



Alexander Claver, *Dutch Commerce and Chinese Merchants in Java: Colonial Relationships in Trade and Finance, 1800-1942* (Verhandelingen van het Koninklijk Instituut voor Taal-, Land- en Volkenkunde 291; Leiden, Boston: Brill, 2014, xxiv + 442 pp., ISBN 978 90 04 25657 6).

This book is a study of the world of commercial enterprise in Java from 1800 to 1942. It mainly focuses on the period from the mid-nineteenth century when greater private interests were admitted as the Dutch colonial state gradually relinquished its excessive control over the production of agricultural commodities for export. The author seeks to examine the role of trade finance, how trading companies functioned, and how the trading community – traders, trading companies and banks – adapted to the challenges posed by changing circumstances.

Various sections of the book are devoted to delineating the two often interrelated chains of credit and debt: one from the wholesale firms of imported textiles and other manufactures to the various levels of retail traders and the end consumers, and the other linking the mercantile interests in the export of Javanese agricultural commodities to the intermediate buyers and traders and also the farmers and producers. In nineteenth- and early-twentieth century Java, these two credit lines tended to overlap: a peasant often received from the local shopkeeper tools, fertilizers and other goods in advance, to be paid when he harvested his crops, either in money or in kind. Oftentimes this same shopkeeper-cum-creditor would also be the buyer of his products.

The interconnection of these two chains of credit and debt tended to create a domino effect during economic downturns when the prices of export crops declined drastically and the peasant-consumer were paid less cash for the same amount of agricultural products. This development in turn triggered an impact on the intermediary retailers and also the import merchants since the diminished income would affect the consumers' ability to pay their instalments for the goods they acquired on advanced credit. Hence the drastic fall of the prices of sugar – the main export commodity of Java – in 1884 left large numbers of bankruptcies in its wake. A similar phenomenon of massive business failures was observed during the Great Depression in the early 1930s.

Although historians of Indonesian colonial economy are aware of these patterns of credit and debt as well as recurring cycles of boom and depression, this book is valuable in offering details of how the individual agricultural entrepreneurs and traders operated their business and navigated around the challenges of access to capital and goods and how they handled economic

depressions. Thanks to the author's access and perusal of the archives of the Java Bank (De Javasche Bank) or today's Bank Indonesia on top of several official and company archival and other source materials in the Netherlands and Indonesia, he is able to trace the concrete actions taken by individual firms and businessmen. They included the Nederlandsche Handel-Maatschappij (NHM), the Handelsvereniging Amsterdam (HVA), the Internationale Crediet- en Handelsvereniging 'Rotterdam' (Internatio) and other financing institutions in the Netherlands Indies. From various parts of the book, one could discern how their investment plans as well as eventual decisions to focus either on financing import trade or the production of export crops were shaped by the distinct developments and setbacks they encountered.

As for individual entrepreneurs, some striking examples discussed in the book included the Chinese estate owner in Batavia Djauw Adjie during the 1850s, Chinese shopkeeper Oei Ping Ing of Surabaya during the first decade of the twentieth century, Chinese merchant Kwik Djoen Eng who expanded from sugar trade in Solo to the whole of Java as well as Taiwan, Hong Kong and China from the 1890s to 1930s. Whether they resorted to defaulting or fraudulent practices with the banks and other financial firms, or conducted boycott or anti-boycott exercises against European wholesale merchants, readers could discern the specific context and circumstances that prompted the actions of the entrepreneurs.

Although each of these case studies is very interesting, the reviewer discerns very little connection among them or how each case builds towards the overall argument of the book, if there is one to begin with. The author has largely presented each of the businessmen and business firms as stand-alone cases. As such the case studies – although offering many extremely valuable details – become fragmented pieces. Another inevitable result is that many sections of the book are also repetitive: when dealing with different cases, the author would tend to repeat and/or enrich earlier discussions about the layered structure of marketing and distribution (see 7-8, 83-85, 118-119, 163-166, 183-188 etc.), the need for credit by various levels of traders (see 176-177, 208-209, etc.), the negative portrayal of Chinese commercial agents and their alleged oppression of the natives by various colonial officials and European interests (see pp. search 'debt of honour', 151-154, 243-245, chapter 4). Needless to say the flow of the text is highly disruptive.

It seems that the disjointed structure of the book has to do with the author's modest objective. As he states in the introductory chapter, he wants to deal with both the macro and micro levels, that is, exploring not only broad political and economic issues but also analysing how these individual companies and individuals took concrete decisions to deal with the politico-economic circumstances. But instead of integrating both levels, the author merely allows the macro and micro picture to 'alternate' with each other.

‘The research does not seek a macro-level explanation, but offers a detailed examination of the wholesale trading arena and selected companies’ (9-11).

So perhaps the best way to approach this work is to use it as a source book. It would probably be most valuable to the circle of experts working on Indonesian colonial economy during the late nineteenth and early twentieth centuries. Since it also appears as an electronic version that can be freely downloaded, the most convenient way to peruse it is to do a global search for the names of the individual businessmen or firm when information about them is needed.

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