

Hidden Disciplines: the Role of Business History in a Multi-Disciplinary Framework

By:

Shakila Parween Yacob

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Hidden Disciplines: The Role of Business History in a Multi-Disciplinary Framework

Associate Professor Dr. Shakila Yacob
Department of History
Faculty of Arts & Social Sciences, University of Malaya

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Business history plays an important and integral role within a multi-disciplinary framework as a complementary analytical tool for providing additional insights which might otherwise be overlooked by the immediate discipline or field of scholarship concerned. In addition, business history as a discipline in its own right can help to broaden the scope of studies of a particular field of interest.

Nonetheless, business history is a relatively under-developed discipline in Malaysia where it is more often than not "submerged" under the weight of other more established disciplines of history. While there may be no clear, formal delineation between business history and history per se as the academic study of past events and accounts, this paper argues that a number of publications apparently concerned with Malaysian history actually combine a variety of "sub" disciplines of the more generic term.

The implicit lack of recognition given to business history hinders its reach beyond the confines of the relevant scholarly community to a broader audience of popular discourse. This is a pity as the business community, as well as both governmental and non-governmental organisations might better be served by the specific discipline of business history in their efforts to recover or preserve, for example, legacies of the past in which commerce has played such a significant role in laying the foundation of the Malaysian national economy.

In addition, by looking at fields of study outside of their professional interests, business historians might be able to learn various skills on how to expand the discipline and to interact and merge with other disciplines of history, or even other research areas. Surely such breaking of narrow confines can only add value to the work of business historians. The dynamics of the interactive relation between business history and the mediating role of other disciplines or fields possesses immense academic and social potential.

As such then, business history has an opportunity to enrich the diverse historical tapestry of Malaysia, especially as commerce and trade were truly an inseparable part in the shaping of the nation's pre-Independence past. While business history may have both a primary and supporting role to play, there are still large swathes of material, including archival records, yet to be uncovered by historians. Perhaps these were neglected by earlier scholars due to a perceived irrelevance or perhaps because of simple ignorance of the wider dimensions of history. Business history may still have a long way to go, but with commitment and devotion, Malaysian academicians can contribute to the many missing pieces of the jigsaw and help correct the inadequacies in the historical narratives from both the perspective of academic and popular discourse.

In an attempt to look at the role of business history in Malaysia, its present and future dilemmas, the key questions considered in this paper are as follows:

1. What is the popular definition or general perception of "business history" as a concept, and how does this definition become refined in particular academic institutions and schools of thought?
2. How might business history as an academic discipline broaden its scope and, by extension, contribution to academia and society?
3. How can business history maintain its identity as a distinct discipline when it is conventional in certain academic circles for it to be assimilated in the wider social sciences such as human geography, urban studies, or, of course, history?
4. How can business history better interact with other disciplines within a multi-disciplinary framework without losing its discrete subsistence while continuing to mediate and act as a bridge between the various social sciences disciplines?

Beginning with a broad definition of the ever evolving interpretations of business history, Section I of this paper looks at the various explanations by a number of renowned scholars. Section II gives a historiographical examination of the available material specifically on business history in Malaysia, while the following section considers works that fall under the umbrella of Malaysian history but which include a component of business history. The latter takes a careful look at how the authors have integrated various disciplines within their works and argues that despite the perceived lack of business history literature and although not labelled as such, in reality there exists a range of material on the discipline in Malaysia. Finally, Section IV explores the ways and means for future opportunities for business history to be promoted in Malaysia and how it might be afforded equal weight with other disciplines in a particular scholarship.

Section I: Business History as a Discipline

From the study of “the development of business administration”,¹ the field of business history constantly evolves and broadens to include different aspects of business systems. Discussion about what really constitutes business history has been ongoing since the 1930s with most scholars arguing that the approach to the discipline should go beyond company or entrepreneur biographies.² Debates abound whether business history could separate itself from other disciplines such as economic history or even entrepreneurial history. While economic history initially claimed ownership over business data and business history, there are however complementary features between the two disciplines.³ Entrepreneurial history subsequently merged with business history with its focus on the entrepreneurial endeavours of the entrepreneurs and firms.⁴ Business

¹ N.S.B. Gras, “Why Study Business History”, *The Canadian Journal of Economic and Political Science*, Vol. 4, No. 3 (1938), pp.320-40.

² Arthur M. Johnson, “Where Does Business History Go From Here?”, *The Business History Review* 36, Spring 1962, pp.11-2.

³ Arthur Cole, “Business History and Economic History”, *The Journal of Economic History*, Vol. 5 (1945), p. 46. See also Herman Krooss, “Economic History and The New Business History”, *The Journal of Economic History* 18, Dec. 1958.

⁴ Geoffrey Jones and R. Daniel Wadhvani, “Entrepreneurship and Business History”, *Renewing the Research Agenda*, HBS Working Papers, 8 August 2006. (Available

history further contributes to the study of entrepreneurship by charting the historical development of the entrepreneurial behaviour, the relationship between the performance of both entrepreneurs and institutions, as well as the role played by culture and values in affecting entrepreneurial behaviour.⁵ The impact of technology and on entrepreneurship could yet be another area of important research that would inevitably combine entrepreneurship and business history.⁶

According to Geoffrey Jones, there is no general definition of “business history” though others have claimed that it should be regarded as merely a sub-discipline of economic and social history as is urban or agricultural history.⁷ From an economist’s point of view, Mark Casson suggests that the boundaries with economic and social history should be porous; and that business history could and should be studied by enlightened economics historians. He however laments that most economics historians are not enlightened and refuse to embark on business history research. Casson further suggests that business history will gain more influence if business historians gain in-depth knowledge into the relevant areas of economics, accounting, finance and law, and as such will learn how to handle statistics in a reasonably professional manner.⁸

Alfred Chandler’s work on institutional change and structure provides the defining text of business history, although at present increasing numbers of business historians have begun to re-examine his contributions to the discipline. Thus, Chandler’s paradigm on business history has today become both a point of reference and a point of departure for business historians trying to grasp the real purpose of their discipline, and moving from what business history is, to what business history actually does. Chandler emphasises

Online: <http://www.hbs.edu/research/pdf/07-007.pdf>. Date Accessed: 14 September 2007). See also, John Hutchins, "Business History, Entrepreneurial History, and Business Administration", *The Journal of Economic History* 18, Dec. 1958.

