.¹² In Java, where monitoring capacity, communications, transportation and record-keeping were difficult, the emergence of unified, centralized states was not the logical outcome of history and tax systems stayed decentralized and privatized. This was not an indicator of state-failure, but a successful response to particular geographical and social challenges. Rulers across the globe needed to engender a certain degree of credibility among the population in their ability to collect sufficient revenue, something they just did in many different ways.¹³ Daendels and Raffles had little choice but to follow Java's specific constraints. Hence, already in its earliest phase, the contours of European colonial governance in Indonesia, as drawn on paper, were not entirely pertinent.

Initially, Dutch policy debates vacillated between a conservatism, which defended 'Dutch Javanese feudalism', and the enlightened liberal principles of revolutionaries like Daendels and Raffles. Conservatives favoured a strong state that monopolized indigenous commerce in order to maximize profits and protect the Javanese – whom they considered unsusceptible to universal principles and laws of economic liberty – against the overpowering influence of private capital. Liberals believed the colonial government had to provide the requisite legal institutions for freely func-

10 Hugenoltz, *Landrentebelasting*; Sutherland, *The Making of a Bureaucratic Elite*, 8. On the use and usability of the concept of feudalism in Indonesia and Malaysia by contemporary and modern day authors, see C.B. Kheng, "Feudalism in Pre-Colonial Malaya: The Past as a Colonial Discourse", *JSAS* 25:2 (1994), 243-269.

11 A. Booth, "Land Taxation in Asia: an Overview of the 19th and 20th Centuries", *Oxford Development Studies* 42:1 (2014), 1-18: 4-9; W.R. Hugenoltz, "The Land Rent Question and its Solution, 1850-1920", in Cribb (ed.), *The Late Colonial State*, 139-172. See also chapter 4 for an elaboration of the land rent.

12 Scott, *Seeing Like a State*, 34.

13 Kiser and Levi, "Interpreting the Comparative History of Fiscal Regimes", 558.

tioning markets, but refrain from any further intervention.¹⁴ Both ideologies, in fact, originated from the humanitarian-liberal thought of the era prior to and following the French Revolution and implied an underlying “enlightened rhetoric of progress.”¹⁵ They upheld the core, self-legitimizing claims of the colonial ‘truth regime’, which maintained that only enlightened colonial rule could curtail the harmful effects of ‘indigenous misrule’ and elevate local societies to greater standards of welfare and productivity by encouraging what it considered more productive behaviour through fiscal policy. This idea of progress drove much of the long-lasting colonial fantasies of governmentality and paternalistic constructivism, which was reinvented continuously and transposed beyond Java’s shores to the surrounding islands during the era of ethical-colonialism in the twentieth century. Just how to reach this final stage of welfare and prosperity, however, was something on which officials could not agree.

Though policy changes followed the guidelines of these ideological boundaries, they were not determined by them. In Java, popular discontent, caused by deteriorating living conditions after the Dutch restoration of power in 1816, provided leeway for the support of a ‘messianic ruler’ who would liberate Java of Dutch rule, inspiring the Javanese Prince Dipanegara to rise against the Dutch, culminating in the Java War of 1825-1830.¹⁶ The war caused a government deficit of 40 million guilders and brought the total colonial debt to 490 million guilders by 1830.¹⁷ Facing an unfolding crisis of Dutch metropolitan public finances, caused by these debts and made worse due to the costs imposed by the Belgian Revolution of 1830¹⁸, the Dutch King, William I decided to prioritize colonial benefits (*baten*) over governance and welfare. This marked the beginning of a period of systematized authoritarian extractive Dutch colonialism, when finance rather than ideology determined the course of colonial politics.

Coerced cultivation

And so the Dutch adopted a strategy of state monopolization of cash crops, set out on paper by the ambitious and experienced army officer

14 Dubsy, “Ideology”, 42; Schmutzer, *Dutch Colonial Policy*, 3; J. Bastin, *Raffles’ Ideas on the Land Rent System in Java and the Mackenzie Land Tenure Commission* (’s-Gravenhage: Nijhoff, 1954), 13-14; H.W. van den Doel, *Het Rijk van Insulinde: Opkomst en Ondergang van een Nederlandse Kolonie* (Amsterdam: Prometheus, 1996), 12-14.

15 A.F. Schrikker, “Restoration in Java, 1815-1830: A Review”, *BMGN* 130:4 (2015), 132-144: 144; Schmutzer, *Dutch Colonial Policy*, xi.

16 P.B.R. Carey, *The Power of Prophecy: Prince Dipanegara and the End of an Old Order in Java, 1785-1855* (Leiden: KITLV Press, 2007), 602-603; M.C. Ricklefs, *A History of Modern Indonesia since c. 1200* (Basingstoke: Palgrave, 2001), 142.

17 Van den Doel, *Het Rijk van Insulinde*, 48-50.

18 Klein, “Dutch Monetary Policy”, 195-197; V.J.H. Houben, “Java in the 19th Century: Consolidation of a Territorial State”, in H. Dick, V.J.H. Houben and J.Th. Lindblad (eds.), *The Emergence of a National Economy: An Economic History of Indonesia, 1800-2000* (Leiden: KITLV Press, 2002), 56-81: 64.

J. van den Bosch (Governor General in 1830-1833). Though principally much convinced of enlightened principles of the malleability of people and society, Van den Bosch came to oppose the imposition of 'liberal principles' upon what he called a "stupid and superstitious people."¹⁹ He was a resolute and forceful governor, a pragmatic and essentially 'high-modernist' man of science, large-scale planning and vigour, innovative and progressive on the one hand, but conservative and paternalistic on the other. Deeply devoted to his attempts to stimulate welfare both in the Netherlands and overseas, based on the idea that each individual had fulfil his or her potential on the economic market, he felt compelled to promote productivity and 'civilization' in Java, but always in service of economic growth at home.²⁰ Under his governorship, Java became an 'area of profit', serving the motherland. Van den Bosch endorsed that limitations in slave trading in the colonies in South America and the Caribbean around 1815 brought new opportunities for Java to establish competitive sugar planting. Harkening back to the VOC's plantation schemes on Ambon and Java (most notably in Priangan and Banten), his 'Cultivation System' (*Cultuurstelsel*) fully institutionalized coerced plantation of cash crops, resulting in massive production of sugarcane, coffee, indigo, tea, spices and tobacco.²¹ These were sold on the European market, auctioned by the *NHM* (*Nederlandsche Handel-Maatschappij* or Netherlands Trading Society, founded in 1825 by the king), that held the exclusive rights on transporting colonial products to The Netherlands, which rendered huge profits into the Dutch national treasury but greatly disrupted Java's economy.²²

In Java, peasants were expected to use 20% of arable lands for production of tropical cash crops in so-called cultivation services, for which they were paid a fixed price, then transport the crops to the nearest government

19 J. van den Bosch, *Brief, Inhoudende eenige Onpartijdige Aanmerkingen, op eene Memorie, onlangs in het Licht Verschenen, onder den Titel van: Staat der Nederlandsche Oostindische Bezittingen, onder het Bestuur van den Gouverneur Generaal Herman Willem Daendels, Ridder, Luitenant-Generaal, & c. in den Jaren 1808-1811* ('s Gravenhage/Amsterdam: Johannes Allart, 1815), 'voorrede', iii-iv, 3-4, 16-17.

20 A. Sens, *De Kolonieman: Johannes van den Bosch (1780-1844), Volksverheffer in Naam van de Koning* (Amsterdam: Uitgeverij Balans, 2019), 1-4, 156-161, 179-181. See also J.J. Westendorp Boerma, *Een Geestdriftig Nederlander: Johannes van den Bosch* (Amsterdam: Querido, 1950).

21 In 1850-1860, the heydays of the cultivation system, 96% of the total revenue of the system was made in coffee and sugar. See: C. Fasseur, "Het Cultuurstelsel Opnieuw in Discussie", in C. Fasseur and R. van Niel (eds.), *Geld en Geweten: Een Bundel Opstellen over Anderhalve Eeuw Nederlands Bestuur in de Indonesische Archipel Archipel*, Vol. I: *De Negentiende Eeuw* (Den Haag: Martinus Nijhoff, 1980), 115-130: 127. See also: U. Bosma, *The Sugar Plantation in India and Indonesia: Industrial Production, 1770-2010* (Cambridge: Cambridge University Press, 2013), 88-100.

22 Profits comprised ca. 500 million guilders in 1832-1867 and 190 million guilders in 1867-1877, and comprised up to a third of total government revenue in 1851-1860. See D.H. Burger, *Sociologisch-Economische Geschiedenis van Indonesia: vol. 1: Indonesia vóór de 20e Eeuw* (Ed. by J.S. Wigboldus; Wageningen: Landbouwhogeschool Wageningen, 1975), 120; C. Fasseur, *The Politics of Colonial Exploitation: Java, the Dutch, and the Cultivation System* (Ed. by R.E. Elson; Ithaca: Southeast Asia Program, Cornell University, 1992), 149-150.

warehouse, the transportation services usually unpaid.²³ In addition, they were required to spend 66 days of labour in *corvée* services (*heerendiensten*) for construction and maintenance work and in service of their various overlords. As mentioned in the introduction, *corvée* services formed a major 'hidden' contribution to colonial revenues, as they helped to reduce the cost of construction and maintenance of infrastructure, irrigation systems and public buildings.²⁴ In precolonial Java, various services were performed by the people "with a certain amount of goodwill", rendered to chiefs as a form of taxation, or rendered as community services for mutual assistance among village inhabitants.²⁵ The government adopted these traditional right to services for chiefs, and started using them as mandatory, forced *corvée* labour services. Thus, postal services, fire brigades, policing and many other public utilities, otherwise funded by taxes, were also provided using a complex of *corvée* services on village, regional and provincial level, fuelling the colonial economy with cheap Javanese labour for the following decades.

Peasants received crop payments (*plantloon*) for the performance of coerced cultivation services, paid either in cash or in rice, to enable them to pay their land rent and retain a certain level of consumption.²⁶ However, the *plantloon* was partly subtracted from the land rent, so peasants received smaller payments when the value of crops was higher than the amount of tax due. In theory, the value of *plantloon* determined the land rent payment as it affected capacity to pay. In practice however, payments were more random, depending on production and the interference of village chiefs or officials.²⁷ In most of Java, the introduction of a large amount of copper coins used for *plantloon* payment, generated rapid (re)monetization of Java's peasant economy, enabling further development of household economies.²⁸

23 Ibid., 14-15. According to Van Vollenhoven, this principle 'one-fifth' rate derived from West-Java, or more specifically Norther Banten, where tax on *sawah* in the crown regions traditionally was 1/5 of yield. See: C. van Vollenhoven, "Antirouffaer. Naschrift op het Rapport van 16 april 1904 over den Agrarischen Rechtstoestand der Inlandsche Bevolking op Java en Madoera", *BKI* 74:3 (1918), 399-406: 404-405.

24 As demonstrated by M. van Waijenburg in the case of colonial French Africa; Waijenburg, "Financing the African Colonial State", 69-70. As Cribb has recently shown, labour shortages in Java were also solved by recruitment of labour from China and deployment of prisoners as cultivators. R.B. Cribb, "Convict Exile and Penal Settlement in Colonial Indonesia", *Journal of Colonialism & Colonial History* 18:3 (2017).

25 T. Soebekti, *Some Facets of the Income Tax Administration in Indonesia with Reference to Those in the United States* (PhD thesis, Indiana University, 1964), 4.

26 C. Fasseur, *Kultuurstelsel en Koloniale Baten: De Nederlandse Exploitatie van Java 1840-1860* (PhD thesis, Leiden University, Leiden: Universitaire Pers, 1975), 24; C. Fasseur, "Clio and Clifford Geertz", *Itinerario* 14:2 (1990), 71-80: 75.

27 Fasseur, "Het Cultuurstelsel Opnieuw in Discussie", 117-125; Fasseur, *Kultuurstelsel*, 20-22. See also Boomgaard, P., and P.M. Kroonenberg, "Rice, Sugar, and Livestock in Java, 1820-1940: Geertz's Agricultural Involution 50 Years on." In D. Schäfer et al. (eds.), *Rice: Global Networks and New Histories* (Cambridge: Cambridge University Press, 2015), 56-83: 68.

28 R.E. Elson, *Village Java under the Cultivation System, 1830-1870* (Sydney: Allen and Unwin, 1994), 261-264, 361.

Simultaneously, the labour demand increased rapidly and peasants had to cede their yields to the colonial government, for a price lower than actual market value while carrying a heavy and increasingly unescapable burden of cultivation and labour services.²⁹ Consequently, local cash crop markets stagnated and Java showed a decline of smallholder production.³⁰

Officially, the Cultivation System in Java was never proclaimed or imposed, nor was it centrally managed as a unified system. Instead, it was set out in a number of publications by Van den Bosch personally, building on practices already in play, and intended as transitionary system to repair the colonial economic deficits.³¹ Consequently, its practical operation between 1830 and 1870 was diversified, subject to many regional varieties and modified to suit local conditions. For instance, it was only introduced to those lands directly governed by the colonial administration. The Sultanates of Yogyakarta, Surakarta, Mangkunegaran and Pakualam, the four remaining principalities after the carving up of the vast Javanese Empire of Mataram in the 1750s, remained semi-independent as 'self-governing' principalities (*Vorstenlanden*).³² Together with the many 'private estates' (*particuliere landerijen*), they were not included in the Cultivation System.³³

Indirect rule

A crucial aspect of the Cultivation System in Java was its successful use of indirect rule. Across the large nineteenth-century colonial empires officials relied on patterns of indirect rule, which "required only a minimal state apparatus but rested on local elites and communities", who also "had an

29 J. Breman, *Koloniaal Profijt van Onvrije Arbeid: Het Preanger Stelsel van Gedwongen Koffieteelt op Java* (Amsterdam: Amsterdam University Press, 2010), 358; J.S. Furnivall, *Netherlands India*, 133-135; C. Day, *The Policy and Administration*, 258, 280-251; P. Boomgaard, *Children of the Colonial State: Population Growth and Economic Development in Java, 1795-1880* (Amsterdam: Free University Press, Centre for Asian Studies, 1989), 33-35.

30 T.K. Wie, "Colonial Extraction in the Indonesian Archipelago: a Long Historical View", in Frankema and Buelens (eds.), *Colonial Exploitation and Economic Development*, 41-59: 47; Boomgaard, *Children*, 36; Booth, "Trade and Growth in the Colonial and Post-Colonial Periods", 21.

