

# TABLE OF CONTENTS

	PAGE
Declaration-----	ii
Acknowledgements-----	iii
Abstract-----	iv
Table of Contents-----	ix
List of Tables-----	xvi
List of Figures-----	xix
List of Plates-----	xxi
List of Maps-----	xxiii
Acronyms Used in Text-----	xxiv

## CHAPTER ONE: CASH CROPPING, PRICE INSTABILITY AND HOUSEHOLD COPING STRATEGIES ----- 1

Introduction -----	1
The Transformation to Cash Cropping-----	1
Land Development-----	2
<i>In-situ</i> Agricultural Development-----	3
Social and Institutional Development -----	3
Regrouping Villages and Urbanization of Rural Areas -----	3
Research Problem -----	4
Price Instability-----	4
The Detrimental Effects of Price Instability -----	5
Causes of Price Instability -----	6
Coping with Price Instability: A Professional Neglect -----	9
The Importance of Cash Crops in Malaysia -----	11
Important Cash Crops in Sarawak -----	14
Rubber-----	14
Pepper -----	15
Cocoa -----	17
Oil Palm -----	18
Cash Crops Price Instability in Sarawak -----	19
Price Instability in Sarawak -----	19
Price Instability in Sarawak, 1984-1993 -----	20
Pepper Prices Fluctuations, 1946-1993 -----	21
Cocoa Prices, 1975-1993 -----	24
Stable Oil Palm Price -----	27
Household Coping Strategies: A Review of Literature-----	28
Coping Strategy As Conceptual and Analytical Tool: A Genesis -----	28
Definition of Coping Strategy-----	31
Related Theories of Household Coping Strategy -----	33
Coping Strategy as Component of Risk Management Process-----	33

Sources of Coping Strategy-----	35
Asset-based -----	35
Common Property Resources (CPRs) Based -----	37
Reciprocally Based -----	39
Migration-based -----	40
Consumption-based -----	43
Exchange-based -----	43
Production-based -----	45
Labor-based -----	46
Capacity of Coping Strategy -----	47
<b>Paths of Household Coping Strategy to Commodity Price Slump: A Conceptual Model-----</b>	<b>48</b>
Household Objectives Undergoing Income Deficits -----	48
Household Coping Strategies During Price Slump -----	48
Assessing the Capacity of Household Coping Strategies -----	50
The Need for Public Responses -----	50
<b>Objectives of the Study -----</b>	<b>51</b>
<b>Significance of the Study -----</b>	<b>51</b>
<b>CHAPTER TWO: RESEARCH METHODOLOGY AND PROFILE OF SAMPLES -----</b>	<b>53</b>
<b>Research Methodology -----</b>	<b>53</b>
Research Design: A Survey Research -----	53
Taking Advantage of “Natural Experiment” -----	53
Sampling Procedures -----	53
Survey Population -----	53
Independent Smallholders -----	54
Centrally Managed Smallholders -----	54
Study Population -----	55
Sampling Design -----	56
Cluster Sampling Procedure -----	56
Survey Clusters -----	57
Sampling Frame -----	57
Sampling and Sample Size -----	59
Unit of Analysis -----	66
Unit of Observation -----	66
Operationalization and Measurement -----	67
Independent Variables -----	67
Dependent Variables -----	69
Data and Instrumentation -----	70
Data Collection Instrument -----	70
Pretesting Questionnaire -----	70
Data Gathering Procedures -----	70
Data Processing -----	72
Coding of Data -----	72
Data Entry -----	73
Exploratory Data Analysis (EDA) -----	73
Statistical Analysis -----	74
Test of Homogeneity -----	74
One-way Analysis of Variance (ANOVA) -----	75
Bonferroni Multiple Comparisons -----	76
<b>Profile of Samples -----</b>	<b>76</b>
Farm Profile -----	76

