

CHAPTER FIVE

THE TEAK TRADE OF NORTHERN SIAM

The Significance of Teak in Siam's Economy

There were three principal commodities exported by Siam in the last decade of the nineteenth century, namely rice, tin and teak. Of these teak was the only commodity which was extracted from the northern states of Siam.¹

This region included the five states of Chiang Mai, Lamphun, Lampang, Phrae and Nan, which were situated along the northern tributaries of the Chao Phraya. The forests in this region covered a large area and running through them were major waterways. These were the Ping, Wang, Yom and Nan, which were most important in the transport of teak logs from the northern region to Bangkok. The teak forests in this region were bordered by the Salween on the west, the tributaries of the Menam in the centre and the Mekong on the east.²

All the teak exported from Siam, therefore, came exclusively from the northern region. From about the 1830's, teak had been extracted from the northern states of Siam by foresters from Burma. But it was only from about the 1880's, that European capital played an important role in the development of the teak industry in northern Siam. The large scale extraction of teak depended almost entirely on European capital. It was in this respect that the teak industry was different from the rice and tin industries.

As discussed earlier (Chapter I), the contribution of teak, in terms of export value, to the economy of Siam was significant. It will be shown subsequently that the development of the teak industry was also a significant factor bringing about change to

northern Siam.

Tectona grandis, which is the scientific name for teak or *mai sak* (*saka* in Sanskrit) in Thai was an important export item of Siam beginning from the last decade of the nineteenth century. There is evidence, however, to indicate that teak was already an important item of trade well before this date. But, like the trade in rice which was irregular before the 1850's, the teak trade before the 1880's was not steady and continuous. Rice and timber (including teak) were among the most sought after merchandise in the Sino-Siamese junk trade. But the demand for these products depended largely on the Chinese maritime policies. This was especially so before the 1850's. In the case of rice, the demand depended on the success or failure of the rice crop in China, on the one hand, and the occasional ban on the export of rice by the Siamese government, on the other. It was only after 1851, following the removal of the prohibition on the export of rice (a measure introduced by Mongkut) and the signing of the Bowring Treaty of 1855, that the trade in rice became more regular.

The traditional method of obtaining teakwood through the annual *suai* or triennial tribute provided little guarantee for a continued supply to the Siamese government. The trade in teak increased in volume and value after the participation of large British firms, beginning from the 1880's, in the industry. Between 1896 and 1900, 42 % of the total output (in tons) of Siam's teak was exported while 58 % was used for domestic consumption. Between 1901 and 1905, exports rose to 47 % and domestic consumption dropped to 53 %. Between 1906 and 1910, the amount of teak exported and used for domestic consumption were 58 % and 42 % respectively.³

During the same period, between 1896 and 1910, teak was the second most important export commodity after rice, Siam's staple export item. This is indicated by

statistics from the annual reports for the trade of Siam. For example, in 1906, of the total value in exports from Bangkok, teak constituted the second largest proportion.⁴

Table 5.1: Value (%) of rice and teak export from Siam for the year 1906

1906 (Item)	(%) of total export from Bangkok
Rice	77
Teak	13

Source : C.O.273/333," General Report on Siam for the year 1906"

Teak was exported in various forms: there were teak squares, teak planks, teak shingles and teak logs' ends.⁵ Even teak scantlings were exported. Teak squares and teak planks fetched the highest value as compared to other forms of teak.

British colonies in Asia were the chief buyers of Siamese teak in the nineteenth century. In 1899, Singapore, Hong Kong and India were the main destinations for teak exports from Siam. In 1906, India was the largest buyer of Siamese teak. The three nations where Siamese teak was exported to in the year 1906 are shown below:

Table 5.2: Chief buyers of Siamese teak for the year 1906

India	66%
United Kingdom	5%
Japan	5%

Source : C.O.273/333," General Report on Siam for the year 1906"

Different types of teak wood were identified in the timber trading circle. The Siamese *mai sak* was known to be relatively light. In contrast, the Malabar teak⁶ was open-grained and tough, while the Annamalai teak was narrow-ringed and brown.⁷ The

relatively light yet durable *mai sak* was an item popularly sought after by the shipbuilding industry. In fact, the shipbuilding sector created a great demand for Siamese teak. From about the beginning of the nineteenth century, almost all vessels engaged in the Sino-Siamese trade were constructed in Bangkok and this was largely due to the abundance of teak there.⁸ Henry Crawford estimated that, in the 1820's, about 140 junks plied between Siam and China. Crawford's account revealed the importance of Bangkok as a shipbuilding centre. He stated that all the Siamese junks engaged in the trade with China were built at Bangkok. Apart from that, at least six to eight junks of the largest description were launched annually.⁹ These junks, according to Crawford, were built under the supervision of a Chinese head-carpenter, while the ordinary workmen were Siamese.

It was also cheaper to construct junks in Siam than in China. Crawford estimated the cost of constructing a large junk ready for sea in Bangkok at 25 ticals per ton (3*l.* 2*s.* 6*d.*). A junk built at Amoy in Fukien, on the other hand, cost approximately \$ 42 Spanish per ton [84 ticals],¹⁰ while at Changlim in Canton, it was \$ 32 Spanish per ton [64 ticals].¹¹ The China-built junks, added Crawford, were generally constructed from the inferior fir wood. Suitable wood had to be procured from "Kamboja, Siam or the Malayan islands" for the rudder, anchor and masts.¹² The abundant supply of teak wood, the cheaper cost of junk construction in Siam, and the cordial trade relations between China and Siam helped the growth of the shipbuilding industry in Siam.

China was not the only country which sought Siamese teak for the construction of junks. In 1718, a Spanish trade mission was despatched from the Philippines to the court of Ayutthaya.¹³ The Mission (called the Bustamante Trade Mission, so named after the then Governor of Manila) went in search of rice and *teca* (teak wood).¹⁴ The need for rice

stemmed from an acute shortage of rice in the Philippines. A major crop failure caused by locust attack on the rice plants was cited as a reason to seek rice in Siam. The need for teak, on the other hand, was for the construction of the Spanish galleons. The mission realised that the construction of the galleons in Siam was relatively cheaper than elsewhere, presumably including the Philippines.

The Workings of Teak Extraction

Getting a concession to extract teak trees from a forest area was the first procedure in the teak felling business. Loggers had to bid and obtain concessions from the owners of the teak forests. The owners were the ruling princes or the *Chaos* of the northern states of Siam and they exercised the right to award forest concessions to people whom they favoured. The princes claimed that the teak forests of northern Siam were their private preserves which were inherited from their ancestors.¹⁵ Loggers bidding for a concession dangled cash and gifts to persuade the *Chaos* for favourable answers.

A lease-seeking concessionaire sometimes gave a rough estimate of the number of mature teak trees available in the area that he was bidding for. In the old days, when a concession to a forest area was granted, the permission was recorded on *lan* leaves.¹⁶ In later years, European foresters referred to the agreement between a forest owner and the concessionaire as a lease. A lease stated the number of years in which the forester was entitled to log in the specified area leased out to him. Foresters who had obtained the right to cut trees by entering into a mutually agreed agreement with forest owners proceeded to the second stage of girdling teak trees.

At the girdling stage, a group of coolies were first assigned to ring-girdle the trees with the use of axes. To curb the uncontrolled cutting of teak trees, forest leases in the

1890's specified that a minimum exploitable girth had to be attained before any tree could be ring-girdled for felling. For instance, provisions made in the forest leases issued in the year 1896 stipulated that "no teak tree below 6' 4.5" girth at breast height and in some leases 7' girth could be felled".¹⁷ Trees were girdled to a sufficient depth in order to sever the channels which carried nutrients to the tree, hence impeding the formation of new foliage. This process was done in the dry season to prevent new foliage from being formed during the succeeding wet season. The importance of the process of girdling was well indicated in a report written by Siam's first forest conservator, H. Slade. He considered the process of girdling as the "heart and soul of teak industry".¹⁸

It was important that the girdling was properly done to ensure that the log would be sap-dry and ready for felling two years from the time of girdling. Only the sap-dried logs were felled after the two-year waiting period. This was because dried logs were floatable. In contrast, a green teak log was too heavy to float and, as a result, had to be left at the river banks for two to three years before it could be floated down.

Elephants were used to drag the felled logs to nearby streams. Even the use of elephants, the only means of transporting the heavy logs from the mountainous forest site to the river banks, had its limitations. The maximum size of a log that an elephant could drag was, with some occasional exceptions, approximately between five to seven cubic meters.¹⁹ In addition, most of the extraction routes were either too narrow or the forest sites too steep for the handling of a full-sized log (uncut). As such, the teak logs had to be cut into "navigable" sizes, often smaller than the size that the foresters would have preferred, before the elephants proceeded with the task of dragging.