31 Fasseur, *Kultuurstelsel*, 11; Sens, *De Kolonieman*, 351-352.

32 C. Fasseur, "Cornerstone and Stumbling Block", 35; Houben, "Java in the 19th Century", 61-63. This helps explaining the profound influence of the politics and *adat* of the (courts of) these principalities over West, Central and East Java. Yogyakarta and Surakarta in particular remain the centres of orientation for Javanese culture.

33 Such private plots of lands, once sold to entrepreneurs or under possession of (former) governors remained exempted from central policies of corvée and taxation. They became like "mini-states" in themselves; Dutch legal scholars described them as 'semi sovereign' and compared them to the many indigenous self-governing principalities. The landlords were responsible for taking care of the inhabitants, providing education, healthcare and social services. In return they demanded the maximum in terms of services and taxes. See Anonymous, "Toestand op Particuliere Landerijen", *Tijdschrift voor Economische en Sociale Geographie* 5 (1914), 36.

interest in withholding resources and knowledge from the centre.”³⁴ In Java, peasants were held in check by village chiefs and local rulers of the Javanese administrative elite, the *priyayi*, whom Van den Bosch had reinstalled. He considered their alienation, under Daendels’ and Raffles’ administrations, a direct cause of the Java War, as it had erased most of their former fiscal rights and benefits.³⁵ He ensured they regained their former status and granted them the right to hereditary succession, salary fields, shares in agricultural profits (*cultuurprocenten*; ‘cultivation percentages’) and enhanced entitlements to ‘feudal’ labour services to enhance the consolidation of a loyal ruling class. This helped to maintain efficiency in a bureaucratic reality characterized by limited time, information and influence.

The Javanese ‘*bupati*’ (appointed rulers of ‘Regencies’ into a number of which each district was sub-divided), were selected from the Javanese nobility and functioned as symbolic monarchs of the districts, under the pretension that they were still the regional power-holders of precolonial times.³⁶ Prior to colonialism, many *bupati* had been independent political leaders of patronages who accumulated strength based on the numbers of followers and households under their rule. They supposedly embodied traditional leadership and power, reflected in the welfare and harmony of the Regency and expressed through court ceremonies, objects and ritual. Under colonial rule, they developed into ritual exponents of Dutch governance, comfortably secured and salaried under direct supervision of the Resident (as their ‘younger brothers’), to combine Javanese traditional and Dutch administrative authority, as linchpins between both. They redistributed the wealth and influence they received from above among lower administrators.³⁷ Actual administration was delegated to the *patih* (‘prime ministers’ or ‘chief deputies’), who managed a body of lower ranking *volkschoofden* (‘popular chiefs, office-holders in fact). The lower chiefs controlled smaller sections of the Regency or had specific executive functions within the *bupati*’s government.³⁸ The *bupati*, *patih* and lower chiefs were all *priyayi* and held noble ranks and titles. As pillars in the Indigenous Administration, they were responsible for the socio-economic, financial and religious ‘health’ of the Regencies under supervision of the European officials.³⁹ This was done by managing the (non-*priyayi*) village or *desa* chiefs through an administration consisting of various specialized *mantri* and specific reli-

34 Scott, *Seeing Like a State*, 77.

35 Sutherland, *The Making of a Bureaucratic Elite*, 6-8; Carey, *The Power of Prophecy*, 843. See also R. Bertrand, *État Colonial, Noblesse et Nationalisme à Java: la Tradition Parfaite* (Paris: Karthala, 2005).

36 Sutherland, *The Making of a Bureaucratic Elite*, 10 19-20, 23-26, 31-32.

37 Ibid., 34.

38 A ‘capable’, skilled (or cunning) *patih* was of essential importance to the success of the court in delegating the expectations of the Dutch and navigating political-diplomatic intermediation between Dutch and indigenous political realities. See for instance Houben, *Kraton and Kunpeni*, 129-130.

39 Ibid., 9-10, 19-21.

gious and legal officials, called *peghulu* and *jaksa*. Most administrators under *priyayi*, including the *desa* chiefs and all lower village officials, held offices for which they were eligible, usually for a number of years.

Thus, the operation of the Dutch colonial state began to be fully dependent on the collaboration of Javanese rulers through patrimonial relations, as a system of "men rather than laws."⁴⁰ All of the Cultivation Systems, as devised in the Moluccas, West Sumatra and North Sulawesi (not just in Java as claimed by Geertz for instance, who speaks of a deepening of "the extreme contrast between Inner Indonesia and Outer Territories")⁴¹ operated via indigenous ruling classes through indirect rule.⁴² This was really the key to the success of colonial exploitation, as it allowed the state access to profits drawn from the labour of larger groups of people, though one single chief, without establishing and financing an unwieldy administrative apparatus.⁴³ A comparable network of indigenous officials and Chinese *kapitan* (headmen) emerged in many cities in Java and some of the 'Outer Territories' to administer the Chinese quarters, which until the early nineteenth century formed semi-independent communities with their own police force, taxes and regulations.⁴⁴ Similar communities of other 'Foreign Orientals' (*Vreemde Oosterlingen*), Asian people from outside of the archipelago, such as Arabs and Malays, had formed, and were also administered by their 'own' *kaptian*. The population of these 'Foreign Orientals' steadily increased during the colonial era.⁴⁵

The formation of an intertwined colonial framework of rule, bureaucracy and territorial administration shared between Dutch and indigenous officials may be seen as the most important legacy of the era of Cultivation Systems. By weakening the bargaining positions of villagers in relation to their rulers through communalized (but less egalitarian) organization, curtailing access to the market and eliminating the merchant class, the Dutch had gained greater control than ever before, over the land and people of these regions. This served as a basic model for governance of the

40 R. Van Niel, *Java under the Cultivation System: Collected Writings* (Leiden: KITLV Press, 1992), 66-67, 88, 93.

41 C. Geertz, *Agricultural Involution: The Process of Ecological Change in Indonesia* (Berkeley: University of California Press, 1963), 53.

42 H.W. van den Doel, *De Stille Macht: Het Europese Binnenlands Bestuur op Java en Madoera, 1808-1942* (Amsterdam/Leiden: Bert Bakker, 1994), 446-447.

43 See: D. Henley, *Nationalism and Regionalism in a Colonial Context: Minahasa in the Dutch East Indies* (Leiden: KITLV Press, 1996); D. Henley, *Fertility, Food and Fever: Population, Economy and Environment in North and Central Sulawesi, 1600-1930* (Leiden: KITLV Press, 2005).

44 See G.K.N. Liem, *De Rechtspositie der Chinezen in Nederlands-Indië 1848-1942: Wetgevings-beleid tussen Beginsel en Belang* (PhD Thesis, Leiden University, 2009); M. Lohanda, *The Kapitan Cina of Batavia 1837-1942: A History of Chinese Establishment in Colonial Society* (Jakarta: Djambatan, 1996), 9-12, 51-55, 79-83; M. Lohanda, *Growing Pains: The Chinese and the Dutch in Colonial Java, 1890-1942* (Jakarta: Yayasan Cipta Loka Caraka, 2002).

45 Sometimes the Chinese intermarried, became Muslim and integrated into the indigenous population. Ricklefs, *A History of Modern Indonesia since c. 1200*, 1-3, 7-8, 84, 88.

'Outer Territories.' Though claimed by the Dutch and divided into large provinces (*Gewesten*; territories, see map 1.1), the majority of these remained largely untouched and unmapped by the Dutch, until later in the nineteenth century. This way, the colony was governed by no more than 165 European officials around 1865.⁴⁶ The unabated use of indirect rule and absence of any unified form of taxation or labour services made the imposition of an adequate tax administration and specialized tax officials unnecessary, and taxes were collected under the authority of the Department of Interior Administration.⁴⁷ Many lower ranking bureaucrats, such as writers and translators, were of indigenous or Indo-European descent.⁴⁸ They were of considerable importance, carrying out the tasks of everyday governance and the assessment and collection of taxes. By 1928, around a quarter million, or about 90% of all colonial civil servants were 'native' Indonesians.⁴⁹

Justifying colonial capitalism

Coerced labour, the key principle of Dutch colonialism during the Cultivation System, fulfilled an important role in the legitimization of Dutch colonial rule. Labour services were presented as 'disciplinary techniques', in order to enhance productivity. Its premise was in accordance with established ideas of indigenous 'economic incapacity' and 'disinterest' in progress, which colonialists claimed resulted in economic stagnation.⁵⁰ 'Natives', it was argued, were 'economically immature' – meaning they were, supposedly, unable to adhere to European economic standards – and therefore unsuitable subjects for monetary taxes.⁵¹

The underlying concepts that drove extractive colonialism, as pungently argued by the Malaysian scholar S.H. Alatas, portrayed indigenous peoples as "lazy", "indolent", "uncommercial" and "not yet monetized", for two reasons. Firstly, European views upon the mentality of Asian labour were shaped by observations that resulted from the often violent history of

46 By 1860, there were 19 Residencies and 4 Assistant-Residencies.

47 Soebekti, *Some Facets*, 5.

48 Sutherland, *The Making of a Bureaucratic Elite*, 15.

49 Vandenbosch, *The Dutch East Indies*, 171, quoted in: B.O'G. Anderson, *Language and Power: Exploring Political Cultures in Indonesia* (Ithaca/London: Cornell University Press, 1990), 98.

50 F.A.M. Hüsken, *Een Dorp Op Java: Sociale Differentiatie in Een Boerengemeenschap, 1850-1980* (Overveen: ACASEA, 1988), 13-14.

51 See for instance O.R.E. Brunner, *De Unificatie van het Belastingstelsel in Ned.-Indië* (Weltevreden: Kenanga, 1928), 22-24; G. Gonggrijp, *Schets eener Economische Geschiedenis van Nederlandsch-Indië* (Haarlem: Bohn, 1928) and W. Frijling, "De Algemeene Belasting op de Bedrijfs- en Andere Inkomsten", *KT 4* (1915), I, 44. This idea of 'economic immaturity' emmanated from the urge to compare Asian to European economies. See for instance J.H. Boeke, *Tropisch-Koloniale Staathuishoudkunde: Het Probleem* (PhD thesis, Amsterdam: UvA, Debussy, 1910). In a later book, Boeke explained indigenous poverty from "backward, primitive methods [...] of organization [...] pre-capitalist conceptions of labour and helplessness in regards to the demands of a money-economy." J.H. Boeke, *Economie van Indonesië* (Haarlem: Tjeenk Willink, 1953), 109.

European intervention in the dynamic Southeast Asian trade system. After smothering much of the local commerce by monopolizing trade, European colonizers ironically accused Southeast Asians of lacking a mercantile spirit. Secondly, the colonial state monopolized access to global markets and profit from the fruits of indigenous labour, and colonizers also explained the resultant unwillingness and disobedience of indigenous people to contribute to these systems as laziness.⁵² The destruction of free commerce and the subsequent monopolization of profits by states and elites increasingly blocked options for social mobility which gave little incentive to aspire to socio-economic progress – consequently explained by colonial officials as a typical indigenous characteristic.⁵³ These self-enhancing myths of native “laziness” or “profligacy”, bolstered colonial capitalism by legitimizing the need for European tutelage across colonial empires, framed in the pseudo-scientific, continuously repeated Orientalist principles and discourses of Southeast Asian society and statecraft upheld by colonial officials, scholars and planters.⁵⁴

Not only indigenous people, but also their rulers and their methods of governance were constantly questioned. Through notions of ‘indigenous misrule’ and ‘oriental despotism’, colonial officials observed indigenous society in terms of incapacity and failure, according to typologies set in opposition to the terms of European governance. British and Dutch colonial officials described Southeast Asian society as innately backward and Southeast Asian rulers as inherently corrupt, ‘despotic’ and exploitative which, in their perception, derived from a rulership-tradition deeply infused with divine and charismatic authority. Southeast Asian states were seen as organized around personal ties and patrimonial relationships, ceremony, personal charisma and pomp and circumstance, which was considered to have prevented the sort of rational-bureaucratic or legal morality that, in Europe, furnished the evolution of a centralized fiscal state.⁵⁵ The presumed *raison d'état* of Southeast Asian polities was not the integral administration, protection and wealth of society and state, but rather the enactment of ritual, to bolster the connection between the world of men and the world of gods. Herein, rulers were presumed to exercise a gravitational pull in which legitimization of kingship flowed from divinity expressed in sacredness and

52 S.H. Alatas, *The Myth of the Lazy Native: A Study of the Image of the Malays, Filipinos and Javanese from the 16th to the 20th Century and its Function in the Ideology of Colonial Capitalism* (London: F. Cass, 1977), 6-7, 8-10, 21-22, 62, 67-68, 70-80, 83-15, 205, 229-228-230.

53 Ibid., 205, 212. See also A. Memmi, *The Colonizer and the Colonized* (Ed. by J.P. Sartre and H. Greenfield; Boston: Beacon Press, 1969), 29-30, 129-134.

54 Alatas, *The Myth of the Lazy Native*, 5-6. On “native profligacy”, see R. Drayton, *Nature's Government: Science, Imperial Britain, and the 'Improvement' of the World* (New Haven: Yale University Press, 2000), 232, quoted in Li, *The Will to Improve*, 21.

