

# Raffles of Singapore

By F. T. HODGKISS

Years before Henry George in America made his observations on *The Problem and The Remedy*, Sir Stamford Raffles, a British civil service employee in Java, was putting in operation the theories inherent in Land Rent Collection and Free Trade.

Raffles, known as the founder of Singapore, was born in 1781. At fourteen he entered the London employment of the East India Company where for ten years he was desk companion of the famous Charles Lamb. He advanced rapidly and eventually was appointed to serve the company in Penang.

At that time Napoleon was master of all Continental Europe. He had already seized Holland and was designing to use Java, Holland's East Indies possession, as a base from which to operate against India. To forestall this move by the Corsican, and only after strong representations by Raffles, Britain seized Java which later was restored to the Dutch after Napoleon's downfall.

From October 1811 to March 1816 Raffles acted as Java's British Governor. He found Java a land that had been exploited cruelly by the Dutch company. Conscription of manpower for labor battalions and armed services had drawn one-quarter of the male population, and in the twenty-two years of Dutch control over one million lives had been taken by an army whose principal duties were to suppress their fellow Javanese. Typical of the stupendous tasks assigned to enforced labor was the construction of an eight hundred mile military road through the Javanese jungle, and to supplement the native labor the Dutch imported slaves from Bali and other nearby islands. All trade was channeled through the Dutch company, a practice the foreign masters enforced by the death penalty. A fixed wage scale compelled men to carry a hundred-weight sixty miles for one-half cent a mile—for which, incidentally,

the Dutch in Europe received twenty-two cents. Heavy import duties burdened every article—internal duties of 47%, poll tax, market tolls, buffalo tax, licenses and divers penalties, restrictions and prohibitions.

On taking office Raffles proclaimed: "The duties of government are to uphold the weak, to put down lawless force, to sustain the honor of British good faith and to establish humane institutions." In the sphere of his service Raffles made practical these ideals. In a few years he had effected a social revolution. He eliminated feudal service and made chattel slavery a felony. He abolished tyranny, torture in courts of law, and instituted trial by jury. Free Trade was his policy and his means. He wiped out transit duties and had port dues reduced from 46% to 10%. Once, following a demand by the Indian administration for money to be used in the defense of Java, Raffles did raise the revenue from this source. However, the revenue for the administration of Java was collected solely from the rent of land. His expressed sentiments were: "The rent of these lands was to constitute the one regular form of taxation in lieu of all the varied obligations of the old system. I conceived that a fair equivalent for the old burdens was two-fifths of the first rice crop, leaving the second crop and the fruit trees and the gardens free from assessment, the cultivator free from personal taxes and the inland trade unrestricted and untaxed." In his own words, the land system Raffles introduced had for its object: "Justice to individuals, the improvement of mankind, and the prosperity of the government founded on the mutual advantage of the people."

He paid tribute to his subordinates' help in the internal administration. "They felt," he said, "the honor and character of the British nation prompted them above every selfish consideration and in the short time of six months enabled me to

effect a revolution which two centuries of Dutch administration could scarcely dream." The amount of the rent of land was agreed upon by each cultivator and accepted "not only with readiness but with gratitude." One of the most quickly discerned social effects of Raffles' policy was the increase in the native birth rate and those families that had fled to the mountains for security of person and property returned to become again tillers of the soil.

About the time Raffles relinquished Java to the Dutch he sent out a commission to ascertain the results of the fiscal program. The commission commented on the ease of collecting revenues under the amended system and certified its "beneficial effects in encouraging the extension of industry, agricultural pursuits, securing tranquillity and diminishing criminal activities." Later Raffles was able to say: "With peculiar satisfaction we see the Dutch Government sanctions what we have done and gives our regulations permanency." The investigating commission, be it known, was Dutch!