Despite these limitations, trained elephants were a highly priced investment in the teak industry. Ethnic Karens were expert elephant trainers and were often responsible for

the use and management of elephants to transport logs from the forests to the rivers. Teak loggers, operating on a big scale, invested large sums of money in the purchase and maintenance of elephants. In 1896, for instance, there were 2,500 elephants in the teak industry, out of which, 1,890 were working elephants and the remaining were non-working young elephants. The value of the 1,890 working elephants was equivalent to about 4,489,000 baht.²⁰ In other words, the cost of a working elephant in the teak industry for that year was approximately 2,375 baht. The value of young elephants, on the other hand, was 30 percent less than the value of working elephants.²¹

The dragged teak logs were transported about 150 miles downstream before they arrived at rafting points along the main rivers.²² At the rafting points, the logs were tied together to form rafts. They were then floated to teak ports. The success of the teak business depended largely on the river transportation of teak logs. But there were high risks involved in the use of rivers. Drought unavoidably delayed the arrival of logs at destined ports. Foresters whose rafts were stranded in the rivers had to wait for the water level to rise, usually the following year, before their rafts could be floated further downstream. It was estimated that a teak log took an average of five years to arrive at Bangkok, from the spot where it was felled.²³ There was also the problem of logs drifting away from timber rafts. Finally, there were the dangers of teak logs being stolen on the way down the river. All these made teak logging an industry of high risks.

British Interest in the Teak Forests of Northern Siam

British interest in the northern states of Siam began in the 1830's when the British were searching for an overland trade route connecting Moulmein with Yunnan (southern China). In the search for such a route, many trade expeditions were carried out by British

officials. The extension of British control over Arakan and Tenasserim in Burma in 1826 increased Britain's interest in the trade along the Sino-Siamese border. Having gained a foothold in Arakan and Tenasserim, British officials embarked on trade expeditions to the northern Siamese region. It was in the course of such journeys that the vast and rich teak forests of northern Siam were discovered and this was reported back to India and London.

In 1829, and again in 1835, Dr. D. Richardson, a British official, embarked on a trade expedition from Moulmein to Siam. On both occasions, he reported having passed through teak forests while travelling to Chiang Mai and other towns on the east side of the Salween.²⁴ In a separate account published in 1839, Richardson described, for instance, the types of soil in which teak grew and the use of elephants as the main means in the transportation of logs.²⁵

In the 1860's, it was reported that a European, a Captain R.C. Burn of Moulmein, invested money in teak logging in northern Siam.²⁶ A mission to Chiang Mai, aimed at protecting the trade interests of British subjects engaged in the teak sector of northern Siam, was made in 1874 by the assistant British Consul in Siam, D.J. Edwardes. His report is considered to be the first detailed European account of the teak forests and the teak trade of northern Siam. Edwardes pointed out that, in the 1870's, the volume of teak trade between Chiang Mai and Burma *via* the Salween was far greater than that between Chiang Mai and Bangkok. He observed that almost 35,000 logs arrived at Salween annually as compared to not more than 1000-2000 logs arriving at Bangkok.²⁷

British demand for teak until then had been mainly provided by the Burmese forests. Long before the annexation of Arakan and Tenasserim in 1826, Britain had paid considerable attention to the Burma trade, primarily to obtain her teak wood.²⁸ After the

British occupation of Arakan and Tenasserim, Burma became an important supplier of teak wood to Britain. From 1825 to the middle of the nineteenth century, Moulmein in Lower Burma developed into a prosperous seaport through its shipbuilding and timber trade.²⁹ Large-scale forest exploitation of Burmese teak for export, however, began only in the 1860's. In 1862, William Wallace, founder of the Bombay Burma Trading Corporation (BBTC), acquired permission to work the forests of Pyinmana in Upper Burma.³⁰

As all forests in Burma were the property of the state, permission had to be obtained from the ruling family before any forest area could be exploited for teak. The tradition, in a sense, was perpetuated under British colonial administration; foresters applied to the British administrators for permission to log for teak in Burmese forests. Teak from Burma had a secure market. This was because Burma was a British colony and as such the British need for teak, and subsequently the need for teak from other British colonies in Asia, was met by the Burmese teak. Siam, on the other hand, was an independent producer in a world of competitive markets. Hence, there was marginal growth in the Thai teak industry before the 1880's.

However, in the 1880's, the near depleted state of the Burmese forests could not meet European demand for wood, urgently needed for the purpose of shipbuilding. As a result, any alternative source of teak supply was welcomed by the Europeans. It was a relief to the European countries when, in 1882, H.N. Andersen, a Dane and founder of the Dutch East Asiatic Company in Bangkok, introduced Siamese teak and demonstrated its high quality to customers in the European market.³¹ Andersen's move was timely for it was then too that most European countries faced an acute shortage of oak wood. Furthermore, the temporary closing of the teak forests of Upper Burma, following the

Anglo-Burmese War of 1885, forced British teak merchants to look for alternative supplies in neighbouring Siam.³² The British government, upon the urging of the large British firms, turned its attention to the northern region of Siam.

The British Consuls in Siam, however, did not particularly share the British teak traders' sense of urgency to gain a foothold in the teak industry of northern Siam. Far from supporting the traders enthusiasm, the Consuls' reports, throughout the 1880's and until the mid-1890's, spoke of the inferior quality of Siamese teak as compared to Burmese teak. British Consul M. de Bunsen, however, disagreed with his predecessors and in 1894 alleged that such reports were due to the bias of the British shipping quarter and the British Admiralty against Siamese teak. He pointed out that, "much of [the Siamese teak] grows on the same hills as the highly-prized Moulmein teak, being floated down in one direction or the other according to the watershed"³³. In other words, the Siamese teak which was floated down the Menam to Bangkok and the Moulmein teak were really from the same forest area, except that the latter was floated down the Salween to Moulmein. The logs arriving at both the ports were, therefore, of similar if not identical quality. Britain's preference for wood from Burma and India, especially during periods of shortage and despite the availability of other wood of comparable quality, merely manifested its "Empire Preference" attitude. This preferential policy was adopted to protect its colonies from economic losses.³⁴ It was not, as was commonly believed, due to the superior quality of Burmese wood *vis-a-vis* Siamese wood.

Beginning from the 1880's, Britain began to pay greater attention to the vast teak forests of northern Siam. This led to an increasing number of British-owned teak companies bidding for forest leases from the *Chao muang* of the northern states. The period between the 1880's and the 1890's, therefore, saw intense forest exploitation of

northern Siam which, in turn, brought significant economic change to the region.

The Development of the Teak Trade

The teak industry brought far-reaching economic transformation to northern Siam.³⁵ This was especially so during the period of virtual European dominance of the industry, beginning from about the mid-1890's. European interests in the timber business were represented mainly by two British firms (The Borneo Company and The Bombay Burmah Trading Corporation), followed by a Danish (East Asiatic Company) and a French (La Compagnie Est-Asiatique Francaise) firm.

In 1896, in a letter addressed to de Bunsen, British Consul in Bangkok, Prince Devawongse Varoprakar, Siamese Minister for Foreign Affairs, acknowledged the importance of foreign capital to the teak industry and to the development of northern Siam. He emphasized the need to implement a strict policy of forest conservation for the simple reason that:

... in a few years time the teak forests of Siam will be so impoverished as to be capable of yielding but a small proportion of the present annual supply of timber. This would be a national calamity for it would probably mean the withdrawal from Siam of the foreign capital and enterprise which has done so much to open up the Northern provinces.³⁶

Not only did teak grow to be a major commodity in Siam's foreign trade and hence hasten the expansion of western economic enterprise in Siam in general, but, more important still, it contributed to the growth of local trade in northern Siam. The internal trade among Moulmein, Chiang Mai and Yunnan in southern China increased in volume as a result of the growth of the teak industry in northern Siam. Thai economic historians, Chatthip Nartsupha and Suthy Prasartset, observed that internal trade developed along with the expansion of international trade.³⁷ In northern Siam, the teak trade developed

together with the caravan trade of cattle and consumer goods along the Burmese-Siamese-Yunnan frontier. It was also closely linked to the Chinese retail trade from Bangkok which grew in importance.³⁸

The growth in demand for consumer goods in northern Siam was due largely to the presence of migrant labourers employed in the forest industry. The presence of these workers led to a demand for rice and other essentials. There were two categories of migrant labourers employed in the teak industry. These were the skilled and unskilled migrant labourers. Skilled migrant labourers comprised ethnic Karens who lived in the areas bordering the Shan States and unskilled labourers were ethnic Khamus from Luang Prabang.³⁹ These workers were paid annual wages by their European employers. The companies also provided them accommodation and food. Hence the demand for rice stemmed largely from the need to feed the labourers employed in the timber industry.