55 See for instance B.J.O. Schrieke, *Indonesian Sociological Studies: Selected Writings of B. Schrieke (Selected Studies on Indonesia by Dutch Scholars)* (2 vols. The Hague/Bandung: Van Hoeve, 1955-1957) Vol. I, 184 and R. Heine-Geldern, “Conceptions of State and Kingship in Southeast Asia”, *The Far Eastern Quarterly* 2:1 (1942), 15-30.

regalia. This divine ruler was presumably uninterested in territorial and socio-economic development and oriented on the centre; he attracted rather than expanded.⁵⁶

In reality, of course, Southeast Asian rulers contemplated the responsibilities and duties of rulers and subjects in more sophisticated terms, guided by contemporary Islamic-political philosophy.⁵⁷ However, measuring Southeast Asia by the bar of European self-interest automatically set up the latter for failure which helped legitimizing colonial rule. Many rulers were called 'despots' simply because they blocked European interests. Claiming they were despots emphasized notions of the purported superiority of, right to, and need for European power and modernity overseas. In addition, maintaining the image of indigenous societies as greatly in need of instruction by European colonizers also soothed inward concerns about the endurance of the European revolutions at home.⁵⁸ Thus, it became the self-imposed duty of colonialism to repair the 'defects' of Southeast Asian statecraft and society, cure 'native misrule', and restore the region to its full potential.⁵⁹

This "Orientalist political teleology" of colonial capitalism has had a strong influence over twentieth century scholarship.⁶⁰ Famous scholarly

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- 56 S.J. Tambiah, *Culture, Thought, and Social Action: an Anthropological Perspective* (Cambridge: Harvard University Press, 1985), 252-265, 327-329; J. Belich, J. Darwin and C. Wickham, "Introduction: The Prospect of Global History", in J. Belich et al. (eds.), *The Prospect of Global History* (Oxford: Oxford University Press, 2016), 3-22: 10; Said, *Orientalism*, 259-260. See also S. Subramanyam, "State Formation and Transformation in Early Modern India and Southeast Asia", in P.J. Marshall et al., *Comparative History of India and Indonesia* Vol. 3: *India and Indonesia during the Ancien Regime* (Leiden: E.J. Brill, 1988), 91-110. Such ideas of cosmic kingship involving a strongly centre-focuses have been applied in S. Moertono, *State and Statecraft in Old Java: a Study of the Later Mataram Period, 16th to 19th Century* (MA thesis, Cornell University, 1968), 20, 26-27, 104; Anderson, *Language and Power*, 17, 22-23, 33, 44, 54 and G. Mudjanto, *The Concept of Power in Javanese Culture* (Yogyakarta: Gadjah Mada University Press, 1986), as well as in the Malayan peninsula in J. Gullick, *Indigenous Political Systems of Western Malaya* (London: Athlone Press, 1988), 22.
- 57 A well-known example is the *Taj-us Salatin* (The Crown of Kings), written around 1603 in Aceh by Bukhari al-Jauhari. This important work provides guidelines and norms for just kingship and proper governance according to Islamic tradition. It was translated into Dutch in 1827 by P.P. Roorda van Eijsinga. See A. Weststeijn, "Provincializing Grotius: International Law and Empire in a Seventeenth-Century Malay Mirror", in M. Koskenniemi, W. Rech and M. Jimenez Fonseca, *International Law and Empire: Historical Explorations* (Oxford: Oxford University Press, 2017), 21-38.
- 58 A. Fitzmaurice, "Liberalism and Empire in Nineteenth-Century International Law", *The American Historical Review* 117:1 (2012), 122-140: 138; M. Koskenniemi, "Empire and International Law: the Real Spanish Contributions", *University of Toronto Law Journal* 61 (2011), 1-36: 4, 16, 26, 32; Weststeijn, "Provincializing Grotius", 21-23.
- 59 Li, *The Will to Improve*, 15; F. Cooper and A.L. Stoler, "Between Metropole and Colony: Rethinking a Research Agenda", in F. Cooper and A.L. Stoler (eds.), *Tensions of Empire: Colonial Cultures in a Bourgeois World* (Berkeley: University of California Press, 1997), 1-56.
- 60 G. Steinmetz, *State/Culture: State-Formation After the Cultural Turn* (Ithaca: Cornell University Press, 1999), 16; T. Day, *Fluid Iron: State Formation in Southeast Asia* (Honolulu: University of Hawai'i Press, 2002), 6-7.

models of Southeast Asian polities, such as the *mandala*, the 'hydraulic society' and the 'theatre state' have kept emphasizing the role of 'cosmic kingship', traditional power, ritualism and symbolism in Asian politics and authority.⁶¹ Pervasive European concepts of modernity and capitalism generated a Eurocentric history writing in which Asian society remained characterized as historically underdeveloped, traditional, 'unmodern', fragmented and unstable.⁶² Studying Asia using such frameworks of 'modernization', that derive directly from European categories of development (some of which described in the introduction), while ignoring "Asian canons of knowledge", has preserved some of these ideas until deep into the postcolonial era.⁶³ This has had a paradoxical and lasting impact on postcolonial self-images in former metropolises and colonies.⁶⁴ Concurrent and more recent literature has deconstructed these ideas and identified various parallels and new lines of inquiry in South-east Asian state formation processes, falsifying claims of European exceptionalism and Southeast Asian despotism and misrule.⁶⁵ Indeed, the colonial state met many of the same difficulties as the polities it replaced. The administrative gaps between the metropolitan and colonial government or between the colonial government and local officials for instance, emphasized a similar weakness of state that facilitated the continuance of colonialism's many paradoxes.⁶⁶

Supported by their self-serving tropes grafted in scientific racism, 'othering' and beliefs in fundamental differences between East and West, colonial officials deliberately constructed stereotypes that supported the idea that colonized people were 'exploited' by despots, 'unproductive' and

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- 61 O.W. Wolters, *History, Culture, and Region in Southeast Asian Perspectives* (Ithaca: Southeast Asia Program Publications, Cornell University, 1999), 16-18, 21-25, 27-35, 65; K.A. Wittfogel, *Oriental Despotism: A Comparative Study of Total Power* (New Haven: Yale University Press, 1957), 2-5, 8, 123, 101-102, 126-127, 161-169; C. Geertz, *Negara: the Theatre State in Nineteenth-Century Bali* (Princeton: Princeton University Press, 1980), 4-10, 13-15, 27-29, 31-34, 123-125.
 - 62 A. Kumar, "Capitalism and the 'Traditional' State and Society: the Javanese Experience to c. 1810", paper presented at the 34th International Congress of Asian and North African Studies (University of Hong Kong: s.n., 1993), 1. See also: T. Svensson, *State Bureaucracy and Capitalism In Rural West Java: Local Gentry versus Peasant Entrepreneurs in Priangan in the 19th and 20th Century* (Copenhagen: Nordic Institute of Asian Studies, 1991), 3.
 - 63 A.G. Frank, *ReOrient: Global Economy in the Asian Age* (Berkeley: University of California Press, 1998), 12-26, 323-327.
 - 64 See G. Wekker, *White Innocence: Paradoxes of Colonialism and Race* (Durham/London: Duke University Press, 2016).
 - 65 See for instance V.B. Lieberman, *Strange Parallels: Southeast Asia in Global Context, c. 800-1830. Vol. 1: Integration of the Mainland* (Cambridge: Cambridge University Press, 2003). Critical opposition to the idea of central rulership and despotism in Java has been provided in J. Wissemann Christie, *Theatre States and Oriental Despotisms: Early Southeast Asia in the Eyes of the West* (Hull: Centre for South-East Asian Studies, 1985), see especially pp. 4-11, and more recently in A. Beatty, "Kala Defanged: Managing Power in Java Away from the Centre", *BKI* 168:2-3 (2012), 173-194.
 - 66 R. Raben, "Epilogue. Colonial Distances: Dutch Intellectual Images of Global Trade and Conquest in the Colonial and Postcolonial Age", Koekkoek, Richard and Weststeijn (eds.), *The Dutch Empire between Ideas and Practice*, 205-232: 224-225.

‘uneconomic’ in their behaviour and therefore ‘unready’ for self-governance and in dire need of European governance.⁶⁷ While some, like Daendels and Raffles, claimed that indigenous people required capitalism and free entrepreneurship within the boundaries imposed in the colony, others, such as Van den Bosch, claimed progress was only possible through ‘tutelary’ systems of coerced labour.

Self-critique and self-improvement

In some of the rose-tinted pictures of contemporary foreign authors, the Dutch colony of around 1860 was depicted as a flourishing example of economic success managed by skilful Dutch colonial administrators who succeeded not only in developing Java’s popular welfare but also in maintaining its endless natural beauty.⁶⁸ However, they did not succeed in silencing concern, voiced both within and outside of the colony, about the principles and the heavy impact of forced cultivation since its inception.⁶⁹ In the Netherlands, this critique became more forcefully expressed, especially among liberal circles in the 1860s. Liberals condemned the system for its extractive character⁷⁰, the heavy burden coerced labour imposed on the

67 See F.A. Noor, “You Are under Arrest: Epistemic Arrest and the Endless Reproduction of the Image of the Colonised Native”, *South East Asia Research* 24:2 (2016), 185–203. This is what Chakrabarty refers to as a colonial “waiting room”, used by officials to argue how some “natives” were not ready yet for participation in a capitalistic-organized state. See D. Chakrabarty, *Provincializing Europe: Postcolonial Thought and Historical Difference* (Princeton: Princeton University Press, 2000), 14–15 and Li, *The Will to Improve*, 15.

68 F. Gouda, *Dutch Culture Overseas: Colonial Practice in the Netherlands Indies, 1900–1942* (Amsterdam: Amsterdam University Press, 1995), 46–47; Day, *The Policy and Administration*, 34; Gouda quotes from: J.W.B. Money, *Java, or How to Manage a Colony* (Ed. by I. Brown, 2 vols.; London: Hurst and Blackett, 1861, reprint, Singapore: Oxford University Press, 1985); and E.R. Scidmore, *Java: The Garden of the East* (New York: The Century co., 1897; reprint, Singapore: Oxford University Press, 1984). See also G.F. Davidson, *Recollections of Twenty-One Years Passed in Java, Singapore, Australia and China* (London: Madden, 1846).

69 As a matter of fact, the ‘Government Regulation’ Acts of 1804 and 1818 had stipulated diminishment of forced cultivation to promote indigenous welfare and raise productivity through free agriculture, but were ignored upon Van den Bosch’ implementation of monopolized cultivation. See C. Fasseur, “Rulers and Ruled: Some Remarks on Dutch Colonial Ideology”, in W.G.J. Remmelink (ed.), *Journal of the Japan Netherlands Institute Vvol. II. Papers of the Dutch-Japanese Symposium on the History of Dutch and Japanese Expansion: In Memory of the Late Nagazumi Akira* (Tokyo/Kyoto: Japan-Netherlands Institute, 1990), 11–30: 12–13.

70 According to Fasseur’s the contribution of the Cultivation System to the total Dutch national revenue was about 38 million guilders in 1840–1844, and more than 140 million guilders in 1855–1860, so that in these years about 20% of the Dutch national revenue originated in the *batig slot*, the colonial revenue. More recently, Van Zanden and Van Riel have presented an alternative calculation, taking into account hidden subsidies and expenditures charged to the colony. They estimated that in the 1850s the true value of the *batig slot* should be assessed as comprising over 52% of the Dutch revenue. See: Fasseur, *Kultuurstelsel*, 20; J.L. van Zanden and A. van Riel, *The Strictures of Inheritance: The Dutch Economy in the Nineteenth Century* (Princeton: Princeton University Press, 2004), 180.

Javanese population, its physical impact in Java, and most importantly, its exclusivist and monopolist character.

The impact of the Cultivation System in Java's rural society and economy can certainly not be denied. Extensive debate on the topic has shown a shift in the focus on exploitation, to questions of economic growth. C. Geertz' famous involution thesis upholds that the increasing dependence of peasants on the narrow ecological base of interlocked wet-rice and sugar cultivation absorbed all Javanese labour power by locking all peasants into the social and ecological restraints of such cultivation. This, Geertz claimed, structurally prevented capital accumulation and drove Java's economy into stagnation, poverty and dependence.⁷¹ Later studies showed that, instead of involuting, the colonial and indigenous economies in fact grew and differentiated during the Cultivation System, as a result of commercial interaction with textile industries in the Netherlands.⁷² On the village level, Dutch cultivation programs systematically facilitated and enforced change in the organization of Java's rural economy, leading to improvement of material living conditions, population growth, and a more developed, diversified and commercialized economy, even though social inequality increased.⁷³

71 Geertz, *Agricultural Involution*, 35, 55-37, 145.

72 Fasseur, *Kultuurstelsel*, 3-8; Fasseur, "Clio and Clifford Geertz", 57-60; Van Niel, *Java under the Cultivation System*, 40-41, 114-120; R.E. Elson, "The Cultivation System and "Agricultural Involution"" (Melbourne: Monash University, Centre of Southeast Asian Studies Working papers no. 14, 1978); R.E. Elson, *Javanese Peasants and the Colonial Sugar Industry: Impact and Change in an East Java Residency, 1830-1940* (Asian Studies Association of Australia, Singapore: Oxford University Press, 1984); R.E. Elson, *Village Java Under the Cultivation System, 1830-1870* (Sydney: Allen and Unwin, 1994), 314-315; B. White, "'Agricultural Involution' and its Critics: Twenty Years After", *Critical Asian Studies* 15:2 (1983), 18-31; A. Booth, "Trade and Growth in the Colonial and Post-Colonial Periods", in Schrikker and Touwen (eds.), *Promises and Predicaments*, 17-35: 18-19; P. Boomgaard and P.M. Kroonenberg, "Rice, Sugar, and Livestock in Java, 1820-1940: Geertz's Agricultural Involution 50 years on", in D. Schäfer, et al. (eds.), *Rice: Global Networks and New Histories* (Cambridge: Cambridge University Press, 2015), 56-83: 56-60; M.R. Fernando, *Peasant and Plantation Economy: the Social Impact of the European Plantation Economy in Cirebon Residency from the Cultivation System to the End of First Decade of the Twentieth Century* (PhD thesis, Monash University, 1982); M.R. Fernando, "Growth of Non-Agricultural Economic Activities in Java in the Middle Decades of the Nineteenth Century", *MdAS* 30:1 (1996), 77-119; M.R. Fernando, "The Worst of Both Worlds: Commercial Rice Production in West Indramayu, 1885-1935", *JSAS* 41:3 (2010), 421-448; U. Bosma, "The Discourse on Free Labor and the Forced Cultivation System: The Contradictory Consequences of the Abolition of the Slave Trade in Colonial Java, 1811-1870", *Studies in Global Social History* 7 (2011), 387-418: 388.

73 Widjojo Nitiasastro, *Population Trends in Indonesia* (Ithaca and London: Cornell University Press, 1970), 26-47; Elson, *Village Java*, 43, 95-49, 129, 307-317; Van Niel, *Java under the Cultivation System*, 41-44, 129; J. Breman, *Koloniaal Profijt van Onvrije Arbeid: Het Preanger Stelsel van Gedwongen Koffieteelt op Java* (Amsterdam: Amsterdam University Press, 2010), 323-324; P. Boomgaard and A.J. Gooszen (ed. By W.M.F. Mansvelt et al), *Changing Economy in Indonesia: A Selection of Statistical Source Material from the Early 19th Century up to 1940. Vol. 11: Population Trends 1795-1942* (Amsterdam: Royal Tropical Institute, 1991), 35-66.

