

Colonial and Postcolonial Development of Local Entrepreneurship in Malaysia 1900–1996

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SUMMARY OF DISSERTATION

This study examines the development of entrepreneurship in Malaya/Malaysia from the colonial to postcolonial era in order to demonstrate how entrepreneurs shaped divergent industrialization pathways and participated in national identity building by utilizing colonial experiences and commodities with colonial foundations. In order to complete this task, this study has examined the strategies and decisions of local entrepreneurs in developing Malaya's first significant manufacturing industry through pineapple canning, maintaining the use of tin amidst changes in global tin consumption patterns, and constructing a global brand and national identity through pewter over the period 1900 through to the 1990s. The overall approach of this study has been to analyze the primary source materials, to broaden our understanding of the historical processes involved in the development of entrepreneurship in former colonies, many of which are emerging economies today. The findings of this study are the result of examinations of company archives, oral interviews, alongside printed materials such as brochures, advertisements and newspaper articles produced both by the colonial press and media companies in the postcolonial era, as well as colonial, national and foreign government reports.

This study argues that the development of local entrepreneurship in Malaysia is an accumulative process continuing from the colonial era, which has given the country unique business opportunities and comparative advantage in resource-based industries. Evidence presented in this study allows us to question prevalent assumptions that colonialism set such strict limitations on local entrepreneurs that local businesses from the era could have no growth trajectories in the postcolonial era. Instead, it is found that local entrepreneurs have utilized numerous creative strategies in production, branding, and design. This in turn, has resulted in several cases of enduring businesses in

postcolonial Malaysia. Therefore, an implication of this study is a reassessment of the development of local entrepreneurship in colonial Asia.

In chapter three of the study, I have utilized the case of the Malayan pineapple canning industry from 1900 to 1939, to revisit the pineapple industry's importance as a foundation for British Malaya's industrialization. The mainstream narrative on the industry's failure to upgrade becomes inaccurate, given that the assessment was on the industry's overall success or failure, and not its contribution to the development of entrepreneurship. Instead of failure, both local entrepreneurs and the colonial government achieved a partial success in advancing the industry in the interwar years. The second important finding of this research is that colonialism has not been uniformly against early industrialization in colonies. The colonial administration acknowledged the pineapple industry's importance, and was briefly proactive in industrializing British Malaya but was held back by the global forces vis-à-vis Britain's waning economic influence from the rise of the US and economic nationalism in Europe. This suggests how the idea of the British Empire as a fixed, powerful form of rule from the metropolis may not always be an accurate description, as colonial governments demonstrated that the empire consisted of heterogenous political spaces.

A third important finding in this study is through demonstrating that entrepreneurial strategies do not lie strictly within the realm of controlling price and production of commodities. In chapter four of the study, I showed how the use of commodities is socially and cultural constructed by historical actors, for the commodities to continue to have higher-order "careers" other than as raw materials. Public relations strategies by the Malayan Tin Bureau and research activities to widen the use of tin through the International Tin Research and Development Council were regarded as a by-the-way strategies to maintain global tin consumption, but they had shown to be useful in stalling tin substitution, and in eventually reconstructing the meaning of tin to society.

Chapter five provides a corrective on a narrow industrial policy framework generally adopted by East Asian economies, by showing how colonial economic structures generated unique entrepreneurial opportunities which local entrepreneurs leveraged. Using a case study on Selangor

Pewter/Royal Selangor, I show how the company utilized malleable identities, designs, and narrative construction as resources for branding. An examination in the branding strategies by Selangor Pewter/Royal Selangor also led to the analysis on an understated dialogue between nation-building and national-branding initiated by businesses operating in the postcolonial context. The company adopted malleable identities to overcome initial difficulties in marketing locally manufactured products in Western export markets, and challenges arising from hostility against Chinese capital in manufacturing in the late 1970s.

Research on late economic development has tended to credit state-led strategies in bringing in foreign multinational companies for technology transfers, capital, and managerial expertise in helping late industrializing economies to catch up. Throughout the chapters in this study, the proactiveness of local entrepreneurs in searching for improvements in product design and markets regardless of the constraints imposed on business conditions in the colonial and postcolonial era has been stressed. Just as the early pineapple entrepreneurs responded to the colonial business landscape by relentlessly looking for ways to restructure the industry in the colonial era, the managers of Selangor Pewter/Royal Selangor also kept unearthing new entrepreneurial opportunities by imagining new uses of pewter in new segments of consumer goods in the post-colonial era. Through the historical development of entrepreneurship of selected manufacturing industries in Malaysia from the colonial to postcolonial era, this study has demonstrated why it is important to develop an alternative theoretical framework to analyze the entrepreneurship of former colonies and highlight the role of specialized firms in creating an ecosystem of entrepreneurship from a bottom-up approach.

In conclusion, the inability of emerging economies to “catch up” effectively or overcome development setbacks because of political uncertainty has been a commonplace argument by scholars. Nevertheless, the case studies in this research have shown that local entrepreneurs did not always see politics as an excuse to pack off and leave. They kept adapting and maintaining flexibility in their identities, and forging an intimate relationship with the resources available in their environment, and thus, creating new cycles of entrepreneurial opportunities.