Consequent upon the growth of local trade was the development of new towns. Towns situated in the hinterland acted as transit points for goods transported between ports along the major trade routes, both river and land. Towns in the north that lay in the path of the caravan trade route linking Yunnan, Chiang Mai and Moulmein were generally well populated. These towns became active trade centres and the population here provided a ready market for goods traded by the caravan traders. Charles Leckie, manager of the Borneo Company's branch in Chiang Mai (1897-August, 1899)⁴⁰, observed that the population of northern Siam was commercially significant to British traders as they provided a ready market for Manchester and Bombay cotton goods, a dominant aspect of British export trade.⁴¹

The growth of the teak trade also led to the growth of towns situated along the main rivers. These towns grew through the establishment of duty and royalty collection

stations along the rivers. Chainat, approximately 100 miles above Bangkok, began as a duty collection post in 1889. Paknampho, at the confluence of the rivers of Wang, Ping, Yom and Nan before they join the Chao Phraya operated as a royalty collection post for all teak logs floating down to Bangkok. Paknampho is situated to the north of Chainat and it is 150 miles to the north of Bangkok.⁴² A similar collection post along the Salween was Kado where duty was collected on all teak logs en route to the port of Moulmein.⁴³ In 1901, another revenue station was established in Kanchanaburi.⁴⁴ It was here that "duty was for the first time, collected on woods other than teak and bamboos".⁴⁵

Of these towns, the most important was Paknampho. It had existed as a transit trading station long before the establishment of the royalty collection station. The exchange of goods brought from Bangkok en route to the northern provinces, in what was usually termed the "up-country trade", took place at Paknampho. In 1889, for instance, salt, an important item of the up-country trade,⁴⁶ was marketed at Paknampho at the price of 18 ticals per coyan while its retail price at Bangkok was only 11 ticals per coyan.⁴⁷ Despite the hike in price, "a considerable quantity of the salt thus brought in finds a ready sale at Paknampho", demonstrating the considerable purchasing power of traders at Paknampho and the commercial vitality of the town.

The development of the teak trade in northern Siam and its role in the economic transformation of the area can be divided into five phases; between 1830 and 1851, 1851 and 1874, 1874 and 1882, 1882 and 1896, and the last phase which began with the establishment of the Royal Forest Department in 1896.

(i) **The Period 1830 - 1851**

The earliest evidence of large scale forest exploitation in northern Siam can be traced back to the 1830's.⁴⁸ The forests, situated along the Siam-Burma border and in the states of Chiang Mai, Lamphun and Lampang, were the first to attract the attention of prospective foresters. Logs extracted from these forests were floated down the Salween and its tributaries to the port of Moulmein in Lower Burma.

Burmese and Shans formed the main groups of foresters obtaining permits or forest leases from local *Chaos* during this period. There may have also been some Chinese traders who were given permits to log in the forests of northern Siam. A document compiled in 1926 by the Royal Forest Department entitled Forests of Siam stated that permits were given chiefly to Burmans, Shans and Chinese.⁴⁹ It is not certain whether the Chinese held working rights to forests in northern Siam during the period between 1830 and 1851. This is because only brief references were made in the report to the subject of the early lessees in the teak industry. Information on early lessees in this report served mainly as a brief preamble to the subject of the establishment of the Royal Forest Department (1896) in Siam.⁵⁰

In 1851, Bangkok joined Moulmein as the other outlet for the export of teak from the northern states.⁵¹ Prior to 1851, Chinese hand saw-millers bought teak logs from traders in Chiang Mai and sent them down by way of the Menam Chao Phraya to be processed at their saw-milling plants in Bangkok.⁵² Chinese coolie immigration into Siam increased throughout this period. Chinese, mostly of the Teochiu speech group, were said to have provided all labour needed in the rice-milling and teak-sawing business in subsequent years.⁵³ Capital for the logging of teak during this period was obtained from money lenders in Moulmein by Burmese and Shan foresters.

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(ii) The Period 1851 - 1874

During this period the *Chao muangs* of the northern states continued to exercise their power over teak and all other economic resources in their territories. Division of labour and distribution of forest leases were in the hands of the *Chao muang*. Leases were given to individuals, mostly Burmese who were British subjects, and Shans as well. The Europeans, however, were uninterested in the teak trade in the 1850's and the 1860's.

In 1867, for example, Acting British Consul in Siam, H.Y. Alabaster, reported that:

The teak trade, though it is attracting Burmese, who formerly worked in our forests, on the British side in such numbers that the British Consulate can seldom be visited without a crowd of Burmese suitors or applicants for passports being encountered, is still neglected by Europeans.⁵⁴

Similarly, the Siamese government, during this period, did not show any interest in promoting the development of the teak industry in the northern region. In his annual report for the year 1875, Thomas George Knox, the British Consul General in Bangkok, reported on the lack of effort by the Siamese government to improve conditions in the teak industry, although the industry had shown signs of growth.⁵⁵

This was also the period in which the northern *Chao muangs* faced legal charges from British subjects in Burma, who held concessions to log in the forests of northern Siam, for alleged malpractices, leading to claims for losses incurred. Dual-leasing was the most frequent charge made against the northern *Chao muang*. Dual-leasing occurred when the *Chao muang* issued a second concession to work a forest area which had already been assigned to an earlier applicant. Problems arising from dual-leasing led to conflicts, violent attacks and, in some cases, killing. In 1865, Captain R.C. Burn of Moulmein complained to Consul Knox in Bangkok that *Chao Kawilorot's* habit of leasing the same forest area to more than one forester had resulted in his Burmese

foresters being attacked and killed when they went to extract timber to which they were entitled.⁵⁶ This and more reports on the practice of dual-leasing by the forest owners, throughout the period 1860 to 1870's, resulted in "a constant succession of lawsuits brought by British subjects against the Lao".⁵⁷

Since the leases were procured mostly by Burmese who were then under British rule, the British Consul in Bangkok was under much pressure from the British Indian government to seek legal redress from the Siamese government. In some instances, Consul Knox succeeded in his claims for damages, made on behalf of the British subjects who were involved in teak logging in northern Siam.⁵⁸ In 1873, for instance, the *Chao muang* of Chiang Mai was required to pay 490,246 2/3 rupees as compensation to a British subject.⁵⁹ Large sums of money awarded to British subjects in some of the legal cases involving the chiefs of the northern states of Siam, according to Knox, laid the foundation of the British subjects' fortunes.⁶⁰ Some of these traders were said to have become "capital-worthy" as a result of the compensation awarded to them. These traders, subsequently, settled in Siam and "work teak for the Bangkok market".⁶¹ Quite apart from settling administrative discrepancies in the teak trade, the lawsuits contributed towards the amassing of the plaintiffs' wealth.

The local court in Bangkok received some 42 complaints brought against the *Chao muang* of Chiang Mai by British subjects between 1860 and the 1870's. Eleven cases were considered and out of these the *Chao muang* of Chiang Mai was found liable in every case and made to pay large sums of money in compensation.⁶²

Native foresters from Burma logging in northern Siam also complained to British representatives in Burma and India over the poor administration of the forest industry. Such complaints of poor administration ranged from dual-leasing to a lack of clear

demarcation of forest areas. As a result, the Indian government and the British Commissioner in Burma urged the British Consul in Bangkok to find a solution to minimise losses suffered by the Burmese loggers. This in turn prompted Consul Thomas Knox to urge the Siamese government to alleviate the situation.

One of Knox's suggestions was to establish police posts along the eastern bank of the Salween. The eastern side of the Salween, which bordered the rich teak areas of north Siam, attracted bandits who were engaged in log-stealing. Knox, at the same time, proposed the appointment of a Siamese judge to adjudicate over British subjects at the local court in Chiang Mai. Knox claimed that the *Chao muang* of Chiang Mai, who presided over cases in which the crime took place in Chiang Mai, failed in most instances to deliver a fair judgement. Knox's frustrations over the poor and unsatisfactory judgements made by the *Chao muang* against the British subjects led him to consult Bangkok.

Bangkok considered Knox's proposals and these were eventually incorporated in a treaty signed between Siam and the British Indian government in 1874. The treaty, popularly called the Chiang Mai Treaty of 1874, aimed at promoting commercial intercourse between British Burma and the adjoining territories of Chiang Mai, Lampang (Lakon) and Lamphun (Lamphoonchai). Article (I) of the Treaty of 1874 called for the establishment and maintenance of guard stations on the east side of the Salween river and a police force to curb more effectively robbery, murder and all other crimes of violence.⁶³

The east side of the Salween river was the area which most required the establishment of security measures because, as mentioned earlier, it bordered Burmese territories and Siamese teak forests. The *Chao muang* of Chiang Mai, by order of the King of Siam, was to provide and maintain such guard stations.

The Chiang Mai Treaty of 1874 was the first written regulation on teak logging and teak trade in northern Siam. Articles (X) and (XI) specifically addressed the issue of teak. Article (X) called for a written agreement between forest owners and British subjects intending to purchase, cut or girdle timber in the forests of Chiang Mai, Lamphun and Lampang. Article (XI), on the other hand, named the *Chao muang* of Chiang Mai and the Bangkok appointed Siamese Judge-cum-Commissioner at Chiang Mai as persons responsible for preventing forest owners from engaging in dual-agreements. Furthermore, these persons were invested with the power to enforce the agreement between forest owners and lessees, should the former prohibit the "cutting, girdling, or removing of timber under agreements duly executed". Forest owners found guilty of issuing leases to more than one party could, according to the discretion of the judge, be required to compensate the affected parties.