Concluding that the system led to direct impoverishment, ignores the fact that, fiscally, it was a success, despite being oppressive and exploitative. In Elson's view, it "promoted a previously unknown level of general prosperity among the peasantry."⁷⁴

An even more problematic aspect of the Cultivation System is that it can hardly be described as a 'system' along bureaucratic lines, as purported by some contemporary officials. Though its design may be read as an example of 'high-modernism'⁷⁵, its practical elaboration was certainly not. First of all, the colonial administration was structurally understaffed. In 1840 there were only 89 officials directly involved in controlling agricultural production, whereas by the late 1850s, the number of Dutch governing officials had risen to 170.⁷⁶ Moreover, practices of paying both indigenous and Dutch officials '*cultuurprocenten*', emoluments or shares in agricultural profits to ensure their zealous cooperation, rendered the system vulnerable to extortion, as well as excessive corruption, and abuse of the peasantry.⁷⁷ Many Dutch and indigenous officials enriched themselves illegitimately through patrimonial networks of profit sharing. Moral concerns and indignation about this corruption, related maltreatment (*knevelarijen*) of the peasantry, inefficiency and mismanagement, plus dissatisfaction with the NHM's exclusive rights on transporting colonial products, subjected the Cultivation System to fierce opposition from the beginning. Moral concern was voiced most famously in 1860 by Eduard Douwes Dekker (alias Multatuli), in his *Max Havelaar*, the most prominent contemporary Dutch indictment of the problems of Dutch colonial exploitation.⁷⁸ Already before, but certainly after the European revolutions of 1848 and the consequent adoption of a new liberal constitution in the Netherlands, the monopoly system became increasingly untenable. However, colonial profits had become an addictive asset to the Dutch treasury. They had, for instance, prevented the introduction of income taxes in the Netherlands and enabled expansion of the railway network.⁷⁹ Some Dutch politicians even worried that this dependence would harm the self-attributed 'Dutch mercantile spirit' and lead to

74 Elson, *Village Java*, 305 (quote), 324; Houben and Seibert, "(Un)freedom", 180-181.

75 Scott, *Seeing like a State*, 4-6.

76 Fasseur, *Kultuurstelsel*, 27.

77 Ibid., 28-33, 51-52. As shown by Fasseur, higher officials sometimes collected exorbitant amounts: in Pasuruan, between 1858 and 1860, the Resident received an annual amount of 25.000 guilders in *cultuurprocenten* on top of his regular salary, which exceeded the annual wage of the minister of colonies three times.

78 Ibid., 77-78, 86-94, 96-77. See for instance P. Merkus, *Kort Overzicht der Financiële Resultaten van het Stelsel van Kultures onder den Gouverneur-Generaal J. van den Bosch* (Kampen: K. van Hulst, 1835), 1-12.

79 J. de Jong, *Van Batig Slot naar Ereschuld: De Discussie over de Financiële Verhouding tussen Nederland en Indië en de Hervorming van de Nederlandse Koloniale Politiek, 1860-1900* ('s-Gravenhage: SDU, 1989), 42; H.W. van den Doel, "The Dutch Empire. An Essential Part of World History", *BMGN - Low Countries Historical Review*, 125:2-3 (2010), 179-208: 187.

a state of 'socio-economic immaturity', vocabulary normally reserved to describe Asian economies.⁸⁰

Eventually, under the influence of former sugar magnate and liberal Minister of Colonies I.D. Fransen van de Putte (in office 1863-1866 and 1873-1874), the dismantling of the system was commenced. From 1864 onwards, some cultivation services and travel and market restrictions abolished. Fransen van de Putte's 'Cultivation Bill' of 1865 attempted to provide the conversion of indigenous possession rights into European concepts of property rights, allowing expansion of Western enterprises by allowing the Javanese to lease waste land to Europeans (*erfpacht*) for a period of 99 years.⁸¹ The Bill did not pass and the cabinet fell, but irreversible reforms had been set in motion leading to the adoption of the 'Agrarian' and 'Sugar Law' in Java in 1870 (issued by the liberal Minister of Colonies E. de Waal [in office 1868-1870]), and the Domain Declaration for the 'Outer Territories', in 1874. These allowed access of private entrepreneurs to colonial industries and the issuing of leases of uncultivated lands for exploitation. Additionally, a new Tariff Law, adopted in 1872, ended the differential rights that had prohibited free entrepreneurship and trade in the colony.⁸² Gradually, from 1877 onward, the government monopolies were deconstructed, marking the end of state controlled, and the beginning of private colonial capitalism. Ultimately, the Cultivation System was not abolished because of moral concern but because of pragmatic and political defects and the problems of state monopolism. Once again, policy was guided by financial consideration and pragmatism, rather than ideology.

Dutch colonialism was certainly not devoid of ideological reasoning, but moral rhetoric, such as voiced by Van Hoëvell in 1849 and quoted at the beginning of this chapter, was always used to legitimize specific policies in hindsight, rather than informing them. Hence, it remained the self-proclaimed, moral calling of Europeans to ensure the uplifting and social development of Indonesia's indigenous populations and the improvement of the conditions under which they lived. Officials envisioned a benevolent colonial state, as put by the famous colonial economist J. van Gelderen, 80 years after Van Hoëvell, leading "the peoples of the tropics from the state of a closed economy and of production limited to their immediate surroundings, into participation in the expanding world economy."⁸³ To the colonial mind, the Cultivation System and coerced labour, as well as the succeeding tax systems rooted in individual free labour, served this same

80 De Jong, *Van Batig Slot naar Ereschuld.*, 41-43, 89, 110-111, 115-138.

81 T. Goh, *Communal Land Tenure in Nineteenth-Century Java: The Formation of Western Images of the Eastern Village Community* (Department of Anthropology, Research School of Pacific and Asian Studies, The Australian National University, 1998), 28.

82 De Jong, *Van Batig Slot naar Ereschuld.*, 54, 66-57, 76, 183.

83 J. van Gelderen, *Voorlezingen over Tropisch-Koloniale Staathuishoudkunde* (Haarlem: H.D. Tjeenk Willink, 1927), 121.

developmental purpose, reminiscent of the governmental behavioural of metropolitan states in Europe. But more than anything, the opening phase of Dutch colonialism, as characterized by profit-seeking Cultivation Systems and the deliberate negligence of areas deemed unsuitable for such schemes, demonstrates the deep roots, symptoms and effects of the dichotomy between colonial exploitation and developmentalism, between ideology and practice. The alleged beneficial effects of coerced labour upon 'lazy natives' structurally conflicted with an operational reality of commercial exclusion and exploitation. At the same time, the state's reliance on indirect rule awarded tremendous bargaining power to the indigenous Javanese aristocratic and village elites, and encouraged bribery and corruption. As a result, as argued by N.G. Pierson (father of income tax in The Netherlands), colonial profits had been raised because the Dutch state failed to fulfil its most basic duties towards the colony, by structurally plundering Indonesia's natural wealth without making the necessary investments to build a national-colonial economy.⁸⁴ An advanced insight that unforgivingly exposes the fragile colonial justifications for coerced labour. Whether such insight would result in any structural changes was determined in the following decades.

1.2 THE SPELL OF PROGRESS

In the late nineteenth century, colonial states across Southeast Asia became increasingly standardized, institutionalized and centralized, developing from collections of disparate regions overseas into distinctive political units and actual colonial states with laws, governments and subjects.⁸⁵ A deliberate growth of colonial bureaucracies intended to develop order and increase efficiency, to replace patrimonial networks of feudal rulers and corrupted officials with rational governance coordinated by central administrative authorities and proper legislation. In Indonesia, newly granted access to free entrepreneurs into the colony and the reform of the Interior Administration resulted, supposedly, in an industrialized, "technocratic complex" of 'modern' bureaucrats cooperating with skilful engineers and

84 N.G. Pierson, *Het Kultuurstelsel: Zes Voorlezingen* (Amsterdam: P.N. van Kampen, 1868), 228; De Jong, *Van Batig Slot naar Ereschuld*, 46, 94-95.

85 R.E. Elson, "International Commerce, the State and Society: Economic and Social Change", in N. Tarling (ed.), *The Cambridge History of Southeast Asia. Volume II: The Nineteenth and Twentieth Centuries* (Cambridge: Cambridge University Press, 1993), 131-196: 153-156. C.A. Trocki, "Political Structures in the Nineteenth and Early Twentieth Centuries", in *ibid.*, 79-130: 79.

crafty investors.⁸⁶ Such developments were celebrated as successful signs of the ongoing modernization officials fantasized about, bolstering the economy, greater indigenous welfare, responsible governance and a rising, urbanized middle class aspiring to 'colonial citizenship.'⁸⁷ This optimism was aligned with the reinvention of colonial ideology and redrawn in even more ambitious terms of development and improvement than before. But to realize these ambitions, the deeply institutionalized patterns of Dutch colonial rule and exploitation needed to be abandoned. This would pose numerous challenges to the Dutch colonial state.

From agricultural to industrial colonialism: development and exploitation

As the European presence in Asia surged during the wave of 'New Imperialism' at the end of the nineteenth century, the Dutch empire, though a heavy-weight in Southeast Asia, became only a "dwarf among giants" in Europe, and the memory of previous commercial successes assuaged oversensitivity among Dutch politicians to retaining their colonial possessions.⁸⁸ The cessation of agricultural monopolism and its steady profits, combined with new economic opportunities outside Java as well as a growing Dutch concern about the prestige and impregnability of their empire under international competition, invigorated new imperial ambitions, also as a warranty of the political independence and neutrality of The Netherlands on the European continent.⁸⁹ Empires overseas mattered at home. This marked the end of Java-focussed colonialism, abstinence from interior politics and the beginning of a violent military, economic and bureaucratic expansion, involving a series of bloody wars, which left deep imprints

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- 86 J.A.A. van Doorn, *De Laatste Eeuw van Indië: Ontwikkeling en Ondergang van een Koloniaal Project* (Amsterdam: Bakker, 1994), 107, 107-123, 165. In Van Doorn's thesis, the government bureaucrats were more concerned with preserving traditional order within colonial society, while the engineers aimed at renovating the use of modern technology to rearrange the colony. The term 'complex' in this case refers to how both were mutually dependent. See also M. Bloembergen and R. Raben "Wegen naar Het Nieuwe Indië, 1890-1950", in M. Bloembergen and R. Raben (eds.), *Het Koloniale Beschavingsoffensief: Wegen naar het Nieuwe Indië, 1890-1950* (Leiden: KITLV Uitgeverij, 2009), 7-24: 9; H.G.C. Schulte Nordholt, "Onafhankelijkheid of Moderniteit? Een Geïllustreerde Hypothese", in *ibid.*, 105-120; H.J. Benda, *The Pattern of Administrative Reforms in the Closing Years of Dutch Rule in Indonesia* (New Haven: Southeast Asia Studies, Yale University, 1966), 593-594, 604-605.
- 87 T. Hoogervorst and H.C.G. Schulte Nordholt, "Urban Middle Classes in Colonial Java (1900-1942)", *BKI* 173:4 (2017), 442-474; See also E. Tagliacozzo, "The Indies and the World: State Building, Promise, and Decay at a Transnational Moment, 1910", *BKI* 166:2-3 (2010), 270-292: 270-271, 277-282; E. Locher-Scholten, *Ethiek in Fragmenten: Vijf Studies over Koloniaal Denken en Doen van Nederlanders in de Indonesische Archipel, 1877-1942* (Utrecht: Hes, 1981).
- 88 Gouda, *Dutch Culture Overseas*, 23. It should also not be underestimated that its empire also helped the Netherlands in strengthening its political position and policy of neutrality on the European continent.
- 89 See: K. van Dijk, *The Netherlands Indies and the Great War, 1914-1918* (Leiden: KITLV Press, 2007), 1-18.

on Indonesia's history, both past and present.⁹⁰ Economic expansion and territorial conquest coincided with state formation, as local aristocracies were lured into contracts, borders drawn, policies drafted, social cohesions broken and governance, taxes and administrative power centralized, to establish a unified colonial state, from westernmost Aceh to easternmost New Guinea.

Many newly conquered regions were initially administered by military personnel, who fulfilled the vacancies in the understaffed local Interior Administration.⁹¹ Foreign direct investment increased after the reforms of the 1870s, ended Dutch protectionism and allowed a steady influx of free entrepreneurs into the colonial land and labour markets.⁹² As such, the expansion and economic development of the Dutch empire became a shared project of soldiers, bureaucrats, entrepreneurs and officials, who found themselves caught up in a framework of capitalism and violence. Indeed, "only unlimited accumulation of power could bring about the unlimited accumulation of capital", as the interests of the colonial state and the upcoming entrepreneurial class of private capital merged.⁹³ While similar to the development of states and the bourgeoisie classes in Europe, the problem in colonial spaces was that these classes were foreign, and aimed to keep expanding for their own personal gain.

Driven by the economic potential and opportunities Indonesia's rich resources provided, they capitalized on the demand for new cash crops and raw materials, generated by the second industrial revolution. These included tobacco, rubber, palm oil and copra, as well as mining products such as oil, tin and coal. These became much more important than the 'traditional', 'Javanese' cash crops, such as tea, coffee, sugar and tea.⁹⁴ Many 'Outer Territories', previously commercially focussed on Singapore, were drawn into the colonial economic network run from Batavia, while Java

90 C. Fasseur, "Een Koloniale Paradox. De Nederlandse Expansie in de Indonesische Archipel in het Midden van de Negentiende Eeuw", *Tijdschrift voor Geschiedenis* 92 (1979), 162-186; Locher-Scholten, *Ethiek in Fragmenten*, 243; Ricklefs, *A History of Modern Indonesia since c. 1200*, 176.

91 H.W. van den Doel, "Military Rule in the Netherlands Indies", in Cribb (ed.), *The Late Colonial State*, 57-78: 57-60, 63-55, 75.

92 M. Kuitenbrouwer, *Nederland en de Opkomst van het Moderne Imperialisme: Koloniën en Buitenlandse Politiek 1870-1902* (Amsterdam: De Bataafsche Leeuw, 1985), 35-48. According to the calculations of Boomgaard and Gooszen, the number of Europeans grew from 33,642 to 133,319 in Java and from 7,740 to 31,713 in 1880-1920. See Boomgaard and Gooszen, *Changing Economy Vol. 11: Population Trends*, 133, 226.

