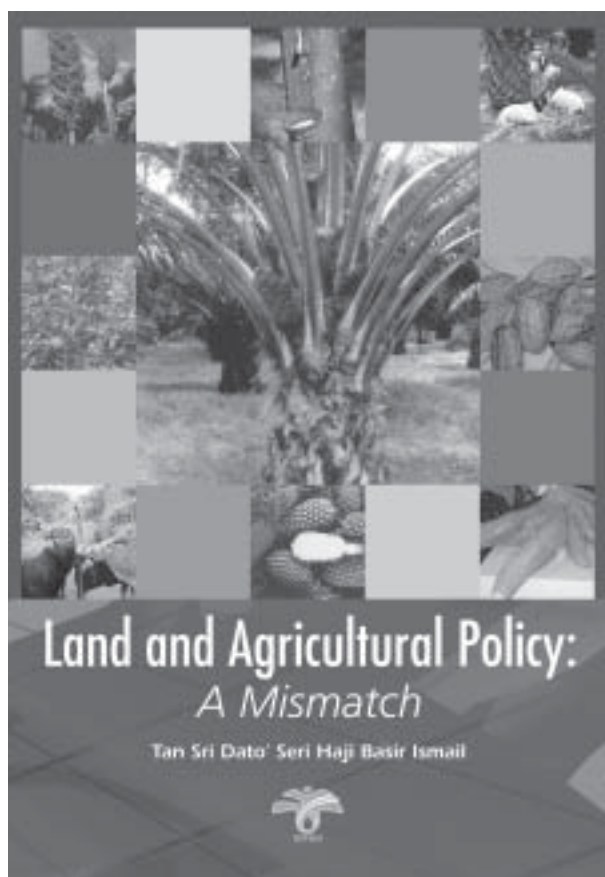


BOOK REVIEW

Basir Ismail, Tan Sri Dato' Seri Haji (2005), *Land and Agricultural Policy: A Mismatch*, Kuala Lumpur: Malaysian Palm Oil Board, 530 pp. ISBN 967-961-109-4. RM 150/USD 100.



This important book addresses the questions of land tenure and appropriate agricultural practices in Malaysia. Its goal is to suggest ways in which the vast area of 4.4 million hectares owned by over one million Malay smallholders in small plots within Malay Reservations can be transformed from their largely stagnant present utilization to cropping patterns providing their owners with fair incomes. The emphasis of the book is on oil palm and other perennials, which Tan Sri Basir suggests should be combined with a range of annual and animal intercrops.

The author is well placed to undertake this work, given his lifelong background in Malaysian agriculture and enduring concern for small agricultural producers. He comes at the end of a long

line of public figures involved with rural socio-economic improvement, beginning with the British colonial officers who promoted the Reservations from the early 20th century. Then after the close of the colonial era came the work of that great architect and implementer of FELDA and other enterprises, the late Tun Abdul Razak. Finally in the present, and in the very different circumstances of modern Malaysia, Tan Sri Basir emerges as a figure focusing our attention on the substantial restructuring needed to secure more economic and sustainable Reservations while also preserving Malay *kampung* culture. He appropriately dedicates the book to *the smallholders in the country for giving me the encouragement to write* (p. 3).

The book commences with examining the historical and agricultural background of the Melaka Sultanate, with its central position in the spread of Islam and trade on the peninsula and in other surrounding regions. Indeed, the systems of shifting agricultural cultivation and accompanying land utilization laws characterizing the Sultanate persisted in Malaysia into the early 20th century, and are familiar to the present reviewer through work in remote parts of modern Indonesia. The defeat of the army of Sultan Mahmud by the Portuguese commander, Alfonso de Albuquerque, in July, 1511, marked the beginning of 446 years of European entrenchment, with the Dutch succeeding in 1641 and the British who promoted development as well as trade being in power from 1824 to 1957. During most of this long period, the predominantly Malay farmers on the peninsula were subsistence cultivators, growing dry and wet paddy and root crops. But, as Tan Sri Basir indicates, the Portuguese introduced many plants from South America, including papaya, pineapple, sweet potato, tapioca, sapodilla and cashew nut, and these became established parts of local menus.