Problems nevertheless continued to persist after the Chiang Mai Treaty of 1874. Much longer time was taken to settle claims brought by British subjects against the *Chao muang* because of the requirement that a British officer had to be present during proceedings involving the former. This eventually resulted in the British teak companies calling for more protection than was provided for by the Chiang Mai Treaty of 1874.

(iii) The Period 1874 - 1882

The first attempt by the central government in Bangkok to secure direct control and gain financial benefits from the teak industry was indeed made in 1874. That year, following the Chiang Mai Treaty of 1874, some changes were introduced to the leasing and the collection of stump fee procedure hitherto practised by the northern chiefs. Firstly, a Siamese Judge-Commissioner was appointed to oversee the forest leasing. Teak

concessions awarded to loggers had to be ratified by both the *Chao luang* (representing the local ruling elite) and the Judge-Commissioner (representing the King of Siam). Secondly, the stump (*to mai*) fee collected on every tree felled was increased. For example, stump fee on the Yuam forest in Chiang Mai was increased from 5 rupees and 1 saleung to 5 rupees and 4 saleung.⁶⁴ The additional revenue, accruing from this increase went to the central government in Bangkok.⁶⁵ This revenue was, according to Bangkok, for the maintenance of the new position of the Siamese Judge-Commissioner in Chiang Mai.⁶⁶ Thus, through the changes introduced after the Chiang Mai Treaty of 1874, Bangkok began to claim a portion of the revenue from the timber sector of the northern states.

In 1878, four years after the Chiang Mai Treaty of 1874, the Edict of Religious Toleration was proclaimed in the northern states of Chiang Mai, Lamphun and Lampang. As discussed previously (Chapter 3), the edict was issued following the insistence of the *Chao Upparat* of Chiang Mai on the collection of "spirit fee" from convert Christians, a practice which the missionaries rejected. The edict was intended primarily to resolve matters concerning religious toleration in northern Siam. But the overall effect of the edict also assured the American citizens that they were allowed to employ locals in their private or business endeavours. No obstacles would be thrown in their way should they engage household assistants, cooks, despatch assistants, medical assistants and general labourers from among the local population. The edict ended with a stern reminder to the princes and rulers, the officers and people of the northern states that they should "violate no precept" contained in the proclamation.⁶⁷ This clause meant that the Siamese government would censure the chiefs and princes of the north should they mistreat American citizens residing in the northern states of Siam. This was an assurance by

Bangkok that the Americans residing in the north would be given some degree of protection.

Though the edict cannot be claimed to have had major repercussions on the teak industry, it helped, at least, to clarify the status of foreigners, particularly Americans, and enhanced their activities in northern Siam. The assurance of protection given by the Siamese King to Americans meant that the chief of a *prathetsarat* could not interfere with the activities of the missionaries since his supreme ruler at Bangkok condoned them. Perhaps it was because of this that the first Westerner granted a concession to log teak in northern Siam was an American medical missionary, Dr. Marion Cheek. The concession was granted by the *Chao luang* of Chiang Mai in 1882.⁶⁸

Marion Adolphus Cheek himself was a controversial character. By 1882, he had fallen out of favour among the missionaries of the Laos Mission. He had shown greater inclination towards the teak business and the upkeep of his harem than he did in the propagation of the Christian faith. What Christian brethren connection Cheek lacked among the members of the mission board, he compensated for by his political connection with members of the northern ruling class. Cheek was well liked by the principal wife of the *Chao muang* of Chiang Mai. In August 1876, Cheek successfully cured her of a long illness after local doctors had lost hope in her recovery.⁶⁹ For this Cheek was duly rewarded. The *Chao muang* presented him with a beautiful slave girl named Noja and a piece of land. These gifts were said to have transformed Cheek's life. Soon afterwards, he built a dispensary, a hospital, and houses on his piece of land. The construction of houses on his land provided Cheek with his initial interest in timber. And the slave girl Noja was one of the many women who became part of Cheek's notorious harem. Soon afterwards, Cheek's interest in timber led him to start a boat-building yard and the construction of

more houses, schools and a church.⁷⁰ Indeed, it was the fact that Cheek was "politically connected"⁷¹ which landed him the first concession and a few subsequent ones.

But concessions to work teak forests in the north prior to 1882 were obtained primarily by British subjects in Burma and Shans. At any rate, no European held leases directly from the *Chao muang* until Cheek set the precedent. Europeans were, however, engaged indirectly in the teak industry by contracting locals living in the forests to cut and deliver wood to them at an agreed price. These logs were sent to nearby streams, leading to principal rivers such as the Me Ping and Me Wang. Professional raftsmen were then employed along the main rivers to bring the logs down to Bangkok.⁷²

iv) The Period 1882-1896

During this period, European-owned firms began to participate in the extraction of teak in northern Siam. Of these European firms, the Borneo Company Limited (BCL) was the first to invest in the timber industry of the north. In 1884, the "politically connected" Cheek was formally appointed as an agent for the Borneo Company in the north.⁷³ It can be said that large scale teak exploitation for export in Siam began with this firm.

In a strict sense, leases to work the forests until about 1884 were obtained by individuals directly from the *Chao muang* of Chiang Mai⁷⁴ or the ruling princes of the other *muangs*. Later the system became a little more complex when individuals applied for and obtained leases to work on behalf of a company.

Louis Leonowens, son of Anna Leonowens who had been the English tutor to King Chulalongkorn, obtained leases on behalf of the Borneo Company Limited.⁷⁵ This started a tradition of more European, mainly British, companies bidding for teak

lumbering leases from the *Chaos*'. In the 1900's, and for more than a quarter of a century later, teak leases were held mostly by foreign companies.

British companies dominated the teak industry in northern Siam from the late 1890's until well into the first two decades of the twentieth century. They were among the largest of the European timber companies in terms of capital invested and the number of leases obtained. In 1909, of the six European timber companies operating in northern Siam, four were British owned. These were the Bombay Burma Trading Corporation (BBTC), the Borneo Company Limited (BCL), the Siam Forest Company Limited and Messrs. L.T. Leonowens Limited. The other two were the Danish-owned East Asiatic Company Limited and the La Compagnie Est-Asiatique Francaise belonging to the French.⁷⁶ It was not until the end of the 1930's that the European firms ceased to play a dominant role in the teak business when the Thai government decided to become directly involved in the forest industry.⁷⁷

Meanwhile, the Chiang Mai Treaty of 1874 was replaced by a new Treaty in 1883. Unlike the Treaty of 1874 which was signed between the government in India and Siam, the Chiang Mai Treaty of 1883 was an agreement between the Kingdom of Siam and Great Britain. The Treaty of 1883 aimed primarily at the prevention of crime in the states of Chiang Mai, Lamphun and Lampang, in addition to promoting commerce between British Burma and the aforementioned states.

The Chiang Mai Treaty of 1883 allowed Bangkok to effect further control over matters pertaining to the north. The establishment of a British Vice-Consulate in Chiang Mai and the appointment of a Vice-Consul to reside there ensured the protection of British trade interests.

Article (XI) of the Treaty of 1883 clearly stated that forest leases granted to British

subjects had to be ratified by the British Consul or Vice-Consul and a Siamese Judge and Commissioner at Chiang Mai. The concession had afterwards to be countersigned by "a competent local authority".⁷⁸ The article vaguely referred to the local authority without specifying if a competent local authority meant a *Chao muang* or a member of the *chao kan*. It may be inferred that Bangkok had perhaps envisaged the replacement of the *Chao muang* by Bangkok officials as the local authority in the north following the signing of the Treaty of 1883. Furthermore, the agreement between a forest owner and a lessee had to be registered at both the British Consulate and the Siamese Court in Chiang Mai.

The Treaty of 1883 clearly allowed for greater British and Bangkok influence to be exerted in the economy and politics of the northern states. The political and economic power of the *Chao muang*, accordingly, declined with the signing of the Treaty.

The Treaty also affected the wealth of the *Chao muang*. In the past, the *Chao muang* alone was responsible for granting forest leases. It was, therefore, important that the foreign loggers gain the *Chao muang's* favour. This they did by offering gifts and money. Gifts in the form of *krueng ngoen*(things in silver), *thong*(gold), *phed*(diamond), *loi*(precious stones), *ma*(horse), *an ma*(saddle) were offered.⁷⁹ The Treaty not only helped partially to eliminate the problem of bribery, it reduced the stature and wealth of the *Chao muang* as well.

Bangkok, on the other hand, increased its share of revenue from the stump fee collection following the Treaty of 1883. Prince Pichit was then appointed as the Commissioner to the north (1884-1885). One of the reforms introduced by Prince Pichit was the hike in the stump fee from 6 rupees to 8 rupees for every tree felled.⁸⁰ This revised rate was implemented in all the forests in the northern states of Siam, except the Mae Mei forest in Chiang Mai, where the earlier rates prevailed.⁸¹ As in the case of the

additional revenue derived from the increase of the stump fee following the Treaty of 1874, the additional revenue following the increase in 1884 was also sent to Bangkok.