⁵ Ibid., pp.5-6.

⁶ Chandlers’ *Inventing the Electronic Century* for example, best explains the relationship between technology and entrepreneurship. Alfred D. Chandler, Jr., *Inventing the Electronic Century: The Epic Story of the Consumer Electronics and Computer Industries*. New York: Free Press, 2001

⁷ Email interview with Geoffrey Jones, 27 November 2007.

⁸ Email interview with Mark Casson, 14 February 2008.

the patterns of activity within and between firms rather than the history of the firm per se.⁹

Mira Wilkins, on the other hand, acknowledges the need to constantly update the business history discipline to fit the evolving global issues and the latest trends in business. This, she asserts, should include keeping pace with new influences on evolving points of view, a more global approach and extensive exploration of international versus comparative methodologies, further discussion of what business history adds to the formidable foreign direct investment literature, more focus on property rights and institutions (as the term is defined by North [reference?]), closer examination of different forms of business enterprise, as well as the criticisms that have been made of the Chandlerian approach, and the role of that amorphous term, "culture", in Business History. Wilkins stresses the importance of business history to constantly shape itself as a discipline to the ever evolving issues of business and its impact on society over time.¹⁰ She further argues the need to take into account "spatial economics" and the contributions of geographers and other disciplines to business history. The latter point rather neatly defines what this paper addresses, although with a focus on Malaysian historiography.¹¹

The use of history as a methodology is what distinguishes business history research from other disciplines. business history "has a distinct identity arising from its focus on firms and entrepreneurs, and change over time".¹² The focus on chronological events in the development of business institutions and the application of historical understanding in analysing firms' behaviour, business trends, socio-economic evolution and its impact

⁹ Alfred D. Chandler, *Strategy and Structure* (Cambridge, Mass.: MIT Press, 1962); *The Visible Hand: The Managerial Revolution in American Business* (Cambridge, Mass.: Harvard University Press, 1977); *Scale and Scope* (Cambridge, Mass.: Harvard University Press, 1990).

¹⁰ Another point of reference and oft cited in business history research is Mira Wilkins' presidential speech at the Business History Conference in 1988 entitled "Business History as a Discipline", *Business and Economic History*, Vol.17 (1988), pp.1-7.

¹¹ Email interview with Mira Wilkins, 14 December 2007.

¹² Email interview with Geoffrey G. Jones, 27 November 2007.

on society, are core questions in business history research.¹³ While history remains the primary discipline employed by business historians, there are works of business history that combine a variety of other disciplines, such as economics, management, political science, sociology, anthropology, as well as other areas of the humanities.¹⁴ This broad-based multidisciplinary approach on the one hand creates an interesting framework for the study of business history, but on the other, dilutes the importance of business history contributions to knowledge.

The question posed at the 1961 Harvard Business History Group conference on "Business History as a Teaching Challenge" was whether business history could preserve its identity as a separate area of study in close association with its "mother" discipline.¹⁵ Although still relevant today, perhaps a more pressing question now is how business history, due to its hybrid characteristics, can catch-up with the popularity of other disciplines in a multidisciplinary work. Might it be correct to assert that the appreciation for business history is lagging behind other disciplines because its impact is not fully accorded its due recognition? These key questions are examined in this paper and although the focus is necessarily on Malaysia, the issues are relevant for the global development of business history.

It is essential to place emphasis on the role that business history can play for both business and for society generally. Stories of the challenges faced, of failures and successes, if shared with the business community, could serve to educate, motivate and,

¹³ Alan Roberts, 'The Very Idea of Theory in Business History', *The University of Reading: Discussion Papers in Accounting and Finance*, Vol.54 (1998); Terry Gourvish, 'Business History: in Defense of the Empirical Approach?', *Accounting Business and Financial History*, Vol.5, No.1 (1995), pp.3-16; T. A. B. Corley, 'Firms and Markets: Towards a Theory of Business History', *Business and Economic History* 22 (1993), pp.54-66.

¹⁴ Geoffrey Jones, 'Business History: Theory and Concepts', *The University of Reading: Discussion Papers in Economics*, No.295 (1994); S. R. H. Jones, 'Transaction Costs and the Theory of the Firm: The Scope and Limitations of the New Institutional Approach', *Business History* 39 (1997), pp.9-25; Geoffrey Jones, 'Company History and Business History in the 1990s', in Wilfried Feldenkirchen and Terry Gourvish (eds.), *European Yearbook of Business History* 2, Aldershot: Ashgate 1999.

¹⁵ Cole, "Business History and Economic History", p.14.

ultimately, improve the performance of both individuals and firms. How business challenges evolve over time can also provide important lessons at different levels of society, for example in the role played by firms in wealth creation because, as noted by Geoffrey Jones, people want answers to the reasons for the wealth and poverty of nations.¹⁶ Such are the areas whereby business history can broaden its scope and better contribute to society.

Section II: Business History in Malaysia

Sources on the subject of business history in Malaysia may seem scarce considering its scattered and fragmented nature. This area of study has indeed been long suppressed by the more popular area of economic history.¹⁷ As such, no attempts were made to write a historiographical survey of business history. In the 1960s, Malaysian historiography was flooded with works on economic history which flourished in the areas of the two resource industries that Malaysia was famous for, namely tin and rubber.¹⁸ Despite a large body of literature, there were few historiographical surveys compiled then and if anything the situation is worse today when there are no attempts made to trace the new developments in this area of study.¹⁹ These works purely of economic history make do

¹⁶ Email interview with Geoffrey G. Jones, 27 November 2007.