Types of Landholding in SALCRA Schemes .....	76
Size of Holding .....	77
Size of Communal Block in the Pakit-Undop Oil Palm Scheme .....	77
Size of Individual Lots in the Paku-Layar Cocoa Scheme .....	78
Size of Pepper Holdings in the Begunan Area .....	79
Demographic Profile .....	81
Age Composition .....	81
Sex Composition .....	81
Dependency Ratio .....	82
Nonproductive Population .....	83
Productive Population .....	84
Household Size .....	84
Household Types .....	85
 <b>CHAPTER THREE: INCOME REMEDIAL STRATEGIES (IRS) .....</b>	<b>87</b>
 <b>Introduction .....</b>	<b>87</b>
<b>Hypotheses on Income Remedial Strategies (IRS) .....</b>	<b>87</b>
Non and Off-farm Employment (NOFE) .....	87
Fall-back Cash Cropping .....	89
Exploitation of Common Property Resources (CPRs) for Sale .....	90
Asset and Disposal of Assets .....	92
<b>Non and Off-farm Employment .....</b>	<b>94</b>
Incidence of NOFE .....	94
At the Household Level .....	94
Among Household Members .....	96
Main Motives in Taking Up NOFE .....	102
Duration Of NOFE .....	105
The Locale of NOFE .....	106
Types of NOFE .....	110
Impact of NOFE on Household Income Level .....	114
NOFE Income Obtained by Household .....	115
Household Income Contributed by NOFE .....	115
NOFE Income of Household Members .....	117
<b>Fall-back Cash Cropping .....</b>	<b>119</b>
Status of Cash Crop Diversification .....	120
Households Without Fall-back Cash Crop .....	120
Important Fall-back Cash Crops .....	120
Types of Fall-back Cash Crop and Size of Holdings .....	121
Number of Fall-back Cash Crops .....	123
Labor Spent on Fall-back Cash Cropping .....	124
Income Contributed by Fall-back Cash Crops .....	128
Rubber .....	128
Pepper .....	130
Cocoa .....	130
<b>Exploitation of Common Property Resources (CPRs) .....</b>	<b>131</b>
The Iban <i>Menoa</i> and Their Common Property Resources .....	131
<i>Jinggau</i> -the Pandemic Plant of the Secondary Forest .....	134
The Traditional Uses of <i>Jinggau</i> .....	135
Types of <i>Jinggau</i> Trees .....	136
Distribution of <i>Jinggau</i> in the Begunan Sample .....	136
A New Trade: Collecting of <i>Jinggau</i> for Sale .....	137
The <i>Jinggau</i> Trade in Begunan during the Pepper Price Slump .....	137

<i>Jinggau</i> Collecting-Trading System-----	142
The Impact of <i>Jinggau</i> Trade on Household Income -----	143
Economic Sustainability of <i>Jinggau</i> Trade -----	150
Causes of Depletion of <i>Jinggau</i> Trees -----	150
Decline in Habitat-----	150
Decline in Population of Trees -----	152
<i>Jinggau</i> Trade and Some Encumbering Problems-----	153
<i>Jinggau</i> as Savings and Security-----	154
Inland Water Resources and Commercial Fishing-----	154
Inland Water Resources-----	155
Incidence of Inland Fishing and Impact on Household Income -----	155
Commercially Important Fishes-----	158
Inland Fishing Sustainability and Problem of Resource Depletion-----	158
<b>Assets and Disposal of Assets-----</b>	<b>162</b>
Household Liquid Assets -----	162
Savings -----	162
Distress Withdrawal of Savings-----	164
Household Illiquid Assets-----	165
Traditional Assets-----	166
Iban Land Tenure in the Study Sites -----	166
Benefits and Security of Titled Land -----	167
Insecurities of Native Customary Right (NCR) Land Tenure-----	167
Landownership by Tenure and Size -----	168
Ownership of Valuable <i>Bilik</i> Heirloom -----	173
New Assets -----	176
Mortgaging of Traditional Assets-----	176
Distress Sale of Traditional Assets -----	177
<b>Number of IRS Deployed -----</b>	<b>178</b>
<b>Conclusion -----</b>	<b>180</b>
<b>CHAPTER FOUR: HOUSEHOLD SUBSISTENCE STRATEGIES-----</b>	<b>185</b>
<b>Introduction -----</b>	<b>185</b>
The Definition of Subsistence Strategy -----	185
<b>Hypotheses on Subsistence-based Strategies -----</b>	<b>185</b>
<b>The Pursuit of Staple Food Production during the Price Slump-----</b>	<b>186</b>
Incidence of Staple Food Production-----	187
Extent of Wet and Hill Paddy Cultivation -----	190
Continuity and Change in Staple Food Production -----	191
Hill Paddy-----	192
Wet Paddy-----	196
Size Increase in Paddy Farm Operated-----	198
Reasons for Not Operating a Larger Paddy Farm Size-----	200
Comparison of the Mean Size of Hill and Wet Paddy Farm Operated-----	202
Magnitude of Food Insecurity-----	205
Self-sufficiency in Rice -----	206
Rice Insufficiency-----	208
Duration of Rice Insufficiency -----	209
Incidence of Rice Purchasing -----	210
Income Spent on Buying Rice-----	211
Vulnerability of the Staple Food Production Systems -----	212