After the Treaty of 1883, the Borneo Company Limited (BCL) which until then had its operational base in Bangkok, branched out to the north. Although the Company had been involved in the commerce of Siam since 1856, it was only in 1885 that it branched out to the northern region of Siam. That year, the first branch of the BCL was established at Chiang Mai.⁸² A year later, in 1886, another branch was set up at Raheng.⁸³

In the 1860's, the Borneo Company was in the insurance business in Bangkok representing the Netherlands Indies Sea Insurance Company, the Bengal Insurance Society and the North China Insurance Co. Ltd.⁸⁴ In 1865, it ventured into the rice-milling industry as partners with Alexander Merlin Odman Company.⁸⁵ Subsequently, in 1869, the Borneo Company purchased the rice-mill from A.M. Odman.⁸⁶ In 1870, the Company also ventured into the steam saw-milling business.⁸⁷ All these enterprises of the Borneo Company Limited were based at the city of Bangkok.

In addition to its involvement in the rice-mill and saw-mill industry, the Borneo Company also dealt with the export of various other merchandise to neighbouring countries. For instance, in 1863, the Borneo Company in Bangkok contracted from Poh Kuan, a salt farmer in Bangkok, 400,000 piculs of salt in compliance with a purchase order received from Java made to the Borneo Company in Siam.⁸⁸ The Company was also involved in the pepper industry. Pepper was purchased from Chantaboon (Chanthaburi) and marketed elsewhere in the region.⁸⁹ In fact, the BCL controlled the trade and carriage of the pepper produced in Chanthaburi for a long time.⁹⁰

The marketing and delivery of merchandise to neighbouring areas must have been possible with the development of the coastal trade by the Borneo Company. During the

monsoon season, the Company operated a steamer every fourth Tuesday from Bangkok to areas like Chumpon, Bandon, Lakon, Singora and Pattani.⁹¹ In 1882, the BCL was an agent for three steamers, the *Rajah Brooke*, *Ranee* and *Martaban*.⁹² But the profit from all these "miscellaneous trades" was relatively small compared to the profits that the Company derived from the teak business in the northern provinces of Siam.⁹³ It is not surprising, therefore, that beginning from 1885, the Company's activities were highly concentrated on the teak industry of the north.

Before long, a rival to the BCL's trade interests in the north entered the teak logging business. The Bombay Burma Trading Corporation (BBTC) was the second British company which invested in the timber sector of northern Siam. The entry of the BBTC resulted in stiff competition among timber companies to work the best teak areas. Good teak areas were sites nearest to the river. Forest areas nearest to the rivers incurred lower operational costs as teak logs could be easily dragged to the rivers and floated down to teak ports. On the other hand, logs from forests further in the interior had to be dragged over a longer distance to the nearest rivers, resulting in increased expenditure.⁹⁴ Longer time was also needed to transport the logs thereby increasing the risks faced by the producers. Price fluctuations in the international teak market and unforeseen calamities, such as drought, could lead to lower profits or losses in some cases. Forest areas closer to rivers, therefore, fetched higher bids and were quickly exhausted. These sites became a source of contention among rival companies.

In 1900, Charles S. Leckie, retired manager of the Borneo Company (1887-1899),⁹⁵ wrote to the Siamese King expressing his annoyance that the Bombay Burma Trading Corporation had paid advances to the northern *Chao muang* to obtain leases despite having been warned by the Siamese Government not to do so. He accused

the BBTC of attempting to obtain from the *Chao muang* leases on forest areas which were then being worked by the Borneo Company.⁹⁶ Although the BBTC ventured into the teak industry after the BCL, it soon replaced the latter as the largest trading firm with huge investments in Siam in the 1900's.

Despite the increased security along the Salween border and the establishment of the Vice-Consulate, poor administration and theft continued. H. Slade's report on the forest industry of Siam before 1896 cited examples of the poor administration and contained allegations that the *Chao muang* did not honour agreements and contracts. In one case, a European company apparently had started negotiations with the local *Chao muang* for the lease of an area. The company had estimated the area to have approximately 2000 teak trees which were valued at 10, 000 rupees. In the midst of the on-going negotiation between the company representative and the *Chao muang*, the latter leased out the same area to a different party. The report appears a little vague as to who the other party was. At one point, the report referred to the *Chao muang* himself as having quietly undertaken, with the help of his men, the task of logging at the site. At the same time, the *Chao muang* delayed his decision on the application of the first party. When the agreement was finally approved, the company representatives discovered that there were only about 1000 trees left unextracted.⁹⁷

The intense rivalry for teak leases and for lucrative forest sites appeared perennial. Prospective loggers and bidders continued to offer gifts to gain favour. The changes in the leasing procedure appear to have encouraged the *Chaos'* to receive gifts and advance payments, as they sought to compensate for their loss of revenue and stature.

It was partly to placate the British, for fear that the British government might use problems arising from the teak industry as a pretext to expand British control to the

resource rich northern region, that the Royal Forest Department was established. This was especially necessary for Bangkok after the border delineation between British Burma and Siam in 1891 and the resultant loss of Siamese territories on the east side of the Salween to Britain in the same year. Bangkok, having obtained a considerable sum of revenue from the northern states, also wanted to ensure a continual supply of teak and a steady flow of revenue. The Royal Forest Department, it was hoped, would solve some of the problems in the forest industry of the northern states on behalf of Bangkok.

(v) 1896: The Royal Forest Department

The Royal Forest Department was established in Chiang Mai in 1896 under the patronage of King Chulalongkorn. It was set up as an attempt to settle problems pertaining to the teak industry.

Among the problems were irregularities in the granting of leases to teak loggers. Foresters complained particularly of over-lapping of concession areas. The *Chao muang* was accused of deliberately leasing the same forest area to two different foresters after having received money and gifts from both parties. Inaccurate knowledge of logging sites and lack of maps to demarcate forest areas added to the confusion. Log and elephant stealing also constituted major complaints from loggers as these brought considerable losses.

King Chulalongkorn sought the help of a British forest officer to establish a Forestry Department in Siam. The decision to turn to a Westerner for help was reached upon careful consultation with Prince Damrong who had pointed out to the King that Siam lacked men with sufficient expertise to start and manage a Forestry Department.⁹⁸ Furthermore, the forests of neighbouring Burma and India were then managed by

experienced British forest officers, and this might have influenced Siam's decision to seek assistance from the British.

The request from Bangkok for a suitable candidate to help set up a Forestry Department was conveyed through the British Consulate in Bangkok to the British in India. The administrators in India were only too glad to oblige. A letter from the British Consul in Siam, de Bunsen, to the Foreign Office indicates that the British had hoped, through their countrymen, to gain a firm control of the teak supply from the Siamese forests. M. de Bunsen succinctly remarked that:

... the preservation of the Siamese teak forests is a British interest, the control of which should not be allowed to pass into foreign hands⁹⁹

The Consul went on to caution the Foreign Office that Siam might consult Germany, yet another rival (the other being France) which would be detrimental to Britain's commercial interests in Siam, should Britain fail to help Siam.

Britain's fear of Siam seeking help from Germany was not totally unfounded. By 1895, the government of Siam had consulted and engaged German nationals to fill positions in important government departments such as the State Railway Department and the Public Works Department. Earlier, in 1890, a German engineer, M. Bethge, had been appointed to oversee the construction of railways in Siam. The appointment came a short while after Siam had offered the same position to a Mr. Gordon, an Englishman from the Public Works Department in Burma. Upon Gordon's arrival in Siam to take up the post, the Siamese government arranged for Bethge to share his supervisory role with Gordon. After serving for just a few months, Gordon resigned. Not long after, Bethge became the Director-General of Railways in Siam and since then the control and management of the railways in Siam came under the influence of the Germans.¹⁰⁰ Thus, it

is very likely that fear of the extension of German influence in Siam led the British to respond immediately and positively to the request for an experienced British forest officer.

H. Slade, a British subject and an experienced forest officer serving in Burma,¹⁰¹ arrived in Siam shortly after the request was made. Slade was made the first Director-cum-Conservator of the Forest Department. He served a five-year term during which some changes were introduced into the management of the forests in northern Siam.

In appointing a British officer from Burma, King Chulalongkorn probably accomplished two objectives. First, he forestalled the British forward movement into northern Siam. Siam feared that the problems faced by the British teak traders in the north, if left unsolved, would invite intervention from the British Consul in Bangkok. The danger of the Consul transforming every problem and difficulty faced by his British loggers into a political issue leading, as a consequence, to the demand for greater British control in the northern states, loomed large. The appointment of a British officer to manage the forest affairs in the north helped to assure the British Consul and the foreign timber companies that their economic interests in the north were protected. At the same time, Siam's fear of possible British expansion into its northern frontier was somewhat removed.