¹⁷ One of the first critical accounts of the British administration while examining the economic development of Malaya from 1895 to 1938 by a non-western scholar is the work by Li Dun Jen *British Malaya: An Economic Analysis* (New York: American Press, 1955). A Malaysian perspective can be found in Lim Chong Yah, *Economic Development of Modern Malaya*, Kuala Lumpur: Oxford Press, 1967. The most current is the longitudinal study of Malaysian economic history by John H. Drabble, *An Economic History of Malaysia (c.1800-1990): The Transition to Modern Economic Growth*, London: MacMillan Press, 2000. Li Dun Jen,

¹⁸ Wong Lin Ken's *The Malayan Tin Industry to 1914* (1965) Yip Yat Hoong's *The Development of the Tin Mining Industry of Malaya* (1969). The development of the rubber industry and its intricacies are delved into in the many valuable works such as John Drabble's, two volumes *Rubber in Malaya 1876-1922: The Genesis of the Industry* (1973) and *Malayan Rubber: The Interwar Years* (1991), Peter Bauer's *The Rubber Industry: A Study in Competition and Monopoly* (1948) and Voon Phin Keong's *Western Rubber Planting Enterprise in South East Asia, 1876-1921* (1976). See also W. G. Huff, "Boom-or-Bust Commodities and Industrialization in Pre-World War II Malaya", *The Journal of Economic History* 62 (2002), pp.1074-1115.

¹⁹ See Wong Lin Ken, "The Economic History of Malaysia: A Bibliographical Essay", *Journal of Economic History* 25 (1965), pp.244-62; Wong Lin Ken, "Twentieth-Century

without in-depth histories of tin and rubber firms or even the barons involved in these two industries, although some aspects of the impact of rubber industry on the Malaysian business scene or wider society are discussed. While in the west equal emphasis was given to the business biographies, in Malaysia such works were few and far between. Lee Kam Hing points to the fact that much attention was given to the political and administrative history of Malaysia leading to a focus on administrators, instead of prominent businessmen or business pioneers, as subjects for biography writing.²⁰

The corpus on business history in Malaysia can be separated into three distinct categories. These are: commissioned works; non-commissioned (either scattered or otherwise); and, a main focus of this paper, multidisciplinary works (discussed in Section III), where there has been a convergence of business history and policy history or even social history, and where another area of study is more prominent than business history

There are relative few commissioned works compared with non-commissioned works in Malaysian business history. In the 1950s and 1960s, as was the trend in the US, business history was perceived by most in Malaysia as "company history" or "business biographies". Thus some of the early literature that covers Malaysian business history are authorised works by large concerns to simply record their company history. The renowned Guthrie Chairman, Sir John Hay, for example, appointed C. N. Parkinson to write the history of United Sua Betong, one of the subsidiaries of the largest British rubber plantation companies in Malaya, to commemorate the latter's 50th anniversary in 1959 and undoubtedly one of the earliest works on business history in Malaysia. Hay was however "greatly displeased when he read it" and recommended that the directors

Malaysian Economic History: A Select Bibliographical Essay", *Journal of Southeast Asian Studies* 10 (1979) pp.1-14; John H. Drabble, "Towards a General Economic History of Malaya: Some Preliminary Thoughts," in Muhammad Abu Bakar, Amarjit Kaur and Abdullah Zakaria Ghazali, *Historia*, Kuala Lumpur: Malaysian Historical Society, 1984, pp.223-235.

²⁰ Lee Kam Hing, "Malaysian Business History: Tracing Live and Ties", paper presented at the International Malaysian Studies Conference, 11-13 August 1997: Kuala Lumpur, Malaysia, p.1.

reject the manuscript.²¹ J. M. Gullick later edited and abridged, *The Guthrie Flagship: United Sua Betong*.²² While there are some commissioned company histories that raise doubts over their academic value due to the need to appease the commissioners at the time, there are also several excellent in-depth commissioned company biographies that have proved to be extremely valuable. *The History of RGA*, commissioned by the powerful rubber organisation, The Rubber Growers Association, by the late Muzaffar Tate, has been widely used and cited by both local and foreign scholars when discussing the rubber industry in Malaysia.²³ Tate's two volumes commissioned by the National Electricity Board, *Power Builds the Nation: The History of the National Electricity Board*, also contributes to the early historiography of Malaysian business history. It would be illuminating to have an up to date version of this study since Tenaga Nasional Berhad (as it is known today), a government-linked company, went through many transformations and restructuring exercises in the early 2000s.²⁴

Several seminal publications in the 1950s mark the historiography of Malaysian business. Henry Longhurst's *The Borneo Story: The History of the First 100 Years of Trading in the Far East by the Borneo Company Limited*, written for the centennial celebration of the company is relatively slim, but there exist other more substantial works that touch upon the private firm and its interests throughout South East Asia, such as those of Nicolas White and Geoffrey Jones.²⁵ The British North Borneo Company, a chartered company that undertook official administrative duties in North Borneo (Sabah today) became the

²¹ C. N. Parkinson (edited and abridged by J. M. Gullick), *The Guthrie Flagship: United Sua Betong* (Kuala Lumpur: MBRAS, 1996), pp.vi-ii.

²² Ibid.

²³ D. J. M. Tate, *The RGA History of the Plantation Industry in the Malay Peninsula*, Kuala Lumpur: Oxford University Press, 1996.

²⁴ D. J. M. Tate, *Power Builds the Nation: The National Electricity Board of the States of Malaya and Its Predecessors*, Kuala Lumpur: The National Electricity Board of the States of Malaya, 1989, 1991.

²⁵ Henry Longhurst, *The Borneo Story: The History of the First 100 Years of Trading in the Far East by the Borneo Company Limited*, London, UK: Newman Neame, 1956; See also, Nicholas J. White, *Business, Government, and Empire: Malaya, 1942-1957* (Kuala Lumpur: Oxford University Press, 1996) and Geoffrey Jones, *Merchants to Multinationals: British Trading Companies in the Nineteenth and Twentieth Centuries*, Oxford: Oxford University Press, 2000.

subject of K. G. Tregonnings' scholarly writings.²⁶ Even in the 1960s works on business history, like their economic history counterparts, were fully focussed on European enterprises. However, some scant attention was given to the local Chinese involvement in the agriculture, tin and rubber industries as can be seen in the works of Allen and Donnithorne as well as those of J. C. Jackson.²⁷

Since the 1970s single company histories, commissioned or otherwise, have remained popular. The narrative and descriptive approaches to single or multiple case studies continue to be a feature in the historiography of Malaysian business. K. G. Tregonning, one of the most prolific historians of the time, for example, contributes weighty business history literature based on longitudinal and case studies research such as, "Straits Tin: A brief account of the first seventy-five years of The Straits Trading Company, Limited".²⁸ Tregonning has also produced some of the first detailed writings on the operations of one of the successful shipping companies of its era in, *Home Port Singapore: A History of Straits Steamship Company Ltd., 1890-1965*. Other company-centred research includes works by Emil Helfferich who wrote two volumes on the resilient German firm, Behn Meyer, which survived the challenges of successfully doing business in both colonial Malaya and post-colonial Malaysia.²⁹ Although these writers may not have articulated that their writings were such, the fact that they included aspects of the firms and its activities as well as its impact on business and society certainly fits the modern interpretation of business history.