The book interestingly reviews the rapid development from the late 19th century of commercially grown sugarcane, coffee and rubber in response to high global prices, with the import of foreign and mainly Indian labour to support the new plantations. It reports how from the 1950s oil palm commenced a rapid development, and how from the

1980s its rapid growth was underpinned by mainly Indonesian workers. Changing land tenure arrangements are analysed, including the introduction in 1913 of the Malay Reservations Enactment, the brainchild of a British official close to the Malays, W E Maxwell. This attempted to *correct the economic and social problem of the Malays* (p. 74) by providing for designated reservations within which both the administering states and Malay owners were prohibited from alienating and selling areas to non-Malays. But other conditions on the Reservations, including the stipulation that they should grow monocrops, limited their ability to respond to change, especially through the intercropping favoured by the author.

In subsequent chapters, the book discusses agricultural policy and agricultural development institutions in the post-colonial period, with comprehensive details of the first, second and third policies between 1982 and 2010 being included in three appendices. The book introduces the concept of *crop and livestock integration* (p. 91), whereby various annual crops and livestock are included between both the immature and mature stands of oil palm and other tree crops. It then launches into detailed separate chapters covering agronomic, processing and marketing aspects, together with the current economic performances of oil palm, rubber and coconut. Further chapters cover similar topics for other crops which can be integrated or intercropped with the three main tree species. There are 17 of these other crops, including sorghum, banana, sweet potato, cocoa, cattle, sheep and goats, and Tan Sri Basir's masterly and comprehensive coverage of these and the three main tree crops is in itself a compelling reason for reading the book.

The final part of the volume scrutinizes the future direction of agricultural R&D, where the author stresses the need with oil palm especially to pursue mechanization, pest and disease control, and yield improvement, along with downstream applications. Then Tan Sri Basir turns to the changing status of rural society, where *agriculture*, which in earlier times had a prime role, had declined by 2003 to a mere 8% of GDP. He focuses on the persisting poverty amongst hundreds of thousands of rural dwellers, describing government efforts to alleviate this through FELDA and other succeeding schemes. He also pinpoints the persisting large numbers in the 2000s of very small units, averaging less than 2 ha and unable even after improvement to provide a reasonable income, meaning that farmers have to

seek other part-time occupations. He comments on how in *most kampungs, more than 50% of the smallholdings are neglected* (p. 397) and how many people have left for the cities, urging the acquisition by the government of all holdings less than 4 ha, and the facilitation of purchases by Malays of reconstituted 4 ha units through loans from the Bank Pertanian, using the involved land as collateral. He envisages a *new generation* (p. 398) of smallholders who integrate their oil palm or rubber with annual crops and livestock, and thereby earn much better incomes.

Tan Sri's *mismatch* of land and agricultural policy results from the failure of the latter to overcome the structural constraints imposed by land tenure arrangements under the administration of state governments often unwilling to modify their current approaches and thus facilitate his proposed changes. His vision of prosperous Malay communities living on larger restructured blocks is indeed challenging, and the technical improvements he proposes are certainly feasible under good management. But to make these changes and to encourage younger Malays to take part involves a degree of political will at state and central level, and this may be hard to marshal. It also entails much more intensive extension than at present provided by local agricultural extension services, since introducing viable new techniques involves a lengthy learning process which needs to be amply supported by specialists.

But the author has rightly called attention to what is both a major social problem and major economic opportunity, revolving around an issue strangely neglected in the New Economic Policy of the early 1970s, which benefited the Malays in so many other ways. Malaysia is now a relatively rich country with ample resources, and given the will can definitely implement the proposed alterations. An opportunity exists for adding a useful new component to a national agricultural system so outstanding in many other respects. Tan Sri Basir has charted a way forward, and it remains for this to be implemented in a vigorous and imaginative way.

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