Furthermore, King Chulalongkorn hoped that a British officer would be better able to handle rivalry and dispute among European companies, particularly the British-owned companies. The role of arbitrator in cases involving two British firms would thus be transferred from the Siamese government to the British officer. Again, this move served to reduce the danger of British teak companies conveying their grouses against the

Siamese government to their diplomatic representative. In that way, the King was able to avert political tension between Siam and Britain.

The Royal Forest Department was placed under the *Mahatthai* (Ministry of the Interior). Its British Director acted only with the approval of the Minister of *Mahatthai*. The central government, through the *Mahatthai*, therefore, retained much authority in forest matters and continued to keep a close watch on developments in the region.

Slade, and later his successor, W.F.L. Tottenham, tried to persuade Bangkok to delegate to them more powers. The request arose in part from the delay in leasing procedures caused by the time taken for Bangkok and the Forest Department in Chiang Mai to communicate. The central government's approval had to be obtained before any lease could take effect and this involved much delay considering the distance and poor travel conditions between Bangkok and Chiang Mai.

In an undated telegram, Prince Damrong, replying to a letter from Tottenham requesting for more powers, informed the officer that the Chiang Mai Commissioner, a Bangkok appointee, had been conferred greater powers to deal with all forest matters.

Prince Damrong, then the Minister of Interior, wrote:

... His Majesty has conferred all powers usually exercised by Ministry of Interior to Phya Surasih, present Chief Commissioner of Monton Bayap [including Chiang Mai, Lamphun, Lampang, Phrae and Nan] with the exception of granting and ratifying forest leases still to be forwarded to His Majesty for his approval and sanction as formally. In consequence you [Tottenham] are requested to consult and receive your instructions in all forest matters concerning Monton Bayap from Phya Surasih and act accordingly.¹⁰²

Prince Damrong's decision to invest the Bangkok-appointed Siamese Commissioner with authority to deal with forest matters was indeed an unprecedented move. By choosing to grant a Bangkok official enlarged power in the north, Damrong

secured two main benefits for Siam.

Firstly, the appointment of the Siamese Commissioner in Chiang Mai to deal with forest matters meant that problems and complaints from foreign companies could be dealt with quickly and effectively at the *monthon* level. Complaints from foreign teak companies to their diplomatic representatives in Bangkok over the delays and problems faced in the forest dealings would be reduced. Also, the danger of the foreign Consuls using the complaints of their countrymen to bargain for more political and economic favours in Siam would be minimized. In arriving at his decision, Damrong must have had in mind the complaints made in the annual report of 1900 by Tottenham's predecessor, H. Slade. In his report, Slade, the then Forest Conservator (1896-1900), had reported that much time was wasted when communicating between the north and Bangkok. He stated that:

The Minister [*Mahatthai*] wishes every detail submitted to him day by day as it comes before the Conservator and months are thus wasted in obtaining orders on trifles which should be settled up-country without reference to the Conservator at all let alone to the Minister.¹⁰³

Secondly, it can be argued that, through the power granted to a Bangkok official in the north, Prince Damrong acquired for the Siamese government greater control of the affairs of the north. At the same time, the Commissioner who was a Bangkok representative was able to observe at close quarters the conduct of the foreign forest officer.

Soon after it was established, the Royal Forest Department introduced a more organised and regular system of royalty collection. It also attempted to improve the existing system of granting leases. Besides these, the Department carried out survey work, boundary demarcations, and the settling of boundary disputes.¹⁰⁴

Collection of Royalties

After the establishment of the Royal Forest Department, royalties were obtained at the collection station in Paknampho.¹⁰⁵ In the Menam basin, however, royalties were "theoretically collected in the forest as prescribed in the lease"¹⁰⁶, failing which loggers paid royalties upon the arrival of their logs at Paknampho. Royalties on timber floated down the Salween, on the other hand, had been collected at Moulmein since 1897.¹⁰⁷

The firms of Bombay Burmah Trading Corporation Limited, Borneo Company Limited, Siam Forest Company Limited, East Asiatic Company Limited, Kim Seng Lee and Chin Lam Sam had "permanent permission to pay in Paknampho".¹⁰⁸ The policy to allow payment of royalty at Paknampho, as opposed to the previous policy of payment collected by a forest officer at the logging site, proved a time-saving measure. In the event of a rise in river water level, lessees could send their logs down towards Paknampho and eventually to Bangkok without having to wait for the arrival of a forest officer to collect royalties at the forest-site. It was, however, only the larger firms and, in this instance, "firms with a good credit" which were permitted to pay royalties at Paknampho.¹⁰⁹ Smaller firms and petty traders continued to pay royalties at the site which had been leased to them and in the presence of a forest officer.

However, while an efficient system of revenue collection was introduced and accurate maps and border demarcation were provided by the officers of the Royal Forest Department, very little was done towards the conservation of the forests.¹¹⁰ Unlike Burma, its timber producing neighbour to the west, which had, under British colonial administration, developed the *Taungya* (plantation forestry) system¹¹¹, Siam still lagged behind in matters of forest conservation.

In 1900, four years after its establishment, officers of the Royal Forest Department proposed that greater attention be given to matters such as, "taking up of reserves, fire-protection, and planting...."¹¹² A stringent policy on hill-clearings was suggested as being most important. Land had been randomly cleared for vegetation by members of the tribal groups who were living along the fringes of the forests. Large forest areas were thus destroyed by these groups annually, resulting in an appalling waste of rich teak forests. Regulations prohibiting the cutting of young trees and forest destruction were almost unheard of in the past despite the economic importance of timber.¹¹³

In the first few years of its inception, the Royal Forest Department achieved moderate success. Mutual distrust between the *Mahatthai* and the British conservator of the Royal Forest Department probably affected the latter's performance.¹¹⁴ In 1900, Slade commented that the *Mahatthai* "consider[ed] the Conservator as a junior clerk in the Mahatai [sic] learning office routine" while the conservator "believe[d] it to be his duty to advise the Government" on its forest policies. Citing the lack of clarity over the conservator's jurisdiction in the Forest Department, he called for steps to be taken to define clearly the duties and responsibilities of the conservator and his department.¹¹⁵

Slade gave an interesting analogy in his report. He likened the Forest Department to "a ship at sea whose rudder is locked in the Captain's cabin and only produced on occasions".¹¹⁶ Slade went on to dismiss allegations made by some quarters that "the conservator is trying to gain increased power and authority". He proposed that both the Minister of *Mahatthai* and the conservator discuss forest matters thoroughly before arriving at any decision. The implementation of forest policies, once these were decided, should be left to the conservator. Indications of the *Mahatthai's* fear of the conservator acquiring too much power or abuse the powers vested in him was explicitly made by

Slade when he remarked that "there need be no fear that he [the conservator] will willingly exceed his instructions".¹¹⁷

The distrust and friction between the *Mahatthai* and the conservator retarded the implementation of a sound forest management and conservancy policy in the first few years after the Forest Department was established. There was some degree of inconsistency in the implementation of established forest regulations. The conservator's advice even on technical grounds were at times deliberately ignored by the *Mahatthai*. Slade alleged that the *Mahatthai* had set aside his objections on certain forest measures in favour of particular Chinese firms. At the same time, Slade felt that he was "being used principally to exert his personal influence to pacify the European firms".¹¹⁸

An incident reported in Slade's report illustrates the extent of friction between the *Mahatthai* and the conservator. According to Slade, some Chinese firms in Bangkok had approached British firms to finance them to meet the operational costs involved in the logging of teak. Large concessions had been promised to the Chinese firms by the *Mahatthai* "after Mr. Slade's departure". All this took place a short while before Slade was supposed to have left for Burma in 1899.¹¹⁹ Through this and many other incidents, the *Mahatthai* not only showed that it lacked confidence in the conservator, but worse still, it created an impression among the *Chaos* and forest owners that "Mr. Slade is their one enemy in Siam and that until he goes they will continue to be hardly-treated by the government".¹²⁰

Two main points emerge from the friction between the *Mahatthai* and the British conservator. One, the *Mahatthai* which was accustomed to having complete jurisdiction over the northern provinces might have felt threatened by the presence of a Forest Department led by a British officer in the north. Slade's remark that the *Mahatthai*,

doubtless, was "chafing sorely" over the existence of the Forest Department¹²¹ is noteworthy, although somewhat vague.

Two, Slade, who was a forest officer serving the British government in Burma, might have extended the "colonial forest policies" of Burma to northern Siam, which was neither ready for abrupt changes in forest management nor willing to tolerate a colonial-like rule in the management of its forests. Perhaps Slade was not the right candidate after all.¹²² The *Mahatthai's* policies, on the other hand, arose in part from the need to protect the northern frontiers from British or French encroachments. It was constantly aware that a British officer in charge of forest affairs could be made an instrument in the foreigners' scramble for economic control of the northern states. Furthermore, Bangkok needed the revenue from the forests of northern Siam for the implementation of the central government's reforms. The responsibility of ensuring this fell on the *Mahatthai*; hence, the *Mahatthai* treaded with extreme caution when dealing with forest matters.