²⁶ K. G. Tregonning, *Under Chartered Company Rule: North Borneo, 1881-1946* (Singapore: University of Malaya Press, 1958).

²⁷ G. C. Allen & Audrey G. Donnithorne, *Western enterprise in Indonesia and Malaya: a study in economic development*. London: Allen & Unwin, 1957; J. C. Jackson, *Planters and Speculators, Chinese and European Agricultural Enterprise in Malaya, 1786-1921*, Kuala Lumpur: University of Malaya Press.

²⁸ K. G. Tregonning, 'Straits Tin: A brief account of the first seventy-five years of The Straits Trading Company, Limited', *Journal of the Malayan Branch of Royal Asiatic Society*, 36 (1963), 81.

²⁹ Emil Helfferich, *Behn, Meyer & Co., founded in Singapore, November 1, 1840 and Arnold Otto Meyer, founded in Hamburg, June 1, 1857: A Company History*. Hamburg: Hans Christians Verlag, 1981-1983. 2 vols.

Business history in Malaysia also has also pursued a theoretical agenda. Jean-Francois Hennart has provided new insights into the transaction costs model by exploring the relationship between internalisation and the early foreign direct investment in the Malaysian tin mining.³⁰ Free-standing companies proliferated in colonial Malaya following the expansion of the resources industries.³¹ Some of these sterling and dollar companies, headquartered in London, wholly operated their company activities in Malaya while others preferred to be tied to business groups such as Guthrie's or even Harrisons & Crosfield to manage and indirectly control their business. Lynn Hollen Lees applied the concept of free-standing companies to explain the managerial development of the Penang Sugar Estates Ltd. which survived sugar's fall from grace in the Malaysian economy. This paper provides comparison to the case of Penang Sugar with some of the better known British companies involved in other resource industries of Malaysia, such as tin and rubber.³² Combining business and labour histories, Shakila Yacob's, "Model of Welfare Capitalism" examines the welfare strategies of the only US rubber company in Malaya and Sumatra.³³

The corpus of business history in Malaysia gradually expanded in the 1980s onwards due to the emphasis given to the developments of British businesses worldwide. For example, although only a portion of Geoffrey Jones' work deals with Malaya/Malaysia it nonetheless presents formidable scholarly historical research on British business concerns in the former colony. Jones' recently commissioned publication, *Renewing*

³⁰ Jean Francois Hennart, "Internalization in Practice: Early Foreign Direct Investments in Malaysian Tin Mining", *Journal of International Business Studies* 17 (1986), pp.131-143.

³¹ The term, 'free standing company' or 'FSC', was coined by Wilkins to refer to a company incorporated with a small headquarters and without any prior business in the home country, but instead handles business activities exclusively in the host country. M. Wilkins, "Defining a Firm: History and Theory", in P. Hertner and G. Jones (eds), *Multinationals: Theory and History*, Aldershot: Gower, 1986; "The Free Standing Company, 1870-1914: An Important Type of British Foreign Direct Investment", *The Economic History Review* 41 (1988), pp.259-282.

³² Lyn Hollen Lees, "International Management in a Free-Standing Company: The Penang Sugar Estates Ltd., and the Malayan Sugar Industry, 1851-1914", *Business History Review*, April 2007

³³ Shakila Yacob, "Model of Welfare Capitalism? United States Rubber Company in Southeast Asia, 1910-1942", *Enterprise and Society* 8 (March 2007).

Unilever: A Transformation, contains discussion of both developments and marketing as well as the failed strategies of a British company relatively new to Malaysia.³⁴ His prestigious award winning book in the UK and the US, *Merchants to Multinationals: British Trading Companies in the Nineteenth and Twentieth Centuries*, on the other hand, recounts the transformation of the “old stagers”, the British merchant firms whose origins began way back in the late nineteenth century. The latter work examines the structural and strategic characteristics of British merchant firms, noting their ability to create large business groups in conducting diversified activities, including the introduction of the oil palm industry in Malaya.³⁵

Further business history work by Jones includes ‘British Business in Malaysia and Singapore since the 1870s’, a chapter co-authored with van Helten in *British Business in Asia since 1860* (also co-edited by Jones), a general overview is provided of the development of British capitalism in Malaya.³⁶ Jones’ *British Multinational Banking 1830-1990*, also details the history of the multinational activities of British banks from the 1830s to 1990, including a comparison of their growth and strategies in Malaya with other countries in the region and other British colonies. It provides valuable empirical data on the relationships between British banks and local entrepreneurs, mainly local Chinese, in Malaya.³⁷ In addition, Jones co-authored with Judith Wale, ‘Merchants as Business Groups: British Trading Companies in Asia before 1945’ in *Business History Review*, and ‘Diversification Strategies of British Trading Companies: Harrisons & Crosfield, c. 1900-1980’ in *Business History*, giving close examination of the strategies of several British trading and plantation firms in Malaya, but particularly those of Harrisons & Crosfield and the Borneo Company.³⁸

³⁴ Geoffrey Jones, *Renewing Unilever: Transformation and Tradition*, Oxford: Oxford University Press, 2005.

³⁵ Geoffrey Jones, *Merchants to Multinationals: British Trading Companies in the Nineteenth and Twentieth Centuries*, Oxford: Oxford University Press, 2000.