93 H. Arendt, *The Origins of Totalitarianism* (New York: Harcourt Brace Jovanovich, 1973), 137 [quote] 138-139, 165.

94 J.Th. Lindblad, "The Contribution of Foreign Trade to Colonial State Formation in Indonesia, 1900-1930", in Cribb (ed.), *The Late Colonial State*, 93-115: 111-115. See also: C. Ross, *Ecology and Power in the Age of Empire: Europe and the Transformation of the Tropical World* (Oxford/New York: Oxford University Press, 2017), 415-420.

started playing the more peripheral role.⁹⁵ The Javanese interior economy stagnated, clustering around rural centres of agricultural production, while the rapidly developing areas in the 'Outer Territories' spearheaded a new, industrialized international export-economy.⁹⁶ Economic growth increased significantly, from about 2 to 2.9% annually in 1880-1900 and 1900-1929. This allowed for larger investments in infrastructure, trade and communication, which in turn further boosted the export economy.⁹⁷ Crucial was the development of the steam shipping network of the KPM (*Koninklijke Pakketvaart-Maatschappij*; Royal Packet Company), which served both public and private export and import and supported the government's military conquest and administrative expansion to all corners of the archipelago.⁹⁸ The opening of the Suez canal in 1869 and a telegraph-line between Sumatra Singapore in 1871, also dramatically improved communication between The Netherlands and Indonesia.⁹⁹ These developments stimulated a mood of progress (*kemajuan*) among a rising Indo-European middleclass in the Indies, that aspired to European lifestyles and 'cultural citizenship' to participate in modern colonial society.¹⁰⁰ Seen from the outside, the colony transformed rapidly, as technology not only reached into, but became part of the very roots of the state. Just like in Europe, electric trams, cinemas, art, a free press and new ideas about politics and society seemed to change everyday life.¹⁰¹ Seen from the inside however, the benefits of technological

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- 95 J.Th. Lindblad, "Between Singapore and Batavia. The Outer Islands in the Southeast Asian Economy in the Nineteenth Century", in C.A. Davids, W. Fritschy, and L.A. van der Valk (eds.), *Kapitaal, Ondernemerschap en beleid: Studies over Economie en Politiek in Nederland, Europa en Azië van 1500 tot Heden. Afscheidsbundel voor prof. dr. P.W. Klein* (Amsterdam: NEHA, 1996), 529-548: 530-532.
- 96 Booth, *The Indonesian Economy*, 36. J. Touwen, *Extremes in the Archipelago: Trade and Economic Development in the Outer Islands of Indonesia, 1900-1942* (Leiden: KITLV Press, 2001), 57-59.
- 97 P. van der Eng, "The Real Domestic Product of Indonesia, 1880-1989", *Explorations in Economic History* 29:3 (1992), 343-373: 352-353, 355-356.
- 98 J.N.F.M. à Campo, *Engines of Empire: Steamshipping and State Formation in Colonial Indonesia* (Hilversum: Verloren, 2002), 55-70, 457-458, 478-459.
- 99 This allowed for the dispatch of weekly 'Mailreports' from the Governor-General's office to the Ministry in The Hague as mentioned in the introduction. E. Locher-Scholten, "Imperialism after the Great Wave: The Dutch Case in the Netherlands East Indies, 1860-1914", in M.P. Fitzpatrick (ed.), *Liberal Imperialism in Europe* (Basingstoke: Palgrave Macmillan, 2012), 25-46: 38.
- 100 H.G.C. Schulte Nordholt, "Modernity and Cultural Citizenship in the Netherlands Indies: An Illustrated Hypothesis", in *JSAS* 42:3 (2011), 435-457; A.H.C. van der Meer, "Performing Colonial Modernity", *BKI* 173:4 (2017), 503-538.
- 101 Batavia was among the first cities in the world with an electric tramway, introduced in 1899. See H.W. Dick, "The Foundations of a National Economy, 1808-1890s", in J.Th. Lindblad (ed.), *Historical Foundations of a National Economy in Indonesia, 1890s-1990s* (Amsterdam/Oxford/New York/Tokyo: North-Holland, 1996), 31. See also R. Mrázek, *Engineers of Happy Land: Technology and Nationalism in a Colony* (Princeton: Princeton University Press, 2002); S. Moon, *Technology and Ethical Idealism: A History of Development in the Netherlands East Indies* (Leiden: CNWS Publications, 2007).

and socio-cultural progress reached only the happy few, most of them Europeans, some from the higher classes of indigenous elites and Chinese entrepreneurs.¹⁰² This 'modernity' was (and unfortunately sometimes still is) used to legitimize colonial presence and underline a presupposed Western superiority, but for the majority of Indonesians in the first half of twentieth century, technology, entrepreneurship, expansion and economic growth meant little more than an increase in their economic burden, repression and colonial paternalism.¹⁰³

This repression and paternalism translated into political change which originated in the legitimate concerns of some Dutchmen that the government, guided by private capitalism, failed to observe its 'solemn imperial duty.' As termed by the colonial lawyer and parliamentarian C.Th. van Deventer (1857-1915) and journalist Pieter Brooshooft (1845-1921), this included repayment of a Dutch 'debt of honour' to the indigenous people as some sort of 'atonement' for decades of colonial exploitation.¹⁰⁴ Such concerns were used by the colonial government to design a rebranded version of developmental colonialism that fitted the newly privatized economy. Anti-liberal political parties in the Netherlands redesigned old principles of protectionism (against indigenous 'labour exploitation' and 'despotism', but also Chinese moneylenders and European entrepreneurs) to fulfil "a moral calling" towards the indigenous population, by developing agriculture and enhancing local indigenous welfare.¹⁰⁵ These became core priorities of the 'ethical policy', which took shape around 1900 and was a lot more ambitious in its scope, and thorough in its conduct, than former colonial policies. It was presented as a full-fledged developmental program, aimed at bringing the colony and its subjected populations into the somewhat unclearly defined standards of what it considered to be a modern ordered society.¹⁰⁶ To this end, the government commenced to reform rural economies, expand its borders, investigate 'diminished welfare', stimulate irrigation projects and forcefully encourage migration of people from overpopulated Java to the 'Outer Territories.' The colonial frontier was pushed ever outward, accompanied by civilizational projects and missionary activities, in pursuit of the private entrepreneurs. "Gentle pressure" was applied to permeate village life with European principles of

102 Bloembergen and Raben, "Wegen naar het Nieuwe Indië", 11-13.

103 Cooper, *Colonialism in Question*, 115, quoted in Bloembergen and Raben, "Wegen naar het Nieuwe Indië", 10-11. See also: B. Waaldijk and S. Legêne, "Ethische Politiek in Nederland: Cultureel Burgerschap tussen Overheersing, Opvoeding en Afscheid", in Bloembergen and Raben (eds.), *Het Koloniale Beschavingsoffensief*, 187-216: 210-211.

104 Locher-Scholten, *Ethiek in Fragmenten*, 1-45, 337.

105 E. van Raalte (ed.) *Troonredes, Openingsredes, Inhuldigingsredes 1814-1963* ('s Gravenhage 1964), 193; E. Locher-Scholten, "Dutch Expansion in the Indonesian Archipelago Around 1900 and the Imperialism Debate", *JSAS* 25:1 (1994), 91-111: 106; Moon, *Technology and Ethical Idealism*, 25-43.

106 Bloembergen and Raben, "Wegen naar het Nieuwe Indië", 10.

governance and normalize bureaucracy and tax payment.¹⁰⁷ Christianity, settled life and (technical) education were propagated as the heartbeat of colonial civilization to nurture the professional and intellectual abilities of indigenous populations, purportedly enabling them to work in the new industries of the colonial political economy and become governed citizen-subjects functional to the colonial state.

'Ethical colonialism' largely served to legitimize the deeper penetration of the colonial state into unexplored peripheries and into the hearts and minds of its people, to keep alive colonial 'truth regimes' and support the idea of a unified, European-like state in which all participated as tax paying citizens.¹⁰⁸ It was an unabashed imperialistic endeavour, swaddled in justifications ranging from free commerce to humanitarianism and social development, while self-interest and greed were still at the essence of colonialism, but in theory, in the minds of contemporary officials, only as a secondary part of the equation. Capitalism came to be understood as a moral force, with enterprise, free work ethic and free trade as its civilizing values. This way, colonialists squared violent imperial expansion and exploitation with developmentalism. The ethical policy corresponded with attempts to tighten the political grip over Indonesia by using indirect rule, interventionist technocracy and a regime of fear and violence, wielded to both intimidate and win over the political loyalty of the colonized.¹⁰⁹ The "dirtiest methods" were permitted to keep the ethical face of the Dutch "unsullied and clean."¹¹⁰

Unfulfilled promises

Hence, words rarely reflected deeds. What was presented as extraordinary colonial socio-economic development carried out by capable technocratic officials and engineers, was in fact a continuation of exploitation. Perpetual shortage of labour in booming regions such as North Sumatra, Palembang, Southeast Kalimantan and Bangka and Billiton was resolved partially by recruiting local people, but largely by importing hundreds of thousands of coolie labourers from Java, China and elsewhere, many of whom were lured into contracts that chained them to heavy labour under highly

107 R. Van Niel, *The Emergence of the Modern Indonesian elite* (Leiden: Foris, 1984), 81-82; J.W. Meijer Ranneft, "Reglementeering van Zachten Dwang (Prentah Aloes)", *TBB* 39 (1910), 57-70.

108 See Locher-Scholten, *Ethiek in Fragmenten*, 106-107, 201-220; See also Cribb, "Introduction: the Late Colonial State in Indonesia", 1-9: 2-3, 5-8; Schulte Nordholt, "Onafhankelijkheid of Moderniteit?", 103; Locher-Scholten, *Dutch Expansion*, 7-8.

109 H.C.G. Schulte Nordholt, "A Genealogy of Violence", in F. Colombijn and J.Th. Lindblad (eds.), *Roots of Violence in Indonesia: Contemporary Violence in Historical Perspective* (Leiden: KITLV, 2002), 33-60: 33-34; Schulte Nordholt, "Modernity and Cultural Citizenship"; Wahid, *From Revenue Farming to State Monopoly*, 275.

110 As put by protagonist 'Raden Mas Minke' in P.A. Toer, *House of Glass: A Novel* (Translated by Max Lane; New York: William Morrow, 1996), 46.

exploitative circumstances. They were subjected to excessive punishment and criminal prosecution, furnished by the 'penal sanction' of the 'Coolie Ordinance' of 1880, when they breached their contracts.¹¹¹ Such forms of large-scale institutionalized bound labour took shape, in many places across the world, long after the abolition of slavery.¹¹² The occasional moral outcry helped to voice a protest against the maltreatment of coolies but under the so-called Coolie Ordinances, informed by the profit-pursuits of estate and mine owners rather than fair considerations or labour agreements, labour exploitation remained a principle colonial-economic method.¹¹³ Meanwhile, although the majority of the cultivation systems had slowly been abolished, other forms of *corvée* labour persisted and were even exported to the 'Outer Territories'.¹¹⁴ The ethical policy's projects of developing new infrastructure and irrigation networks augmented labour demands, which officials found impossible to solve using free labour, leading to increased use of *corvée* labour services. The colonial economy, dependent on forced labour in what has been dubbed the "new style Cultivation System"¹¹⁵, unfolded into a Multatulian nightmare, in which the corporate imperialist-capitalist machine in the 'Outer Territories' siphoned off local labour power, while investments in local development lagged behind.

The doctrine of developmental colonialism served to convince larger international audiences of the blessings of Dutch rule for the 'uncivilized', but never translated to effective welfare policy.¹¹⁶ It translated into various problems which were symptomatic of conflicting developmental and exploitative colonial tendencies. Ethical education programs, for instance, were presented as genuine attempts to teach new vocational skills and increase literacy. But in practice, the government invested little in proper education programs, except for those serving the structures of the agricultural economic systems already in place, resulting in limited social mobility.

111 Touwen, *Extremes in the Archipelago*, 111-112; R. Hoeffte, "Indentured Labour", in M. van Rossum, K. Hofmeester, and M. van der Linden (eds.), *Handbook Global History of Work* (De Gruyter Oldenbourg: Berlin/Boston, 2017), 363-376: 369. In colonial times North Sumatra was known as the Residency of 'East Coast of Sumatra.'

112 Though, as R. Hoeffte argues, it would be mistaken to "regard indentured labour as an intermediate stage in a linear process from slavery to free labour", as the one not always automatically followed the other. Nevertheless, though "hailed as free labour based on voluntarily signed contracts" indentured labour definitely bordered to different shades of other forms of coerced labour, including slavery, rooted in the "mental legacy" of the slavery system including "material remnants such as slaver barracks" and institutionalized racism. See: Hoeffte, "Indentured Labour", 364, 374.

113 See: J. Breman, *Taming the Coolie Beast: Plantation Society and the Colonial Order in Southeast Asia* (Delhi: Oxford University Press, 1989); A. Taselaar, *De Nederlandse Koloniale Lobby: Ondernemers en de Indische Politiek, 1914-1940* (PhD thesis, Leiden University, Leiden: CNWS, 1998), 261-296.

114 The last cultivation services in sugar and coffee were only abolished in 1917/1919; Houben and Seibert, "(Un)freedom", 181.

115 See: Van Doorn, *De Laatste Eeuw*, 169-223.

116 Booth, *The Indonesian Economy*, 5-8, 11-12, 136, 154, 268-174, 328-132; Locher-Scholten, "Imperialism after the Great Wave", 1860-1914, 40, 41-42.

Many peasants, in Java alone, remained trapped in an existence based on contract labour with little prospect of any social welfare. increase¹¹⁷ The Dutch shaped an economic climate that prioritized foreign investment over the improvement of local economies. Development served the state and industrial elites rather than local populations.¹¹⁸ On the island of Billiton, for instance, the Billiton Company (*Biliton Maatschappij*) had been mining tin ore since the 1860s, and was used as a flagship in the narrative of colonial economic development for its support of socio-economic development by constructing roads, schools and hospitals. But this was not as beneficial to local circumstances as the colonial government claimed it was; smelting of tin took place largely outside Billiton and infrastructural projects, carried out in *corvée* services, were of limited importance to indigenous people as they predominantly served the tin mines and harbours. *Corvée* labour, also used for the delivery of mail and transportation of Europeans, was, as usual, presented as beneficial to the working spirit of the indigenous population, but in reality was burdensome, unpaid and a cheap way to develop the tin industry.¹¹⁹ Industrial labour was largely recruited outside Billiton. Chinese and Javanese coolies were preferred over local indigenous labourers who did not always agree to the salaries, terms and conditions set by Dutch corporate industry.¹²⁰ The island itself was, and remained, largely infertile and undeveloped.¹²¹

This does not necessarily imply, as Geertz claimed in the case of Java, that local indigenous economies inevitably stagnated. On the contrary, indigenous industry and agriculture were adaptive and dynamic in their responses to exploitation and market fluctuations.¹²² The problem was that under the 'colonial commercial enterprise', industrialization and development kept relying on the export of resources¹²³, primarily developed for

117 Wie, "Colonial Extraction", 53; Breman, *Koloniaal Profijt*, 315-326; Van Niel, *The Emergence of the Modern Indonesian Elite*, 66.

118 J. Th. Lindblad, "The Late Colonial State and Economic Expansion, 1900-30s", in Dick, Houben and Lindblad (eds.), *The Emergence of a National Economy*, 111-153: 144; J.Th. Lindblad, *Between Dayak and Dutch: The Economic History of Southeast Kalimantan, 1880-1942* (Dordrecht: Foris, 1988), 215-219.

119 See for the introduction of *corvée* on Belitung: ANRI AS Besl. 20-8-1878 n8, herein: Besl. GG, 25-6-1878 and DirBB to GG, 8-5-1878. The same problem occurred on Bangka, see: NA MinKol 1901-1953 OV 585, Vb. 23-9-1908 n9.