When he retired as governor and the Dutch flag again flew over Java, Raffles could say truthfully, "I have had the happiness to release several millions of my fellow creatures from a state of bondage and arbitrary oppression." Unfortunately, not long after, the Dutch resumed their policy of excluding others from every mart and island, their one aim monopoly and exploitation. They jockeyed for control of the Straits of Malacca, hoping to shut out all other nations from the route to China and Japan except on terms they could enforce. They were on the brink of succeeding in this attempt when Raffles, who understood the import of their actions, obtained permission from the crown to secure a port south of Malacca. "Our object," he said, "is not territory but trade." ONE free port in these seas must eventually destroy

the spell of Dutch monopoly. His thoughts were on Singapore Island as the site for this free port. The Dutch suspected as much, for shortly after Raffles arrived they came with presents of guns and an offer of protection to the natives. They were late. In negotiations with native chieftains from each side of the Strait, Raffles obtained this island of two hundred twenty square miles.

After a series of interviews and a promise of annual payments, Raffles set about his task. Three weeks after he began, orders came from England to the effect that if the post had not already been obtained he was to desist from any further attempt to establish one. England's flag had already been hoisted and Raffles stayed.

Raffles appreciated this opportunity to put his ideas into fuller operation. He declared: "I have established a revenue without any tax whatever on trade, which MORE than covers all civil disbursements and which must annually increase in future years while these disbursements should remain the same." Again, "No sinister, no sordid view, no considerations either of political importance or pecuniary advantage should interfere with the broad and liberal principles on which the British interests have been established. Monopoly and exclusive privileges are here unknown. That Singapore will always remain a Free Port and that no taxes on trade or industry will be established to check its further rise and prosperity I can have no doubt." "Education must keep pace with commerce in order that its benefits may be insured and its evils avoided. However inviting and extensive the resources of a country may be they can best be drawn forth by the native energies of the people themselves. If commerce brings wealth to our shores it is the spirit of literature and philanthropy that teaches us how to employ them for the noblest uses. Let it still be the boast of Britain to write her name in characters of light; if the time shall come when her empire shall pass away, these monuments will endure when her triumphs shall have become an empty name. I am san-

guine in my hope that Singapore will stand foremost in effecting that grand object of Christian civilization."

Consistent with his faith and interest in education, Raffles founded a college and endowed it with fifteen hundred acres. Later, this land was given away by the college trustees and only one year after Raffles' death (in 1827 when he was forty-six) it was in the hands of the military. Constant efforts were made to emasculate his fiscal program and in 1855 a minority group clamor arose for the introduction of port dues. This abortive attempt failed since Singapore's governors held it to be in "direct violation of the principles upon which the Settlement was founded."

Since then, Raffles' principles have been abandoned bit by bit until now a wide gulf lies between the founder's ideas of social justice and those of the current administrators.\* A great part of the soil is still held at a rental, but only a few millions in

\*Mr. Hodgkiss' article was written before the capture of Singapore by the Japanese.



public revenue are derived from land rent, the bulk coming from customs duties, impositions, licenses, salt monopoly, etc. Before the Great War of 1914-1918 only four imports were taxed—opium, tobacco, petrol and liquor. More commodities have been added since then. It must be admitted that an effort has been made to adhere to Raffles' instructions to secure to each person "the indisputable possession of the spot he was allowed to occupy." The somewhat unsatisfactory result may be attributed to the delinquency in assessing land. Yet, however lacking in perfection Singapore's land policy is, the democratic nations of the world might note that great numbers of Chinese and Malays (nearly 42,000,000, over three times the population of New York State, in an area somewhat larger than New York State) enjoy life and pursue industry under land laws and fiscal policies more just than those of the democracies. Our own relative position in the comparison prompts allusion to Macauley's statement that, were great pecuniary interests at stake, acknowledgment of the law of gravitation even now would be met with opposition. Yes, it is not too much to say that Singapore's rise from a cluster of about fifty huts in the early 19th century to seventh place in the world's great shipping ports is the result of Raffles' insistence on Free Trade when Singapore's economic foundations were being laid.

Buried at Hendon, Middlesex, are the remains of Raffles, but graven on the base of a marble statue in Westminster Abbey appear the sentiments of the British Empire: "By wisdom, vigor and philanthropy, he raised Java to happiness and prosperity unknown under former rulers. He founded an emporium at Singapore where he established freedom of person as the right of the soil and freedom of trade as the right of the Port. He secured to the British flag the maritime superiority of the Eastern Seas. Promoting the welfare of the people committed to his charge he sought the good of his country and the glory of his God."