³⁶ Jean-Jacques van Helten and Geoffrey Jones, ‘British Business in Malaysia and Singapore since the 1870s’, in R. P. T. Davenport-Hines and Geoffrey Jones (eds.) *British Business in Asia since 1860*, Cambridge: Cambridge University Press, 1989.

³⁷ Geoffrey Jones, *British Multinational Banking 1830-1990*, Oxford: Clarendon Press, 1993.

³⁸ Geoffrey Jones and Judith Wales, ‘Merchants as Business Groups: British Trading Companies in Asia before 1945’, *Business History Review* 72 (1998), 367-406;

As such, Malaysian business history literature tends to focus heavily on British firms with a number of studies especially concerned with the two pillars of the country's early economy: tin and rubber. However, Christopher Fyfe's *Wheels in Malaya: The Wearne Brothers and Their Company* (2002), provides valuable insights into the development of the Malayan automobile sector while also factoring in the role of British merchant firms in the Malayan economy.³⁹ His study, despite its reliance on the *Straits Times* of Singapore as a major source of information, is also based on extensive documentary research in several countries, including Malaysia. As a largely narrative study of the Wearne family and their activities, Fyfe's text does not give a chronological description of the activities of the Wearne Brothers' company, but there is sufficient data, including Wearne's activities as Ford's foremost distributor, to make it a valuable text for business historians.

M. Wilkins and F. Hill's publication, *American Business Abroad: Ford on Six Continents* (1964), provides an excellent backdrop to Ford's business developments and activities worldwide, providing sufficient threads to explore the activities of Ford Malaya which, at the time, was the only US car company importing automobiles and, later, assembling cars in colonial Malaya. Another publication that deserves mention is Eric Jennings' *Wheels of Progress: 75 years of Cycle and Carriage*, which, while more pictorial than scholarly, contributes greatly to the early era of the automobile in colonial Malaya.⁴⁰ Similarly, Ilsa Sharp's *Wheels of Change: The Borneo Motors Story*, gives an insightful story on the development of Borneo Motors, a British merchant firm active in the distribution of British-made vehicles.⁴¹

'Diversification Strategies of British Trading Companies: Harrisons & Crosfield c. 1900-c.1980', *Business History* 41 (1999), 69-101.

³⁹ Christopher Fyfe, *Wheels in Malaya: The Wearne Brothers and Their Company*, Claremont, Western Australia: Lana Press, 2002.

⁴⁰ Eric Jennings, *Wheels of Progress: 75 years of Cycle and Carriage*, Singapore, 1975.

⁴¹ Ilsa Sharp's, *Wheels of Change: The Borneo Motors Story*, Singapore: Borneo Motors, 1993).

While there is a preponderance of business history literature discussing the relationship between the colonial administration with British businesses, Mira Wilkins' *The Maturing of Multinational Enterprise: American Business Abroad from 1914 to 1970*, adds detail on the history of US multinational enterprises in colonial Malaya.⁴² Shakila Yacob's forthcoming publication, *The United States and the Malaysian Economy*, addresses the gap that exists in business history literature in Malaysia on the relationship between the British colonial administration and foreign businesses.⁴³ Using three case studies of US inward investors: Yukon Gold Company, United States Rubber Company, and Ford Motor Company, Yacob's work seeks to explore and chart the historical development of economic ties between Malaya and the US between 1870 and 1957 with an epilogue on the economic relations of the two countries until the present.

Another key component in business history literature is the study of entrepreneurship. Until relatively recently, business biographies were very limited, but one that certainly merits mention here is a work by Peter Clague, *John Russell: 1855-1930: A tale of early days in the Malay States*.⁴⁴ As Clague relates, Russell began a government publication, the *Selangor Gazette*, and later got involved in his family's tea business, the Boh Tea Estate in the Cameron Highlands, which was one of the few "old" British firms that remained in the Malaysian business scene, and extremely successful. Rajeswary Brown's *Capital and Entrepreneurship in South-East Asia*, questions the region's failure to achieve greater economic development, while a focus on Malaysia includes a comparison between western and Chinese entrepreneurship in the tin and rubber industry.⁴⁵

A slew of articles since the late 1960s on Malayan and Malaysian economic development including several cases studies of local firms by Japanese scholars have appeared in the

⁴² M. Wilkins, *The Maturing of Multinational Enterprise: American Business Abroad from 1914 to 1970*, Cambridge, Mass.: Harvard University Press, 1974.

⁴³ Shakila Yacob, *The United States and the Malaysian Economy*, London: RoutledgeCurzon, 2008.

⁴⁴ Peter Clague, *John Russell: 1855-1930: A tale of early days in the Malay States*, Kuala Lumpur: T. B. Russell, 1993.

⁴⁵ Rajeswary A. Brown, *Capital and Entrepreneurship in Southeast Asia*, London: Macmillan, 1994.

journal of *The Developing Economies*, published by the Institute of Developing Economies under the auspices of the Japan External Trade Organisation (JETRO). At least one certainly worth mentioning is "Special Issue: An Analysis and appraisal on Malaysia's New Economic Policy, 1971-90", published in 1991. The articles in this volume discuss the New Economic Policy era and the policy influence on the performance of local *Bumiputera*, which translates as "sons of the soil" and refers to local indigenous peoples, as well as local Chinese businesses and foreign enterprises, in particular British-owned firms. Keiko Saruwataris' paper, "Malaysia's localization policy and its impact on British-owned enterprises", focuses on the first two British firms to become "localised" (referring to the efforts of newly independent countries to increase local self-determination and participation in the economy as well as national identity), Sime Darby Berhad and the Malaysian Mining Corporation Berhad. Saruwatari charts the development of the two companies from their British origins to the transfer to *Bumiputera* capital and argues that the shift failed to halt the growth or performance of either company.⁴⁶

Work on local Chinese businesses in Malaysia is not in short supply. There is a body of literature that discusses local Chinese business and entrepreneurship in Malaysia to varying depths, including the collection, *Diasporic Chinese Ventures: The Life and Work of Wang Gungwu*⁴⁷, edited by G. Benton and Hong Liu, and Jennifer Cushman's, *Family and State: The Formation of a Sino-Thai Tin-mining Dynasty, 1797-1932*.⁴⁸ Both discuss the contributions of local Chinese to the colonial Malayan economy and of strategic alliances and business networks across geographical borders. In addition, W. G. Huff explores the specific area of the innovative sharecropping method adopted by Singapore Chinese

⁴⁶ Keiko Saruwatari, "Malaysia's localization policy and its impact on British-owned enterprises", *Journal of the Developing Economies* 29 (December 1991), pp.371-86. (Available Online: http://www.ide.go.jp/English/Publish/De/pdf/91_04_05.pdf Date Accessed: 10 November 2007).