<b>Exploitation of CPRs for Subsistence Needs</b>	<b>214</b>
Gathering Activities	215
Types of Gathering Activities	216
Palm Heart	217
Wild Vegetables	219
Wild Mushrooms	220
Hunting	222
Incidence of Hunting	222
Main Purpose for Hunting	223
Main Reason for Not Hunting	224
Hunting Techniques	225
Important Hunted Species	227
Decline of Population of Hunted Species	227
Subsistence Fishing	228
Incidence of Subsistence Fishing	228
Main Reason for Not Fishing	230
Main Purpose for Fishing	230
Fishing Techniques	231
<b>Backyard Livestock Production and Home Gardening during the Price Slump</b>	<b>232</b>
Extent of Backyard Livestock Production	233
Home Gardening	236
<b>Conclusion</b>	<b>236</b>
 <b>CHAPTER FIVE: RECIPROCALLY BASED STRATEGIES</b>	 <b>239</b>
<b>Introduction</b>	<b>239</b>
<b>Reciprocal Exchange</b>	<b>239</b>
Factors Influencing Reciprocal Exchange	240
<b>The Kindred in Iban Society</b>	<b>241</b>
<b>The Iban Customs and Traditions Related to Reciprocal Exchange</b>	<b>242</b>
<i>Bedurok</i> : The Iban Traditional Reciprocal Labor Exchange	243
Some Salient Features of Iban <i>Bedurok</i>	244
Benefits of <i>Bedurok</i>	245
Factors Influencing <i>Bedurok</i>	245
<b>Hypotheses on Reciprocal Exchange</b>	<b>246</b>
<b>Cash Borrowing</b>	<b>247</b>
<b>Sharing of Production Resource</b>	<b>248</b>
<b>Income-sharing through Remittance Transfer</b>	<b>249</b>
Incidence of Income-sharing	250
Remittance Transfer by Family Members on NOFE	250
General Profile of Family Members on NOFE	250
The Incidence of Remittance Transfer among NOFE Workers	253
Amount of Cash Remitted by NOFE Workers	253
Remittance Transfer by Family Members on Permanent Salaried Job (PSJ)	254
General Profile of PSJ workers	254
The Incidence of Remittance Transfer among PSJ Workers	256
Amount of Cash Remitted by PSJ Workers	257
General Trends on Remittance Transfer	257

<b>Bedurok in Food and Cash Crop Productions</b>	<b>258</b>
Patterns in Staple Food Production	258
Patterns in Hill Paddy Cultivation	258
Patterns in Wet Paddy Cultivation	260
General Patterns in Staple Food Production	262
Patterns in Pepper Production	262
<b>Patron-client Exchange in Cash Cropping</b>	<b>267</b>
What is Patron-client Exchange?	267
Common Features of Patron-client Exchange	267
Production Credit in Pepper Production	268
<i>Towkays</i> as Patrons and Creditors in Pepper Production	269
Access To Production Credit	271
Diminished Access to Production Credit during the Price Slump	272
Cash and Consumption Credit	275
<b>Conclusion</b>	<b>277</b>
 <b>CHAPTER SIX: PRODUCTION AND CONSUMPTION MODIFYING STRATEGIES</b>	 <b>280</b>
Introduction	280
Hypotheses on Production and Consumption Modifying Strategies	280
Production Modifying Strategies	282
Reduce Pepper Maintenance	283
Reduce Application Frequency of Farm Inputs	284
Shift in Brand of Inputs Used	285
Effects of Reduction in Pepper Maintenance	288
Abandon Pepper Holdings or Vines	290
Number of Vines Abandoned during the Price Slump	290
Proportion of Total Holding Abandoned	291
Likelihood to Abandon Pepper Garden if the Low Prices Persist	294
Process All Berries Into Black Pepper	295
Reduce Harvesting Rounds	296
Defer the Sale of Pepper	296
Farm Diversification during and after the Price Slump	298
The Reasons Why Households Did Not Undertake Farm Diversification	302
Production Modifying Strategies Adopted by SALCRA during the Cocoa Price slump	305
Consumption Modifying Strategies	306
Expenditure Cut on Food and Non-food Items during the Slump	306
Average Monthly Expenditure on Food and Non-food Items	310
Conclusion	312
 <b>CHAPTER SEVEN: SUMMARY AND CONCLUSION, RECOMMENDATIONS AND IMPLICATIONS FOR POLICY</b>	 <b>316</b>
Summary and Conclusion	316
Consumption Modifying Strategies	319
Increase NOFE Income through Human Resource Development	319
Create Local NOFE Opportunities	320

Increase Productivity and Encourage Cultivation of Fall-back Cash Crop-----	321
Restore, Develop and Protect <i>Jinggau</i> Trade -----	322
Grant and Expedite A Secure Right of Ownership of Native Customary Right (NCR) Land -----	323
Improve Productivity and Develop Staple Food Production -----	324
Restore and Protect the Inland Fishery and Wildlife Resources -----	324
Encourage and Improve Backyard Livestock Production and Home Gardening-----	326
Restore Access to Production Credit -----	327
Provide Early and Adequate Farm Maintenance Aid or Assistance-----	327
Extend Pepper Storage Scheme to More Rural Centers -----	328
Enhance Agricultural Diversification Process -----	328

## **BIBLIOGRAPHY -----331**

## **APPENDICES -----345**

<b>Appendix 1-----</b>	<b>345</b>
Table A 1.1 to Table A 1.4 -----	345-348
<b>Appendix 2-----</b>	<b>349</b>
Appendix 2.1 -----	349
Appendix 2.2 -----	377
Table A 2.1 to Table A 2.3 -----	377-379
<b>Appendix 3-----</b>	<b>380</b>
Appendix 3.1 -----	380