Foreign Domination of the Teak Industry

The Royal Forest Department indeed was not totally impartial in its dealings with timber loggers. It favoured larger trading companies, British firms in particular, as opposed to local firms. Not surprisingly, local firms recorded marginal growth throughout this period. For instance, in 1897 (R.S. 116), a year after the establishment of the Forest Department, the total number of logs extracted by Siamese and Chinese firms was four times the amount of logs extracted by the European firms. The percentage of teak output from Siamese and Chinese firms was 80.15 and the remaining 19.85 % came

from European firms.¹²³ There were a total of 127 Siamese and Chinese firms compared to four European firms.

Just two years later, in 1899 (R.S. 118), the reverse was recorded. Siamese and Chinese firms extracted 30,342 teak logs while European firms (British, French and Danish) extracted 48,538 logs. British firms alone extracted 30,807 logs, some 465 logs more than the total amount extracted by Siamese and Chinese firms. The percentage of log output from the Chinese and Siamese firms and the European firms were 38.46 and 61.54 respectively.¹²⁴ Subsequently, in 1900 (R.S. 119), the output from the Siamese and Chinese firms declined further to 28,380 logs, while British, French and Danish firms together extracted 90,311 logs. Of these, the British firms contributed 59,022 logs, twice the amount extracted by all the Siamese and Chinese firms.¹²⁵

Ansil Ramsay argued that the Siamese and Chinese failed to respond to the Siamese government's attempt at encouraging local companies to work the forests in its effort to prevent European companies' from increasing their domination of the industry.¹²⁶ He suggested that the Siamese and Chinese firms were anxious to sell their leases to foreign firms for quick cash returns and this led to European, particularly British, dominance of the teak industry.¹²⁷

Yet the fact remains that the number of leases granted to foreign companies accounted for more than half the total number of leases awarded in a year. This should be the more plausible explanation for European domination. Of those granted to European firms, British firms received the most number of leases. Just one year after assuming the post of Director of the Royal Forest Department, Slade had observed that:

... these three companies [Messrs. Siam Forest, Borneo, and Bombay Burmah] altogether have been granted almost all forest leases on the tributaries of the Chao Phraya river. Therefore, the forests under control of those who are not British subjects constitute only a small fraction of the total.¹²⁸

Three years later, in 1900, a total of 30 concessions were awarded by the government. The BCL was granted 15 leases¹²⁹ while the BBTC received 8.¹³⁰ Together these British firms held the working rights to 23 out of 30 forest leases, more than half the share of forest leases granted for the year 1900. In other words, these foreign firms would merely add to their share of forest leases should the remaining seven leases, assuming that they were held by locals, be sold to them. Therefore, the foreign companies were already dominant (23 out of 30 leases) even without buying over the working rights of the locals.

The local companies generally operated at a disadvantageous position. Most of the lessees borrowed money from foreign traders in Bangkok in order to work the forests which had been leased to them. If they failed to meet their loan terms because of unfavourable market forces, such as a sharp drop in teak prices between the time they started logging and the time their logs finally arrived at the teak ports, they faced massive losses. As a result, the lessees wound up losing their leases to the foreign companies. Such situations allowed further foreign control of the industry. Perhaps it was due to the uncertainty of realising immediate profit that the local lessees sold to the larger firms the working rights to the forest areas granted to them. Also, the guaranteed and quick cash offered by the firms in exchange for the working rights induced the locals to sell off their leases.

The position of the large European firms was further strengthened following changes to the system of granting leases. In 1908, when almost all existing leases

expired, a new forest regulation regarding leasing was implemented by the Forest Department. The regulation, introduced in 1909, extended the leasing period from six years to fifteen years. It further merged smaller forest sites into one large area, hence reducing the number of concessions offered. Entries made by D.F. Macfie, manager of the Borneo Company in Chiang Mai, in his personal account called the "Chiengmai record" for the year 1908, indicate that this scheme was first suggested in October, 1908.¹³¹ Macfie appropriately referred to the proposed scheme as the Amalgamated Lease scheme.¹³²

In June 1909, the Amalgamated Lease Scheme was approved in Bangkok.¹³³ Larger forest areas and longer leasing period, as a result of the amalgamated scheme of 1909, required huge capital and a longer time to realise profits. The regulation of 1909, essentially, favoured the foreign companies and discouraged local participation. It appears that the Thai government's policy on forest matters facilitated European ascendancy over the Siamese and Chinese. Thus, whereas in 1895 Chinese merchants and Siamese officials handled over 50 % of the delivered teakwood in Siam, by 1910, they were completely replaced.¹³⁴

Significantly, two years before the regulation of 1909 was introduced in Siam, the British colonial government in Burma had reviewed its forest policies. The Siamese forest regulation of 1909 turned out to be similar to the Burmese forest policy of 1907 in that both contained terms favourable to European lessees as compared to local or Asian lessees. It cannot be ascertained to what extent the Burmese forest policy of 1907 influenced the introduction of a similar policy in Siam in 1909. But some parallels can be drawn.

Through the Burmese Policy of 1907, the leasing period was extended from 5-11 years to 15 years. Furthermore, the renewal clause in the 1907 Policy provided security of tenure by re-allotting the forests under leases due to expire to the existing leaseholder.¹³⁵ In her thesis on British firms and the economy of Burma, Maria S. Diokno claims that the effect of the 1907 Policy was to retain forest areas already held by the British firms through the added security of longer leases and renewal options.¹³⁶

The extended period of leasing, in effect, meant a larger working capital (i.e. use of labourers and elephants over a long period of time), and a longer time taken to realise profits. Thus both the Burmese and Siamese forest regulations of 1907 and 1909 respectively contained clauses favourable to European lessees. It failed, however, to give due consideration to the local lessees whose small capital would deprive them from competitively engaging in teak logging.

As mentioned earlier, changes in the forest regulations of Siam began in earnest with the Chiang Mai Treaty of 1874. This was followed by further reforms after the Chiang Mai Treaty of 1883 and upon the establishment of the Forest Department in 1896. Still, between 1874 and 1896, the collection of the forest revenue, as in the past, was delegated to the lesser nobility of the northern states. These people were prone to corruption. Often the portion of revenue due to the *Chaos* and Bangkok was either delayed or reduced. From 1896, however, officers of the Forest Department collected the royalty and duty on teak logs extracted from the north. Thus a major change had taken place, particularly after 1896, in the management and control of the teak industry in northern Siam. The *Chaos* who were, in the past, forest owners with absolute power in the allocation of teak concessions and, consequently, derived large revenues from the industry, became instead profit-sharers with the central government.

In subsequent years, the payment of royalty shares stopped and was replaced by annual salaries. The Chief of Lampang was probably the first in a succession of northern chiefs who accepted salaries, in lieu of royalties, from the central government. He accepted a fixed salary sometime between 1903 and 1904.¹³⁷ By 1910, the Chief of Chiang Mai had also accepted an annual salary.¹³⁸ Accepting a fixed annual salary from the central government meant that the status of a Chief (*Chao muang*) was equivalent to that of a government officer (*karatchakan tua pay*).¹³⁹ Saraswadee Prayunsathien, a northern Thai scholar, has pointed out that the payment of salaries marked the beginning of the eventual abolition of the office of the *Chao muang prathetsarat*.¹⁴⁰

Bangkok must have sighed in relief when the Chief of Chiang Mai, the most influential of the northern *Chaos*, finally commuted his share of royalty payments for an annual salary from the central government. This in effect meant that, by 1910, Bangkok had gained effective control of the forest industry of the north. That year (1910), the Forest Department was transferred from Chiang Mai to Bangkok.¹⁴¹

To recapitulate, the teak industry and the problems arising from it in northern Siam resulted in greater Bangkok control over Chiang Mai and the weakening of the *Chao muang's* position; he was reduced to a salaried officer. Foreign teak merchants came to look upon the central government as a patron responsible for ensuring the success of their economic interests. This they did by approaching their respective Consuls in Bangkok who, in turn, lobbied the Siamese government to grant their own people favourable concessions. The central government, wary of the direct bearing that the teak industry might have on its security and territorial integrity, relented. The result was the signing of the Chiang Mai Treaty of 1874 and that of 1883.

But the central government's move was also motivated by its own desire to gain greater control over the outlying territories. In this instance, Bangkok hoped, in the process, to extend its political power into the tributary states of the north. Indeed, just two months before the Treaty of 1883 was signed at Bangkok, King Chulalongkorn wrote to the Siamese Commissioner, Phraya Ratsamphrakan, expressing Bangkok's political intentions with regard the northern states of Siam. The King said:

We consider Chiang Mai as still not belonging to the Kingdom proper because it still is a tributary state, but we do not plan to destroy the (ruling) families so as to abandon the tributary (status). We only want to maintain and hold the real power; that is to say whatever will be, let it be only that which we allow it to be... to put it briefly, we want (them) to be like a machine which we will wheel forward or backward as we wish... but it is necessary to do this with brains and intelligence more than power and force. Do not let (them) think that it is force and oppression. (You) must point out what is beneficial and what is not.¹⁴²

Revenue contribution from the northern states to the central purse was yet another important consideration. The problems of the teak industry and the resulting waning of the northern chiefs' political and economic power helped to ensure this. During the same period, Bangkok's trade volume with Chiang Mai grew. This development was of advantage to Bangkok as it allowed greater Bangkok involvement in the politics of the north.