⁴⁷ *Diasporic Chinese Ventures: the Life and Work of Wang Gungwu*, edited by G. Benton and Hong Liu (London: RoutledgeCurzon, 2004).

⁴⁸ Jennifer Cushman, *Family and State: The Formation of a Sino-Thai Tin-mining Dynasty, 1797-1932* (Singapore: Oxford University Press, 1991)

entrepreneurs “to shift risk when establishing rubber plantations” in the adjacent state of Johore in Malaya.⁴⁹

Further discussions on Chinese enterprises in colonial Malaya can be seen in the work of Wu Xiao An’s *Chinese Business in the Making of a Malay State, 1882-1941: Kedah and Penang*, which provides case studies of several Chinese family firms.⁵⁰ In “Chinese enterprise in Colonial Malaya: The Case of Eu Tong Sen”⁵¹, Lian Kwen Fee and Koh Keng by applying Chandler’s concept attempt an analysis of the business strategies of the modern enterprise of Eu Tong Sen, a Chinese entrepreneur who successfully modernised and diversified his father’s business and led a successful remittance company that rivalled his European counterparts.⁵² C. F. Yong’s business biography, *Tan Kah-Kee: The Making of an Overseas Chinese Legend*, stands out among the few and far between scholarly writings available on Chinese entrepreneurs in Malaysia.⁵³ Works on the role of the state on the development of local Chinese businesses is further discussed in the following section.

Section III: The Hybridisation of Malaysian Business History

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Devolved, business history becomes an instrument with surprising powers. Freely drawing on other social sciences, the historian of business may choose the portions of each he wishes to employ in his work. There is not a universally correct mixture of economics, sociology, political science or administration in the

⁴⁹ W. G. Huff, “Sharecroppers, Risk, Management, and Chinese Estate Rubber Development in Interwar British Malaya”, *Economic Development and Cultural Change* 40 (1992), pp.743-773.

⁵⁰ Wu Xiao An, *Chinese business in the making of a Malay state, 1882-1941: Kedah and Penang* (London: RoutledgeCurzon, 2003).

⁵¹ *Journal of Southeast Asian Studies* 35.3 (October, 2004)

⁵² Lian Kwen Fee and Koh Keng We, “Chinese enterprise in colonial Malaya: the case of Eu Tong Sen”, *Journal of Southeast Asian Studies* 35.3 (Oct 2004), pp415-23.

⁵³ *Tan Kah-kee: The Making of an Overseas Chinese Legend* (Singapore: Oxford University Press, 1987)

study of business history simply because the role of business in history has not been universal.⁵⁴

From this perceptive assertion by Mostafa Hany Hefny, it is possible to deduce that business history as a discipline proposes and adopts a multidisciplinary approach, making it original and relevant to the development of business and its impact on government and society. Conversely, because of this multidisciplinary approach, business history has become submerged under other disciplines, as can be seen in the dearth of literature specifically applying itself to business history in Malaysia.

Similarly, some academicians identify with business history only as a sideline to other disciplines. For instance, Nicholas J. White is among the younger generation of scholars who has contributed a great deal to the business history literature in Malaysia, but he calls himself, primarily, an imperial and commonwealth historian because his works are concerned with the economic relationship between Britain and its former colonies in South East Asia.⁵⁵ He has also written papers on trade union and Malayan macro economic history which do not rest easily in the business history category.⁵⁶ However, White's theme is the relationship between business and government, the relationship between expatriate and Malaysian indigenous businesses, and, more recently, on how imperial firms fared under independent regimes. White, therefore, also regards himself as a business historian, because that has been the main focus of his work. White's use of business history informs wider debates about the nature of imperialism and decolonisation which he asserts has been widely neglected by Malaysian scholarly

⁵⁴ Mostafa Hany Hefny, "On Business History: A Chronicle of the Economic & Business History Research Center". Middle East Studies Association's 2005 Annual Meeting, 19-22 November 2005, Washington DC.

⁵⁵ Nicholas J. White, 'Malaya and the Sterling Area Reconsidered: Continuity and Change in the 1950s' in Shigeru Akita and Nicholas J. White (eds.), *The International Order of Asia in the 1930s and 1950s*, Ashgate (forthcoming) following White's earlier research on Anglo-Japanese economic relations in South East Asia, 'Britain and the Return of Japanese Economic Interests to South East Asia after World War Two', *South East Asia Research* (November 1998). See also, *Business, Government, and the End of Empire: Malaya, 1942-1957* (Kuala Lumpur: Oxford University Press, 1996)

⁵⁶ *The Limits of Late-Colonial Intervention: Labour Policy and the Development of Trade Unions in 1950s Malaya, Indonesia and the Malay World* (forthcoming); Interview with Nicholas J. White, 14 November 2007.

research.⁵⁷ White suggests that decolonisation can lead to, what he calls, "crony capitalism" in the political system and which, in Malaysia's case, points to the close association of the state with a group of most-favoured entrepreneurs.⁵⁸ This subject was developed in White's most recent publication, *British Business in Post-Colonial Malaysia, 1957-70: Neo-colonialism or Disengagement?*,⁵⁹ wherein he successfully demonstrates the "limits of neo-colonialism revealing the more nuanced and sophisticated response of the post-colonial Malaysian government toward expatriate enterprises".⁶⁰ This was the political process that impacted upon business, one of the key issues found in works of business and political history.