120 Touwen, *Extremes in the Archipelago*, 137-141.

121 Ibid., 89, 135-137; J.P. van de Kerkhof, "Onmisbaar maar Onbemind. De Koninklijke Paketvaart Maatschappij en de Billiton Maatschappij in het Onafhankelijke Indonesië (1945-1958)", *Tijdschrift voor Sociale en Economische Geschiedenis* 2:4 (2005), 122-146: 128.

122 Touwen, *Extremes in the Archipelago*, 160-161, 220-223, 315-319, 321-327. See also: Wie, "Colonial Extraction", 54-55.

123 J.Th. Lindblad, "Manufacturing and Foreign Investment in Colonial Indonesia", in Frankema and Buelens (eds.), *Colonial Exploitation and Economic Development*, 211-228: 217-218, 224-226.

the profit of the metropolitan economy.¹²⁴ High levels of diversification and low import levels acted as a restraint, preventing the Indies from establishing self-sustained economic growth. Indigenous small-scale economies survived and, as disorganized as they may have seemed to colonial observers, experienced relative success.¹²⁵ Overall however, a national economy with a mature rural and industrial sector, a functioning labour market with decent wages, and a healthy balance between import and export, resistant to fluctuating commodity prices, never developed. Such was the economic status bequeathed to the postcolonial Indonesian state on gaining independence in 1945.¹²⁶

Occasionally, infrastructural investments resulted in budget deficits and until the twentieth century, private entrepreneurs regularly siphoned off profits to The Netherlands as their plantations, mines and trading companies were owned and taxed outside Indonesia.¹²⁷ It has been argued that this caused a structural 'colonial drain', a ubiquitous phenomenon in economic debates about colonial economic developments.¹²⁸ As a result, across Southeast Asia, developmental colonialism led to higher expenses and increased the burden of taxation.¹²⁹

Summarized, the Dutch colonial government started focussing primarily on the interests of corporate capital, and secondarily on socio-economic development. Dutch strategies overseas, albeit previously considered to have deviated from general norms of modern imperialism, have been increasingly fitted into overarching European patterns of overseas expansion and governance. Despite what has been called a lack of a "vehemently 'imperial' pitch" and its virtually exclusive concern with Indonesia, Dutch colonialism displayed the same paradoxical commercial versus developmental characteristics of European imperial rule elsewhere

124 A. Booth, "Colonial Revenue Policies and the Impact of the Transition to Independence in South East Asia", *BKI* 169:1 (2013), 37-67: 81.

125 Lindblad, "The Contribution of Foreign Trade"; Touwen, *Extremes in the Archipelago*, 27.

126 Booth, *The Indonesian economy*, 327-35. See also Lindblad, "The late Colonial State", 143-152.

127 F. van Anrooij, "Crisis en Financieel Beleid in Nederlandsch-Indie (1920-1925)", in P. Creutzberg and F. van Anrooij (eds.), *Between People and Statistics: Essays on Modern Indonesian History Presented to P. Creutzberg* (The Hague / Amsterdam: Nijhoff, 1979), 119-132: 120-121.

128 P. van der Eng, "Exploring Exploitation: the Netherlands and Colonial Indonesia 1870-1940", *Revista de Historia Económica* 16:1 (1998), 291-321. See also P. O'Brien, "Afterword: Reflections on Fiscal Foundations and Contexts for the Formation of Economically Effective Eurasian States from the Rise of Venice to the Opium War", in B. Yun-Casalilla and P.K. O'Brien (eds.), *The Rise of Fiscal States*, 442-453: 453; Wie, "Colonial Extraction", 52; Booth, *Colonial Legacies*, 85-

129 Booth, "Towards a Modern Fiscal State in Southeast Asia", 51-55.

(addressed in the introduction).¹³⁰ Every act of the colonial government was proclaimed as being ultimately for the benefit of the local populations, some of which were still governed only in name. The mix of exploitation and the enlightenment of colonial subjects was a deeply entangled phenomenon common to all colonial empires, because colonial expansion required such legitimization to enable further exploitation.¹³¹ However, in colonial economies one's social position depended on birth, skin colour, and ethnicity. Such determinants of social mobility encumbered most economic initiative, so many people stayed dependent on small-scale trade or the colonial export economy.¹³² The thin varnish of the 'ethical policy' attempted to hide such realities behind a developmental smoke screen that presented the interests of European industrialists, the colonial government and subjected societies as aligned and targeted at equality and prosperity. It barely concealed how virtually every aspect of it was subordinate to corporate exploitation.

Reforming the state: training technocrats and educating elites

To enable the various changes discussed above, the state itself needed to change. Its structure had supported the corrupt lifestyles of European and indigenous administrators. Colonial Residents, for instance, had a difficult and demanding job overseeing the indigenous aristocracy, a position which required great diplomatic and political skill but also included various material and financial privileges.¹³³ They lived in large, bucolic mansions surrounded by indigenous servants, often maintaining their own agricultural estates and frequently one or more local mistresses, while on the other hand, civil servants in Batavia and Buitenzorg, the cities that housed the majority of the colonial central administration and the residence of the Governor-General, lived metropolitan, 'Indo-European' lives.¹³⁴ Such lifestyles did not fit the conceptualization of a rationally ordered

130 Raben, "A New Dutch Imperial History?", 9-10, 19; J.Th. Lindblad, "Economic Aspects of the Dutch Expansion in Indonesia, 1870-1914", *MdAS* 23 (1989), 1-24; 2. Kuitenbrouwer, *Nederland en de Opkomst van het Moderne Imperialisme*, 202-227. Views of Dutch imperialism have traditionally emphasized its narrow focus on Indonesia, commerce and pragmatism which led some historians to conclude the Dutch empire was not imperialistic (see for instance H.L. Wesseling, "British and Dutch Imperialism: a Comparison", in J.C. Heesterman et al., *Comparative History of India and Indonesia Vol. 4: General Perspectives* (Leiden/New York: E.J. Brill, 1989), 61-76), a view that has been reinterpreted over the last decades. Schrikker, "Institutional Memory", 112-113; R. Koekkoek, A.I. Richard and A. Weststeijn, "Introduction: Intellectual History in Imperial Practice", in Koekkoek, Richard and Weststeijn (eds.), *The Dutch Empire between Ideas and Practice*, 1-15.

131 Stoler, *Along the Archival Grain*, 24.

132 Houben and Seibert, "(Un)freedom", 186; Alatas, *The Myth of the Lazy Native*, 30-31.

133 Originally, a Resident was a European representative residing at an indigenous court. Van den Doel, *De Stille Macht*, 15.

134 U. Bosma and R. Raben, *Being "Dutch" in the Indies: a History of Creolisation and Empire, 1500-1920* (Singapore/Athens: NUS Press/Ohio University Press, 2008), 9, 26, 45-46.

state,¹³⁵ and so every official's position, from lowest ranking clerk to the Dutch King, was revamped and reformed according to the dimensions of modest bureaucracy.¹³⁶ Both the indigenous and European pillars of the Interior Administration were to become more of an administrative and less of a ruling class, better equipped for more impersonal styles of government.¹³⁷ Accordingly, the morality and professionalism of officials had to be improved, while corruption, nepotism and the deep patrimonial ties to indigenous aristocracies had to be eradicated, to support their transformation into scientifically trained technocrats.

For this purpose, an educational program for Dutch officials was founded in 1842 in Delft. This was the precursor of the academic study of Indology, taught in Leiden from 1902 onward, and aimed to train higher officials in colonial affairs and the diverse languages, laws, societies and customs of Indonesia.¹³⁸ A group of industrialists established a rival education program in Utrecht in 1925, intended to counterweigh what they considered Leiden's ethical 'extremism' – derided in Leiden as the 'petroleum faculty'.¹³⁹ Many officials were indeed of ethical convictions and many became 'scholar-officials'; administrators, data-collectors and anthropologists at the same time. They specialized in the regions they governed, keen to supply their superiors with information, supporting state surveillance, but also out of personal devotion and interest, as true welfare workers, beneficent mentors and 'educators' of the Indonesian population, aiming at conscientious policy.¹⁴⁰

135 H. Dick, "Policy Regimes, Statistics and Unintended Consequences: Transitions in Indonesia's Modern Economic History", in J. Touwen and A.F. Schrikker (eds.), *Promises and Predicaments: Trade and Entrepreneurship in Colonial and Independent Indonesia in the 19th and 20th Centuries* (Singapore: NUS Press, 2015), 279-297: 279.

136 The implementation of new government bodies, such as the Department for Agriculture, Industry and Commerce in 1905, the Opium and Salt Administration in 1904 (see chapter 2), and the directing offices for the rail- and tramways, postal and telegraph, banking and public health services, required further hiring and training of civil servants.

137 H. Sutherland, *The Making of a Bureaucratic Elite: the Colonial Transformation of the Javanese Priyayi* (Singapore: Heinemann, 1979), 4-5, 8-9, 15, 30, 35.

138 Van den Doel, *De Stille Macht*, 67; C. Fasseur, *De Indologen: Ambtenaren voor de Oost, 1825-1950* (Amsterdam: Bert Bakker, 1994), 23-29, 34-39, 73-74, 93-27, 328-331, 362-379, 484.

139 Sutherland, *The Making of a Bureaucratic Elite*, 15; Fasseur, *De Indologen*, 412-426; Gouda, *Dutch Culture Overseas*, 62.

140 The same scholarly tradition has been identified by Benedict Anderson as the source of the formation of national identity and the unified Indonesian nation state. See Anderson, *Imagined Communities*, 109-111, 163-185; Bloembergen and Raben, "Wegen naar het Nieuwe Indië", 14; Noor, *Data-Gathering in Colonial Southeast Asia*, 17-18.

See for examples of memoirs of 'BB-officials' the work of G.L. Tichelman, S. van der Wal, A. Visser and W. Ph. Coolhaas. Visser and Coolhaas in particular describe the 'unexpected' versatility of their daily jobs as a 'BB-officials' especially in remoter parts of the archipelago. Coolhaas describes his daily job as that of a governor, an educator, judge, tax collector, intelligence agent and even doctor. W.P. Coolhaas, *Controleur B.B.: Herinneringen van een Jong Bestuursambtenaar in Nederlands-Indië* (Utrecht: HES, 1985), 30-32, 57-58, 65-66, 135-138.

This way, a position in the Interior Administration became a sort of lifestyle, characterized by both romantic, orientalist notions of exploration, adventurism and remoteness as well as long hours of paperwork. The state sought maximum efficiency in maintaining law and order, and officials grew increasingly busy. Under these time constraints they grew detached from and found it more difficult to understand the societies under their rule. Hence, they relied more often on local assistance and co-opting indigenous elites.¹⁴¹ To prevent a return to 'feudalism' and 'patrimonialism' these indigenous elites were also subjected to transformative programs. They were to develop from a "cosmologically oriented, hereditary" to a "modern, welfare-state oriented, education-based elite."¹⁴² In Java, 'traditionalist' aspects of rule and hierarchy were abandoned as far as possible, and its political terms forcefully erased (though in the eyes of the public Europeanization of the *priyayi* classes had already eroded much of their former prestige).¹⁴³ Entitlements to 'cultivation percentages' and labour services were curtailed in all regions that knew monopolized export of coercively produced cash crops, and European salaries had been detached from agricultural profits in 1866. For many, this led to immediate financial problems. In Java, many *bupati*, who were expected to maintain costly lifestyles, support peasants and pay for festivities and celebrations as a display of wealth symbolizing harmony in their realms, were no longer able to freely extract what they needed. Turned into insufficiently salaried administrators, many of them started relying on (often Chinese) money-lenders which harmed the reputation of some courts.¹⁴⁴ Confidence in the reliability of lower civil servants at government offices also seemed to have remained low. In 1929, for instance, it was reported that the writing desks in the Customs office of Tanjung Priok (the harbour close to Batavia) had no drawers as to prevent staff from embezzling or hiding away paperwork.¹⁴⁵

In many 'Outer Territories', indigenous rulers had barely begun taking part in the colonial administration. Supposedly 'self-rulers' of 'self-governing' territories (*zelfbesturende landschappen*), like the principalities in

141 R. McVey, "'Introduction: Local Voices, Central Power'", in R. McVey (ed.), *Southeast Asia Transitions: Approaches through Social History* (New Haven: Yale University Press, 1978), 1-31: 21.

142 Van Niel, *The Emergence of the Modern Indonesian Elite*, 2.

143 E. Locher-Scholten, *Sumatran Sultanate and Colonial State: Jambi and the Rise of Dutch Imperialism, 1830-1907* (Ithaca: Cornell University, 2004), 180; Van Niel, *The Emergence of the Modern Indonesian Elite*, 24. Honorary titles for instance lost their meaning of pure lineal descent and instead became associated with specific administrative ranks. See also Sartono Kartodirdjo, *Modern Indonesia: Tradition & Transformation* (Yogyakarta: UGM Press, 1988), 113-127, 132-149.

144 Sutherland, *The Making of a Bureaucratic Elite*, 22, 133. This kind of 'elite displacement' was a common feature in former monopoly-cultivated areas (see chapter 4, 5 and 6). See also: H.J. Benda, "Political Elites in Colonial Southeast Asia: An Historical Analysis", *Comparative Studies in Society and History* 7:3 (1965), 233-251.

145 Anonymous, "Douane Priok", *Het Nieuws van den Dag voor Nederlandsch-Indië*, 21-1-1929, p. 3.

Java, they retained various degrees of political and fiscal autonomy under specific contracts overseen by Dutch officials, as long as they acknowledged the supremacy of the Dutch and cooperated in matters of taxation and administration (see Chapter 7). This was the political reality in the majority of colonized Indonesia and only in some areas was Dutch rule absolute, everywhere else it was established by contracts and continuously renegotiated.¹⁴⁶ The number of self-governing territories slowly diminished, from 340 to 273 in 1914-1930¹⁴⁷, but the Dutch East Indies had already become a patchwork of autonomies, princedoms, private estates, each subject to its own regulations, rules and forms of governance. Therefore, few of the promises of the colonial state, ethically guided progress, economic development and greater welfare, survived when filtered through the divergent political realities of various officials and rulers.