White has also published research on the Ocean Steamship [?] Company[slightly complicated history between these companies and I don't think it is sufficisntly accurate to just say 'or' - better to leave out], with a section on developments in Malaysia and Singapore focusing on how the creation of new "national lines" led the company to lose the competitive advantage it once enjoyed.⁶¹ Thus, looking at White's position and the

⁵⁷ Nicholas J. White, *Business, Government, and Empire*; id., 'Government and Business Divided: Malaya, 1945-57', *Journal of Imperial and Commonwealth History* 22 (1994), p.252; 'The Frustrations of Development: British Business and the late Colonial State in Malaya, 1945-1957', *Journal of South East Asian Studies* 28 (1997); "Gentlemanly Capitalism and Empire in the Twentieth Century: The Forgotten Case of Malaya, 1914-1965", in Raymond E. Dumett, *Gentlemanly Capitalism and British Imperialism: The New Debate on Empire* (London: Addison Wesley, 1999), pp.175-95.

⁵⁸ Taking the cue from Nicholas J. White's article, 'The Beginnings of Crony Capitalism: Business, Politics and Economic Development in Malaysia, c. 1955-70', *Modern Asian Studies*, 38.2 (2004) pp.389-417.

⁵⁹ Nicholas J. White, *British Business in Post-Colonial Malaysia, 1957-70: Neo-colonialism or Disengagement?*, New York: Routledge, 2004

⁶⁰ Nicholas J. White, *British Business in Post-Colonial Malaysia, 1957-70: Neo-colonialism or Disengagement?*, New York: Routledge, 2004 reviewed by Shakila Yacob in *Business History Review* 79, 2005.

⁶¹ Nicholas J. White, 'Liverpool Shipping and the End of Empire: The Ocean Group in East and Southeast Asia, c. 1945-70' in Sheryllynn Haggerty, Anthony Webster and Nicholas J. White (eds.), *The Empire in One City? Liverpool's inconvenient imperial past* (Manchester: Manchester University Press, forthcoming). Some of the earlier works on this company which do provide information on its activities in Malaya and Malaysia can be found in Malcolm Falkus, *The Blue Funnel legend: a history of the Ocean Steamship Company, 1865-1973* (Basingstoke: MacMillan, 1990) and F. E. Hyde, *Blue Funnel: A*

wide-ranging work that he has produced, it seems clear that business history is best explained in combination with other disciplines. Although the very fluidity and flexibility of business history may well be one of the causes that has led to it being overshadowed by other disciplines, it seems absolutely necessary to adopt a multidisciplinary approach to Malaysian history for, as White asserts, it is quite impossible to separate business and politics in Malaysia.⁶² This is a position held by Jomo K. Sundram and Terence E. Gomez. Although reputable academicians (political economists) in their own right, they are also political activists with an ideologically-biased agenda which shapes their interpretations of the local business history. Hence, while their work unavoidably involves business history perspectives it can never be defined as purely business history. Business news remains high profile in Malaysia and hence, according to White at least, works on business history get submerged by the larger interests of the political economy.⁶³ Another work by White and Shakila Yacob (yet to be published) that combines both business and political history is an analysis of Guthrie's so-called "dawn raid" that brought back home one of the largest plantation companies in Malaysia.

The close nexus between politics and business in the Malaysian context is clearly seen in a collaborative study by Gomez and Jomo entitled, *Malaysia's Political Economy: Politics, Patronage and Profits*, a "primer" on Malaysian political economy. Like White, Jomo and Gomez argue that decolonisation led to some entrepreneurs being favoured by the newly independent political system. In effect, there was already a kind of New Economic Policy in place before it was officially promulgated and formalised in 1970, in the form of burgeoning alliances between certain business and political interests, colloquially derided as "Ali Baba" partnerships.⁶⁴ Further evidence of the close

History of Alfred Holt & Co. of Liverpool from 1865 to 1914 (Liverpool: Liverpool University Press, 1957).

⁶² Interview with Nicholas J. White, 14 November 2007.

⁶³ Ibid.

⁶⁴ When summing up the effects of the NEP, the authors point out that despite its aim of promoting greater national unity by means of improved ethnic relations, in fact inter-ethnic divisions had become worse by 1990 than they had been twenty years earlier. The book also considers policies in the post-NEP era by looking at the effects of privatisation,

relationship between business and politics is found in "Chinese Business in Malaysia", by Gomez, Loh Wei Leng, and Lee Kam Hing.⁶⁵ This study, among the few that has applied Chandler's ideas on the separation of management from ownership, but, as noted by _____ uncritically takes the "Chandler thesis for granted without giving adequate acknowledgement of the inner social dynamics and cultural complexities of Chinese enterprises". As such the approach tends to treat business history merely as an analytical tool subordinated to the higher interests of political economic studies.⁶⁶ The model put forward by Gomez, Loh Wei Leng, and Lee Kam Hing also somewhat erroneously assumes that the transformation of family business to modern corporations through the separation of management from ownership was the norm. Lee Poh Ping is also persuasive in his argument that the previously commonly held view that Chinese businesses could not adapt from family-run businesses to professionally-managed enterprises, is patently not the case. He suggests there are good examples of Chinese businesses that are professionally run but controlled by one person or one family and cites, as specific examples, the Kuok enterprises' professional management of the company's Shangrila chain, as well as the Genting Highlands group's running of the Star Cruise chain, which Lee Poh Ping stresses represents the Korean Chaebols unlike the Japanese conglomerates, particularly the old Zaibatsu of Mitsui, Mitsubishi and Sumitomo that are no longer controlled by families. Lee Poh Ping suggests that the Kuok group, in trying to overcome state pressure, was forced to internationalise its businesses, while the Genting group are involved in economic activity such as the casino activity that state officials consider not consonant with Islam, Malaysia's official religion.⁶⁷

Nordin Hussin's *Trade and Society in the Straits of Melaka*, gives a skilful inter-weaving of various strands of history as a social science viz. urban, human geography as well as

particularly in the creation of the "new rich" (*Orang Kaya Baru*), a select group of Malay capitalists fostered under Mahathirism together with a few non-bumiputera high flyers linked by a cosy relationship. Edmund Terence Gomez & Jomo K. S., *Malaysia's Political Economy*, Cambridge University Press, 1997.

⁶⁵ As a chapter published in *Chinese Business in South-East Asia: Contesting Cultural Explanations, Researching Entrepreneurship*, edited by Edmund Terence Gomez and Hsin-Huang Michael Hsiao, Curzon Press, 2001.