The use of self-governance alleviated the workload of overburdened European officials and spurred debates about the future of indigenous rule and the possibility of even greater autonomy – phrased in terms of further ‘emancipation’ (*ontvoogding*) and the education of the indigenous administration.¹⁴⁸ Inspired by the ‘association-theories’ of the Leiden Arabist and Islamologist C. Snouck Hurgronje and his successor G.A.J. Hazeu, small groups of young members of the indigenous elites were gradually exposed to western education, preparing them for a modern role in a new indigenous intellectual bureaucracy, depending on their birth and patronages.¹⁴⁹ Brought into contact with European ideas, they increasingly adapted to a western lifestyle in colonial capitals rather than their role as traditional rulers in the province, which aroused concern among European officials.¹⁵⁰

Significant tensions arose over this problem between local officials of the Interior Administration and office-trained bureaucrats in Batavia, rooted in mutual incomprehension of each other’s realities. To local officials, ‘Batavian bureaucrats’ were “formalistic, unimaginative [...]” and “too much influenced by high-flown theories with little basis in hard facts [...] carping, budget-watching critics, ignorant of the native world outside

146 Bongenaar, *Zelfbesturend Landschap*, 30-31, 49-60, 69, 74-76, 87-92, 113-118; G.J. Resink, “Inlandsche Staten in den Oosterschen Archipel. (1873-1915)”, *BKI* 116:3, 313-349: 330-336.

147 Benda, *The Pattern of Administrative Reforms*, 596.

148 Bongenaar, *Zelfbesturend Landschap*, 87-92.

149 Only after 1920 were lower *priyayi* allowed entrance, and the majority of lower elites was never allowed access to education. Sutherland, *The Making of a Bureaucratic elite*, 17, 53-54. See also M.F. Laffan, “The Tangled Roots of Islamist Activism in Southeast Asia”, *Cambridge Review of International Affairs* 16:3 (2003), 397-414., esp. pp. 125-208. By 1928, there were 74,697 ‘inlanders’ who had received Western-style primary education and 6,468 who had received secondary education. The number of indigenous people attending university remained low: around 1940 637 ‘inlanders’ went to college and only 37 had actually graduated. G.M. Kahin, *Nationalism and Revolution in Indonesia* (Ithaca: Cornell University Press, 1952), 31-32.

150 Sutherland, *The Making of a Bureaucratic Elite*, 43. See also Chapter 7.

their offices.”¹⁵¹ To ‘Batavian bureaucrats’, local officials were narrow minded and unduly distrustful of indigenous rule and unification policy. More conservative officials particularly seemed to worry that emancipation would affect the traditional authority and prestige (*hormat*; honour) of the indigenous rulers, which they considered essential to maintaining order among the population.¹⁵² To them, breaking with these ruling traditions brought the risk of potential political collapse. But ideally, the colonial administration no longer required such ‘traditional authority’, and the education of the indigenous elites was continued.

Decentralization and nationalism: the end of the ethicists

These developments synchronized with the emancipation of the colonial state itself. Royal involvement in the colony had been curtailed after the 1848 liberal revolutions and the adoption of a Dutch constitution. A systematic separation of governance and justice facilitated, theoretically at least, an independent colonial judiciary.¹⁵³ In 1854, the adoption of a ‘colonial constitution’ (*Regeeringsreglement*; ‘Government Regulation’) formalized the legal footing of the colony and promulgated policy changes in administration, finance and labour policies which were formally issued by the Governor-General, who in theory answered only to the crown, but in practice consulted constantly with officials in the field, in Batavia and in The Hague.¹⁵⁴ Meanwhile, the colonial economy started growing beyond the scope of The Netherlands, and the Accountancy Law of 1867 separated the annual budget plans of both. The same year, a fixed colonial contribu-

151 Sutherland, *The Making of a Bureaucratic Elite*, 11, 35, 118. See also, for instance the remark of Coolhaas, who was often “irritated by the letters of Batavian office-men” (Coolhaas, *Controleur B.B.*, 174. Illustrative is also Couperus’ literary description of “Batavia [...] with the arrogant atmosphere of the place [...] the least flattering to one in the position of Resident, [...] surrounded by the highest officials, so that the Resident, who was almost supreme anywhere else, was at Batavia no more than yet another official among so many members of council and directors [...] And close to Buitenzorg, with its arbitrary secretariat, whose bureaucratic and red-tape methods were always clashing with the practical administrative methods of the Residents themselves.” L. Couperus, *The Hidden Force* (Ed. by P. Vincent and I. Buruma; London: Pushkin Press, 2012), 240.

152 Among them was the later Minister of Colonies (1933-1937) and prime minister (1925-1926 and 1933-1939) H. Colijn (1869-1944), see H. Colijn, *Koloniale Vraagstukken van Heden en Morgen* (Amsterdam: De Standaard, 1928), 77-97. See also Schmutzer, *Dutch Colonial Policy*, 53-54. and Sutherland, *The Making of a Bureaucratic Elite*, 38-40, 76-78, 81, 130-143. A number of *hormat* circulars curtailed the remaining relics of the *Bupati*’s traditional prestige, see Van Niel, *The Emergence of the Modern Indonesian Elite*, 46-47 and Ricklefs, *A History of Modern Indonesia since c. 1200*, 167.

153 N.S. Efthymiou, *Grondrechten in Nederlands-Indië* (Nijmegen: Wolf Legal Publishers, 2012), 18.

154 N.S. Efthymiou, *De Organisatie van Regelgeving voor Nederlands Oost-Indië: Stelsels en Opvattingen (1602-1942)* (PhD thesis, Universiteit van Amsterdam, 2005), 266-270, 320-325.

tion from colony to motherland was agreed upon.¹⁵⁵ After many more years of lobbying, colonial and Dutch state finances were separated in 1912, as the colony was transformed into an independent legal entity, enabling Batavia to borrow money independently.¹⁵⁶ In 1925, a new State Regulation (succeeding that of 1854) determined that colonial budget plans were to be drafted in Batavia and approved by The Hague.

Self-governance was further enhanced by the 'Decentralization Law' of 1903, which delegated greater authority to local governments to improve cost-efficiency and reduce the impact of colonial governance on the treasury. In 1905, municipality councils were established in various cities in Java, and though these were largely dominated by wealthy, European industrialists or ex-statesmen, they provided a platform for *priyayi* to engage directly with larger groups of Europeans.¹⁵⁷ In 1918 all *controleurs* in Java were replaced with indigenous officials.¹⁵⁸ Territorial rule in the 'Outer Territories' remained delegated to the plethora of self-governing regencies and local councils that enjoyed increasingly higher degrees of independence.¹⁵⁹ These developments stimulated political awareness among the indigenous ruling classes. A rising intelligentsia of educated *priyayi* and a heterogeneous mixture of Indo-Europeans and *peranakan* (acculturated Chinese) started using the upcoming Malay and Chinese language press, to voice more radical concerns about greater emancipation, claiming access to education and social mobility, partly based on European principles, but sometimes also on cultural rejuvenation of ancient Javanese values.¹⁶⁰ Among the politically aware, the Malay language (rather than Dutch) became of instrumental importance in shaping the idea of Indonesian nationalism and identity.¹⁶¹ And among the rising colonial middle-class, old racial hierarchies met with new social divisions, shaped by education and social memberships.¹⁶²

This might seem like the colonial state had finally created its much desired citizenry of independently thinking, productive, participating

155 De Jong, *Van Batig Slot naar Ereschuld*, 30-31, 80-83, 113-118, 268-273.

156 Van Anrooij, "Crisis en Financieel Beleid", 119.

157 Schmutzer, *Dutch Colonial Policy*, 46-56; Van Dijk, *The Netherlands Indies and the Great War*, 21; Sutherland, *The Making of a Bureaucratic Elite*, 64; Bongenaar, *Zelfbesturend Landschap*, 39.

158 Sutherland, *The Making of a Bureaucratic Elite*, 81.

159 Bongenaar, *Zelfbesturend Landschap*, 46-48.

160 F. Fakihi, "Conservative Corporatist: Nationalist Thoughts of Aristocrats: The Ideas of Soetatmo Soeriokoesoemo and Noto Soeroto", *BKI* (2012), 420-444: 421-422. See also: A. Ahmat, *The Vernacular Press and the Emergence of Modern Indonesian Consciousness (1855-1913)* (Ithaca: SEAP Publication, 1995).

161 J.T. Siegel, *Fetish, Recognition, Revolution* (Princeton: Princeton University Press, 1997), 10, 93; Anderson, *Imagined Communities*, 99-100, 177-178.

162 Hoogervorst and Schulte Nordholt, "Urban Middle Classes", 453-455, 457-458, 461, 469. See also Van der Meer, "Performing Colonial Modernity"; B. Luttikhuis, *Negotiating Modernity: Europeaness in Late Colonial Indonesia, 1910-1942* (PhD thesis, European University Institute, 2014).

taxpayers, a harmonious society of a governed state pursuing the ideal of a “synthesis between East and West.”¹⁶³ As such, the founding in 1908 of the first true nationalist movement, *Budi Utomo*¹⁶⁴, was celebrated as a success of the ethical policy by the Dutch authorities.¹⁶⁵ But the appeal of *Budi Utomo* was still rather conservative, as it consisted solely of educated members of Dutch-oriented *priyayi*. More radical voices argued that the membership of *Budi Utomo* was from the aristocratic elites and too deeply dependent on the Dutch to truly represent the populations they supposedly governed and with whom indeed, they had gradually lost touch.¹⁶⁶ Only the small top-layer of society profited from the modernizing aspects of European colonial governance. For the overwhelming majority little had changed. Nationalist popular mass-movements, rooted in ‘modern Islamic’¹⁶⁷ and communist principles, such as *Sarekat [Dagang] Islam*¹⁶⁸ and the *Indische Partij*, responded to the government’s half-hearted attempts towards enabling greater social mobility, by arguing for, albeit not always clearly and coherently formulated, a more inclusive, ‘modern’ and de-racialized colonial citizenship.¹⁶⁹ This does however not indicate an ‘indigenous/nationalist alternative’ to ‘European modernity’, which, as argued by Cooper and, more recently, Protschky, only offer limited explanation for understanding what colonial modernity was.¹⁷⁰ Instead,

163 Van Doorn, *De Laatste Eeuw*, 25; Ricklefs, *A History of Modern Indonesia since c. 1200*, 206.

164 In old Dutch spelling ‘Boedi Oetomo’; ‘Principal Philosophy’, also translated as ‘Noble Endeavour.’

165 Van Doorn, *De Laatste Eeuw*, 72; Ricklefs, *A History of Modern Indonesia since c. 1200*, 216-219.

166 H. Sutherland, *Pangreh Pradja: Java’s Indigenous Administrative Corps and its Role in the last Decades of Dutch Colonial Rule* (New Haven: Yale University, 1973), 512-537; Sutherland, *The Making of a Bureaucratic Elite*, 118-120. See also Van den Doel, *De Stille Macht*, 418.,

167 Modern Islam, imported by Indonesian Muslims returning from their *hajj*, flourished in the Minangkabau region on Sumatra and parts of East and Central Java, as a more accurate social binder than the colonial state. K. van Dijk, “The Threefold Suppression of the Javanese. The Fight Against Capitalism, the Colonial State, and the Traditional Rulers”, in Cribb (ed.), *The Late Colonial State*, 261-279: 273; Van Niel, *The Emergence of the Modern Indonesian Elite*, 84-86.

168 Founded in 1905 as an indigenous *batik*-trading organization and changed into a political movement in 1912. *Sarekat Islam* grew rapidly across the archipelago as it channelled local resistance against Chinese and Dutch colonial commercial and political power and indigenous elitism, all seen as instruments of western capitalism – which reminds us that Indonesian nationalism was never a unified movement. See Van Niel, *The Emergence of the Modern Indonesian Elite*, 86-94.

169 Which is, as such, a *contradictio in terminis*, because citizenship in the colony was in fact always racially informed. U. Djalins traces colonial citizenship to the traces and entitlements that colonized people attempted to get validated by the state, and draws attention to the importance of their struggle to obtain and retain land rights. See U. Djalins, “Becoming Indonesian Citizens: Subjects, Citizens, and Land Ownership in the Netherlands Indies, 1930–37”, in *JSAS* 46:2, 227-245. See also R.E. Elson, “Constructing the Nation: Ethnicity, Race, Modernity and Citizenship in Early Indonesian Thought”, in *Asian Ethnicity* 6:3 (2005), 145-160 and B. Luttikhuis, *Negotiating Modernity*, 9-12, 100-102.

170 Cooper, *Colonialism in Question*, 37, 114, 149; Protschky, “Modern Times”, 2-3.

even though higher classes organized in nationalist movements oriented around principles of European 'modernity', aspects of what supposedly was considered 'modern' were also consumed on a wider scale by a larger, indigenous (lower) 'middle-class' from Asian repositories, which rekindled new interpretations of change and progress in Indonesian society, both before and after Indonesian independence.¹⁷¹ Fact was that the Dutch were intolerant to large-scale social development outside of their control, and responded strongly to indigenous calls to award all full 'colonial citizenship', which the lack of sincerity which imbued education and emancipation politics from its beginning. Even though some officials were sympathetic to its plea, the *Indische Partij* was prohibited and its founders exiled.¹⁷² The Dutch became particularly distrustful of communist rhetoric, especially after the Russian revolutions in 1917. A shadow parliament under the name of *Volksraad* (People's Council) was established in 1918. Intended to offer people greater access to national colonial politics, in effect it had advisory rather than legislative power, and only 24 out of 49 members were elected by the local councils, of which only eight were indigenous and all of these from the aristocracy.¹⁷³ Large, communist-inspired revolts in Java and West-Sumatra eventually provided the government with the opportunity to suppress radical, anticolonial resistance and return to stern policies of repression; some authors therefore demarcate 1926/1927 as the end of the ethical policy.¹⁷⁴

In this way, the weak slogans of developmental colonialism that had already barely succeeded in convincing audiences at home, crumbled below the weight of governance reality. Despite its promises, despite comfortably fancying itself a benevolent tutor and developer, the government remained exploitative, an autocratic '*beambtenstaat*', unwilling and incapable of truly investing in local society and unwilling to accept alternative voices arguing for change and representation. This was not only the result of path-dependent decisions of officials, but also of political choice. The Dutch colonial state refused to hand over any influence to parties other than the established Indonesian aristocracies on which it already relied. However, unifying technocratic, transparent, representative, just and responsible rule

171 Schulte Nordholt, "Modernity and Cultural Citizenship." See also M. Bloembergen, "New Spiritual Movements, Scholars, and "Greater India" in Indonesia", in Protschky and Van den Berge (eds.), *Modern Times in Southeast Asia*, 57-86: 76-77; R. Raben, "Hoe Wordt Men Vrij? De Lange Dekolonisatie van Indonesië", in E. Bogaerts and R. Raben (eds.), *Van Indië tot Indonesië* (Amsterdam: Boom, 2007), 13-30: 17-18, 23.