⁶⁶ Book review.

⁶⁷ Interview with Lee Poh Ping, 15 November 2007.

business history. Hussin's adroit connecting of the dots both in terms of the time-frame and significance of the complexity of events in the evolution of the two port cities, Melaka and Penang, is a wonderful example of a multidisciplinary work of history.⁶⁸ Notably, this contemporary approach differs from early literature on port history, which tends to focus on single case studies of the Singapore and Penang coastal ports.⁶⁹ Another multidisciplinary work by Norbaiti Badarudin and Shakila Yacob, "Emancipating Disciplines: An Analysis of the Commodification of Automobiles and Advertisements in Colonial Malaya", uniquely blends socio-cultural and business history with a focus on automobile advertisements and is a useful focus for a discussion of the role of business history in a multidisciplinary framework.⁷⁰

Section IV: Present Dilemmas and Future Prospects

Despite the wide range of scholarly writings mentioned above, work on business history in Malaysia has failed to spark a trend among the younger generation in Malaysia. While in the west and in Japan business history continues to flourish with new paradigms and publications, in South East Asia, including Malaysia, the discipline is considered as an area that is too narrow and focused which fails to inspire or attract the attention of a more general audience. Similarly, although the Chandler school has left much impact on western and Japanese business history, his ideas and paradigm are limited in its application *vis-à-vis* Malaysian business history.

It's intriguing that western dominance of the business history of Malaysia remains, with works done by local historians not warranting sufficient profile or academic accreditation as serious study. Evidently, much needs to be done to reverse the trend

⁶⁸ Shakila Yacob, *Trade and Society in the Straits of Melaka: Dutch Melaka and English Penang, 1780-1830* by Nordin Hussin for *Business History* (forthcoming March 2008).

⁶⁹ George Bogaars, "The Tanjong Pagar Dock Company (1864-1905)", *Memoirs of the Raffles Museum*, No. 3 (Singapore, 1956); Mon bin Jamaluddin, *A History of Port Swettenham* (Singapore, 1963).

⁷⁰ Shakila Yacob and Noor Bathi Badarudin, "Emancipating Disciplines: An Analysis of the Commodification of Automobiles and Advertisements in Colonial Malaya", *Continuum: Journal of Media & Cultural Studies* 22.1 (February 2008), pgs. 99-111.

and ensure that Malaysians assume greater responsibility and commitment to business history as an academic endeavour. It's somewhat ironic that business history constitutes a significant part of wider Malaysian history, not least due to the country's location as an established trading centre and place of economic interest for colonial powers. Where there are serious studies carried out which overlap with, or involve business history, such as those by Jomo and Gomez mentioned above, often the scholars do not regard themselves as business historians, but insist on classifying their work under the purview of political economy.

Hence, it seems that business history has a long but un-illustrious past in Malaysia. This is so despite the keen interest in the history of businesses in Malaysia and which have been continually published by scholars and non-scholars alike, whether in the narrower scope of the organisational history or as an integral part of the wider scope of historical inquiry. Researchers have largely not been local, and this has not helped the proper development of business history as a discipline worthy of discrete identity, which in turn is indicative of a lack of interest in the use of business history for its own sake.

It would seem that exogenous factors, such as poor record keeping and maintenance by local companies, also contribute to the absence of sustained interest in Malaysian business history. Such a culture of record keeping for purposes of preserving a legacy for future generations does not factor in the functional equation of Malaysian businesses in general, which are limited or confined to practical operational matters pertaining to, for example, financial records. Another cultural variant in Malaysia is, what can only rightly be termed as, "a conspiracy of silence". It is notoriously difficult to get companies to cooperate, with confidentiality continually cited as an issue. Even commissioned works are not popular among companies, unlike in the west, and if there are books launched in conjunction with company anniversaries, these are not usually scholarly in nature.

Families of prominent business personalities in addition generally do not take the initiative to send important historical documents to the archives or libraries of higher

institution as is common practice in Europe or the US. Culturally, this may be due to a genuine reluctance to be ostentatious about one's achievements. Thus, even if there are writers interested in writing a biography of a successful Malaysian business person, the lack of records or materials can become an obstacle, and an excuse for not pursuing such an endeavour.⁷¹ Such a lack of records, although not wholly satisfactory, can perhaps be overcome by reference to official records (of the British colonial government and Malaysian government) or even primary sources such as newspapers, reports, directories, and interviews conducted with families, friends or colleagues of the subject of study can also prove invaluable.

One practical measure which could be taken to tackle the general lack of interest in business history by Malaysian academicians is the undertaking of studies that clearly demonstrate the correlation between modern enterprises and their impact on the local community in enriching lives by not only creating employment opportunities, but also as producing social icons and nurturing cultural heritage. Secondly, there needs to be a heightened awareness of Malaysian government-linked companies (GLCs), as there is a significant neglect in this area. Studies could be conducted on the top ten Malaysian GLCs, for example, on the downsizing and restructuring of Malaysian Airline Systems with its successful business turnaround from huge losses to profitability, which would make for fascinating analysis of the corporate sector. Suggesting that how to classify the state that has enabled these GLCs to develop would also be another intriguing area of study, Lee Poh Ping also notably asserts that if so many private Malay entrepreneurs fail, how then do GLCs run mainly by Malays, survive?⁷²

Business history is not just about the success stories of businesses, of course, but just as much about the failures and disappointments of the individual entrepreneur or company. Seen from this broader and holistic perspective, the worth of business history

⁷¹ The lack of biographical material was also identified as the source for the lack of research on prominent business personalities by Lee Kam Hing, "Malaysian Business History: Tracing Live and Ties", paper presented at the International Malaysian Studies Conference, 11-13 August 1997: Kuala Lumpur, Malaysia.

⁷² Interview with Lee Poh Ping, 15 November 2007

becomes more apparent, providing useful lessons to be learnt for aspiring businesses, whether a new venture capital firm recently kick-started, or a fledgling business in a cottage or small and medium sized industry. Whatever the business enterprise, it is vital for business historians to collaborate with the private sector to popularise and educate industry on the crucial role business history can play in avoiding the mistakes of the past and developing success in the future.