172 J.M. Nomes, "De Indische Partij. Indo-Europeanen en Nationalistische Ideeën in Nederlands-Indië", in W. Willems (ed.), *Sporen van een Indisch Verleden, 1600-1942* (Leiden: Centrum voor Onderzoek van Maatschappelijke Tegenstellingen, 1992), 55-70; Raben, "Hoe Wordt Men Vrij?", 23-24.

173 12 of these had to be of indigenous descent, the other 12 were European and 'Foreign Orientals'. Efthymiou, *De Organisatie van Regelgeving*, 379-395; Bongenaar, *Zelfbesturend Landschap*, 110; Dijk, *The Netherlands Indies and the Great War*, 20.

174 Ricklefs, *A History of Modern Indonesia since c. 1200*, 225-226.

with the established deeply personal, paternalistic, 'feudalistic' attributes of the relations between European officials and indigenous rulers, was an unachievable ideal. Officials high up in the colonial administration were aware of this paradoxical and contrasting reality, but rather than fixing the problems at hand, concealed them behind policies of development, education and decentralization. It presented these policies as the sole route to a 'modern society', and convinced as it was of its superiority, fundamentally gave the go ahead to a state that remained authoritarian, undemocratic, exclusivist and racially segregated, rooted in the paternalistic world view on which it was grafted in 1815.¹⁷⁵ Consequently, the indigenous bureaucracy continued to be vulnerable to increasing distrust, while actual reform never really materialized and the state got only further alienated from the people it governed.¹⁷⁶ The colonial government never became the solid, monolithic bureaucratic machine it pretended it was. Rather, it was a collection of educated, usually elitist, European and Indonesian men who had to make sense of the demanding expectations of Batavia and the confusing realities they governed. Encumbered by long distances and difficult communication, this translated into a patchwork of local administrations which gave leeway to locally-minded policies that "militated against the collection of uniform statistics" of Batavia.¹⁷⁷ For the indigenous population, this had profound consequences.

Legal pluralism, using adat

One of these consequences was that, despite various attempts at unification, the colony remained characterized by various divisions. The colony was in essence a class society, in which class was largely informed by race. The legal and tax systems contributed much to this division, grafted in a legal-racial separation embedded in legislation, judicial practice and executive policy.¹⁷⁸ Europeans and 'those classified as, or equalized with Europeans', and 'inlanders' or 'indigenous peoples' (and those classified as such) answered to separate, ambivalent legal bureaucracies, court hierarchies, procedural codes and tax systems. For Europeans these were based on

175 W.F. Wertheim, "Netherlands-Indian Colonial Racism and Dutch Home Racism", in J. Breman, et al. (eds.), *Imperial Monkey Business: Racial Supremacy in Social Darwinist Theory and Colonial Practice* (Amsterdam: VU University Press, 1990), 71-88: 74.

176 A.J.S. Reid, *To Nation by Revolution: Indonesia in the 20th Century* (Singapore: NUS Press, 2011), 8, 15-22, 42.

177 H. Dick, "Formation of the Nation-State, 1930s-1966", in Dick, Houben, and Lindblad (eds.), *The Emergence of a National Economy*, 153-193: 183. See also Van Niel, *The Emergence of the Modern Indonesian Elite*, 88, 90-91; Day, *The Policy and Administration*, 225.

178 C. Fasseur, "Cornerstone and Stumbling Block: Racial Classification and the Late Colonial State in Indonesia", in R. Cribb (ed.), *The Late Colonial State in Indonesia: Political and Economic Foundations of the Netherlands Indies, 1880-1942* (Leiden: KITLV Press, 1994), 31-56: 31.

European law (a Dutch colonial legal code was introduced in 1848)¹⁷⁹, while the justice administration of indigenous people was decreed to use the principle legal guidelines of their own local *adat* (law).¹⁸⁰ Ethnic Chinese, Japanese, Indians, Arabs and other Asians occupied a more ambivalent position; they were considered to be economically above the indigenous people but inferior to Europeans, and from 1818 onward were inelegantly termed 'Foreign Orientals' ('*Vreemde Oosterlingen*'), as a separate legal class.¹⁸¹ They answered to indigenous criminal law but to European commercial law. Such legal categorizations, formalized in the Government Regulation of 1854 (article 109), were not absolute but dynamic; people could apply for 'higher' legal status. Of course, none of these socio-legal classes formed homogenous groups.¹⁸² In reality, there were large and virtually unbridgeable disproportionate differences within, and among the legal classes, such as financial capacity, life standards, education and social mobility.¹⁸³ It is also important to differentiate between what officials called 'indigenous' (or autochthonous) and 'non-indigenous *inlanders*' ('*inheemse*' and '*niet-inheemse inlanders*') depending on their origins. For instance, a Javanese person living in Aceh was a 'non-indigenous *inlander*', but an '*inlander*' nevertheless. An Acehnese in Aceh was considered to be an 'indigenous *inlander*.' This is important, because 'indigenous *inlanders*' were supposed to adhere to local *adat*, including various social obligations relating to labour, marriage and inheritance, while it made little sense for 'non-indigenous *inlanders*' to observe a system of customary law that was not their own.¹⁸⁴ Instead, 'non-indigenous *inlanders*' were supposed to adhere to the tax laws designed for 'Foreign Orientals.' Ultimately, the liberal-enlightened principles of justice administration were diffused in the "unequal and authoritarian colonial

179 Stbl. 1847 n23; Ch. F. van Fraassen, *Ambon in het 19e-eeuwse Indië: Van Wingewest tot Werf-depot* (Amsterdam: De Bataafsche Leeuw, 2018), 221.

180 Ibid., 33; S. Ravensbergen, *Courtrooms of Conflict: Criminal Law, Local Elites and Legal Pluralities in Colonial Java* (PhD thesis, Leiden University, 2018), 18-39; D.S. Lev, "Colonial Law and the Genesis of the Indonesian State", *Indonesia* 40 (1985), 57-74: 59-60.

181 Lev, "Colonial Law", 62; Lohanda, *Growing Pains*, 9-11, 41-43.

182 About 75% of the 'European class' comprised Indo-Europeans who had an ambiguous position drifting between indigenous and European society. Indigenous society was divided between high-class *priyayi*, middle class townsmen and an overwhelming majority of lower-class village people and agriculturalists. 'Foreign Orientals' formed an array of ethnicities striving for further recognition and legal equalization with Europeans. (see Liem, *De Rechtspositie der Chinezen*, 623-627). Under influence of growing Japanese power and pressure from Tokyo, the Japanese were collectively equalized with European legal status in 1899.

183 Gouda, *Dutch Culture Overseas*, 4-6, 14-16, 20-15, 240-242; Luttikhuis, "Beyond Race: Constructions of 'Europeanness' in Late-Colonial Legal Practice in the Dutch East Indies", *European Review of History* 20:4 (2013), 539-558.

184 For this reason, I prefer to leave the Dutch colonial-legal term '*inlander*' untranslated. The commonly used English term 'indigenous [people]' can also be translated to Dutch as '*inheems*', which technically refers to ethnical people originally inhabiting indigenous to a specific region, while '*inlander*' was the socio-legal category of all of these people ('native Indonesians') together.

reality" of colonial law courts, which "were an arena where the essentially unenlightened character of the colonial state was revealed", and which were largely reliant on the cooperation with indigenous elites and functionaries, deeply pragmatic in its conduct and establishing a "rule of lawyers" rather than a 'rule of law.'¹⁸⁵

Especially problematic was administration of *adat* law. Initially, the Dutch relied on local *adat* authorities to administer indigenous justice. Attempts to restructure *adat* only shaped a fragile, abstracted model of social organization which never successfully reflected practices of rule; the moment officials attempted to codify and alter *adat*, it changed right under their noses. Whereas local chiefs and residents had few difficulties in grasping and using the subtleties and flexible provisions *adat* provided for their own benefits, to outsiders such as colonial officials, *adat* was "a cacophony" of highly local, highly fluid regulations.

From the early twentieth century onward, the *adat* of nineteen different regions were described in the *Adatrechtbundels* (Adat Law Tomes) in a project led by Leiden law professor C. van Vollenhoven (1874-1933) who was an ardent proponent of analysing, codifying and preserving *adat*. Van Vollenhoven was aware that the plural meaning and operation of *adat* inspired a difference between its codification and actual operation, leading to many misinterpretations by colonial administrators (and later historians), and argued for the reinterpretation of indigenous law in its own local terms.¹⁸⁶ This conflicted of course with the concept of a uniform legal regime manipulatable from the centre. Moreover, accommodating the enormous variety and fluidity of *adat* required an unaffordable and inconceivable expansion of the colonial state. Its high level of changeability and flexibility made permanent codification impossible. Van Vollenhoven and his students also recognized that *adat* had to be seen in its social context and on its own terms, and refrained from perceiving *adat* law though dogmatic, static Western frames such as customary law.¹⁸⁷ Nevertheless, much *adat* law would change, as the world in which colonized subjects lived changed, under the influence of colonialism.¹⁸⁸ Still, some of Van Vollenhoven's ideas

185 S. Ravensbergen, "Rule of Lawyers: Liberalism and Colonial Judges in Nineteenth-Century Java", in Koekkoek, Richard and Weststeijn (eds.), *The Dutch Empire between Ideas and Practice*, 159-182: 163 (quote), 164-169.

186 F. and K. von Benda-Beckmann, "Myths and Stereotypes about Adat Law: A Reassessment of Van Vollenhoven in the Light of Current Struggles over Adat Law in Indonesia", *BKI* 167:2-3 (2011), 167-195: 175, 187. See also Burns, *The Leiden Legacy*.

187 Von Benda-Beckmann and Von Benda-Beckmann, "Myths and Stereotypes", 172-173, 187.

188 Lev, "Colonial Law", 66; Von Benda-Beckmann and Von Benda-Beckmann, "Myths and Stereotypes", 174; C. van Vollenhoven, *Het Adatrecht van Nederlandsch-Indië* (Leiden: Brill, 1918), 29; See also: E. Hobsbawm, "Introduction: Inventing Traditions", in E. Hobsbawm and T. Ranger (eds.), *The Invention of Tradition* (Cambridge: Cambridge University Press, 2012), 1-14; and T. Ranger, "The Invention of Tradition in Colonial Africa", in *ibid.*, 211-262: 211-212.

resonated in the political agendas of more conservative local officials and his *adat* policy, though perhaps not intended as such, helped officials to define Indonesian communities in ways that were considered legitimate. Codifying *adat* also became an axiomatic framework for keeping people in their place, subjected to, and serving the authorities upon whom the administration relied.¹⁸⁹ Like Javanese ceremonialism, village life and hybrid colonial bureaucracy, the imposition of a diversified codified law system “remained a principal justification of the administrative state in a plural society [...] much (or more) grounded in conservative political and social interests than in ethical principles.”¹⁹⁰

Ultimately, when the attempt was made to impose a legal unification of criminal law in 1918 and the tax system in 1920, civil servants (as exemplified by Korn in the introduction) found themselves facing impossible challenges. The ambition was to unify, to shape a consolidated class of citizen-subjects adhering to the same legal system. Unification became popular colonial jargon relating not only to the merger of specific ordinances or laws from various parts of the colony into one category, but hinting at the full integration of many aspects of society – law and legislation, the civil service, education and taxation.¹⁹¹ Yet, fragmented and pragmatic as the colonial administration still was, legal protocols and justice administration kept being delegated to local rulers and middlemen. Moreover, legal separation was connected to core aspects of colonial governance, such as indirect rule and the pretence of European superiority, all integral to the functioning of the colonial state and in opposition to ideas of universal justice. Legal separation shaped ethically bound identities to maintain the political dimensions of different communities. Throughout the nineteenth and twentieth centuries, this simplified the justice administration and the levying of taxes, as it helped keeping people in their place under differentiated economic roles to serve efficient exploitation. Therefore, colonial law could never represent universal values.¹⁹² In all colonial empires, rule developed in accordance with various legal traditions and decentralized forms of power, necessitating adaption to local situations which created fluid law systems that could be transformed on the spot.¹⁹³

189 Lev, “Colonial Law”, 64.

190 Lev, “Colonial Law”, 65.

191 Van Niel, *The Emergence of the Modern Indonesian Elite*, 36.

192 As put by Lev: “Access to Dutch law implied equal opportunity to engage in commerce of any kind, which made no sense at all in the Cultivation System and not much more in the liberal era.” Lev, “Colonial law”, 60-61. See also R.B. Cribb, “Legal Pluralism and Criminal Law in the Dutch Colonial Order”, *Indonesia* 90 (2010), 47-66: 58, 60-61.

193 L. Benton, “Colonial Law and Cultural Difference: Jurisdictional Politics and the Formation of the Colonial State”, *Comparative Studies in Society and History* 41:3 (1999), 563-588: 563. See also: L. Benton and R.J. Ross, “Empires and Legal Pluralism: Jurisdiction, Sovereignty, and Political Imagination in the Early Modern World”, in R.J. Ross and L. Benton (eds.), *Legal Pluralism and Empires, 1500-1850* (New York: NYU Press, 2013), 1-20: 5-7. P.J. Burns, *The Leiden Legacy: Concepts of Law in Indonesia* (Leiden: KITLV Press, 2004), 68, 234.

This aptly summarizes the problems that beset the colonial state; its perpetual ambition to reform and improve society, always towards a European-style of governance, ignored the fact that in order to bring true change, it had to alter the very foundation on which colonialism was grafted. The Dutch colonial state kept presenting itself as the omniscient and benevolent modernizing force, without ever making any actual progress or development. It attempted to ignore or replace indigenous thought, knowledge and practices, but never moved beyond use of indirect rule, exploitation and oppression, and thereby never truly aligned its interests to those of the people it aimed to govern.

CONCLUSION

Concepts of progress and enlightenment imbued Dutch colonial government since its inception, formulated through labour and tax policies, administration and law, and inspired by theories of the superiority of European state evolution. In the early nineteenth century, Dutch colonialism relied on ancient, interlinked orders of indirect rule through indigenous aristocracies, coerced labour and customary law, all of which enabled economic exploitation. However, from 1870, colonial liberalism, economic expansion and socio-economic transformation made for more ambitious development, although the intellectual undercurrent remained largely the same. Basically, the Dutch rehashed the old rhetoric of progress and enlightenment to justify the reinvention of forced labour, indirect rule, exclusive education, and separate legal systems, precisely the tools that had enabled them to exert some level of control over indigenous populations. The twentieth century echoed the nineteenth, a continuation of existent governance strategies, with nothing changing except for the terms being used. Nevertheless, twentieth century reformation policies set in motion a number of political changes that could not be reverted. The concept of a unified, more governable and self-sufficient colonial population had taken root in law-making, administration, economic reform and, as will be shown in the next chapter, in taxation.