- ¹ C.O 273/333, "General Report on Siam for the year 1906", p. 30.
- ² Ibid.
- ³ Sompop Manarungsan, Economic Development of Thailand, 1850-1950: Response to the Challenge of the World Economy, Bangkok: Institute of Asian Studies, Chulalongkorn University, 1989, p. 135. (Figures derived from Table 4.4).
- ⁴ C.O. 273/333, " General report on Siam for the year 1906 ", p. 26.
Teak from the northern states of Siam was also exported to the port of Moulmein in Burma. Often, figures given in Consular reports do not include Siamese timber floated down the Salween to Moulmein. It was said that timber exported from Bangkok represented about 55 % of the total teak produced in Siam annually.
See Royal Forest Department (comp.), The Forests of Siam, Bangkok: Bangkok Times Press, 1926, p. 19.
- ⁵ NA, R.5. T. 2.12/16, Statistics of the Import and Export Trade of Siam, Statistical Division of H.S.M. Customs, 1899, p. 26.
- ⁶ Malabar in India was where Europeans first became acquainted with the teakwood. Hence, the Malayalam word *tekka* was adopted and came to be used by Europeans to refer to teak. See Hobson-Jobson, A Glossary Of Anglo-Indian Word or Phrases, And Of Kindred Terms, Etymological, Historical, Geographical And Discursive, New Delhi: Rupa and Co., 1994, p. 910.
- ⁷ I.H. Burkill, A Dictionary Of The Economic Products Of The Malay Peninsula, Volume 2, Kuala Lumpur: Ministry of Agriculture and Co-operatives, 1966, p. 2167.
- ⁸ Sarasin Viraphol, Tribute and Profit: Sino-Siamese Trade, 1652-1853, Massachusetts: Harvard University Press, 1977, p. 180.
- ⁹ John Crawford, Journal of an Embassy to the Courts of Siam and Cochin China, Kuala Lumpur: Oxford University Press, 1967, p. 411.
- ¹⁰ I have used the 1850 rate of 2 Baht (tical) = Sp. \$1.00 to work out the Sp. \$ 42 and \$ 32 equivalents in ticals.
See Jennifer Wayne Cushman, Fields From the Sea: Chinese Junk Trade with Siam During The Late Eighteenth and Early Nineteenth Centuries, Ithaca, New York: Southeast Asia Program, Cornell University, 1993, p. 203. (Appendix).
- ¹¹ John Crawford, Journal of an Embassy To The Courts of Siam and Cochin China, p. 411.
- ¹² Ibid.
- ¹³ For details see James N. Mosel, "A Recently Discovered Account of a Spanish

Embassy to Ayudhya in 1718" in Felicitation Volumes of Southeast Asian Studies Presented to His Highness Prince Dhaninivat Kromaun Bidyalabh Bridhyakorn, Vol. 1, Bangkok: Journal of Siam Society, Nov 1965, pp. 123-128.

¹⁴ Ferdinand C. Llanes, "The Bustamante Trade Mission To Siam In 1718 In The Context Of Filipinas-Siam Relations And Southeast Asian History", Paper presented at the Conference of the International Association of the Historians of Asia, Tokyo, 1994.

¹⁵ NA, R.5. M. 16/10, "Prince Phenphatanaphong's Rai ngan kan pa mai [Report on Forestry by Prince Phenphatanaphong]", 1 May, R.S. 122 (1903 A.D.), cited in Chatthip Nartsupha and Suthy Prasartset (eds.), Socio-Economic Institutions And Cultural Change In Siam, 1851-1910: A Documentary Survey, Southeast Asian Perspectives No. 4, Singapore: Institute of Southeast Asian Studies, 1977, p. 6.

¹⁶ Ibid., p. 7.

¹⁷ The Royal Forest Department (comp.), The Forests of Siam, Bangkok: Bangkok Times Press, 1926, p. 7.

¹⁸ NA, R.5. M. 16.1/23, W.F.L. Tot[t]enham, "Report on that part of the Me Kong Valley which is drained by the Nam Kok, Me Ing and ...". See Appendix E in Copy No. 7416 (not dated).

¹⁹ H.N. Marshall, Elephant Kingdom, London: Robert Hale Limited, 1959, p. 48.

²⁰ Sompop Manarungsan, Economic Development of Thailand, p. 131. (Figures derived from Table 4.2).

²¹ Ibid.

²² The Royal Forest Department (comp.), The Forests of Siam, p. 12.

²³ Ibid., p. 13. Some accounts however, state that the teak logs took five years to reach Bangkok from the time they were first girdled.

²⁴ E.A. Blundell, "An Account of some of the Petty States lying north of the Tenasserim Provinces; drawn up from the Journals and Reports of D.Richardson, Esq., Surgeon to the Commissioner of the Tenasserim Provinces", in JASB, Vol. 5, October 1836, p. 609.

²⁵ D.Richardson, "Journal of a Mission from the Supreme Government of India to the Court of Siam", in JASB, Vol. 8, 1839, pp. 1018-1019.

²⁶ Subsequently, in the 1870's, it was Burn who wrote to Knox, the British Consul at Bangkok, informing him of the unreliable system of forest leasing in the teak areas of northern Siam.

- ²⁷ D.J. Edwardes to Consul General Knox, "Report Respecting Chiangmai and other teak districts of Siam" in Chatthip Nartsupha and Suthy Prasartset (eds.), The Political Economy of Siam, 1851 -1910, Bangkok: The Social Science Institute, 1981, p. 179.
- ²⁸ U Khin Maung Kyi, "Western Enterprise And Economic Development In Burma", in JBR, Vol. 53, Pt. 1, 1970, p. 27.
- ²⁹ Ibid.
- ³⁰ Maria Serena I. Diokno, 'British firms and the Economy of Burma, special reference to the rice and teak industries, 1917-1937', Ph.D. thesis, University of London, 1983, p. 175.
- ³¹ Akira Suehiro, Capital Accumulation in Thailand, 1885 - 1985, Honolulu: Centre for East Asian Cultural Studies, 1989, p. 58.
- ³² Ian Brown, The Elite and the Economy in Siam c. 1890-1920, Singapore: Oxford University Press, 1988, p. 94.
- ³³ BCR (Siam), 1894, p. 3.
- ³⁴ Henry Longhurst, The Borneo Story: The first hundred years of the Borneo Company, London: Newman Neame, 1956, p. 77.
- ³⁵ Banasopit Mekvichai, 'The Teak Industry in North Thailand: The Role of a Natural Resource Based Economy in Regional Development', Ph.D. thesis, Cornell University, 1988, p. 78.
- ³⁶ NA, R.5. M. 16/4, Prince Devawongse to de Bunsen Esqr, 26 September, 1896.
- ³⁷ Chatthip Nartsupha and Suthy Prasartset (eds.), The Political Economy of Siam, pp. 153-154.
- ³⁸ In the case of cattle, large numbers were exported overland to Burma as compared to Bangkok. In 1888, for instance, export of cattle to Burma was twice the number exported to Bangkok. See BCR (Siam), 1888, p. 3.
- ³⁹ For a discussion of the skilled and unskilled labour in the teak industry, see Chapter Six.
- ⁴⁰ D.F. Macfie, "Chiangmai Record, 1884-1919", Photocopy from a typescript copy, Payap Archives. See entry for the year 1897 and 1899. C.S. Leckie was also manager of the Siam branch of the BCL. In 1897, he was manager of the Chiang Mai branch. On 22nd. December 1897, Leckie left for home and only returned to Chiang Mai on 3rd. July 1899. In the meantime, D.F. Macfie was the acting manager. In August 1899, Leckie retired from his post in Siam and thereafter left for home. In August of the same year,

D.F. Macfie was made manager of the BCL's branch in Chiang Mai.

¹¹ Charles Leckie, "The Commerce of Siam In Relation To The Trade of the British Empire" in Chatthip Nartsupha and Suthy Prasartset (eds.), The Political Economy of Siam, p. 121.

² Paknampho is also referred to as Samutprakan and it is a district in Nakhon Sawan.

³ NA, R.5. M. 16.3/10, H. Slade to Prince Damrong, 11 February, 1899.
Kado (spelt Kade in the letter) is referred to as the timber station of Moulmein.

⁴ NA, R.5. M. 16/3, "Report Of The Royal Forest Department For 119", (Riong Raingan Jau Krom Pamai R.S.119), p. 40.
The year R.S. 119 is equivalent to the year 1901 A.D. The older name of Kanburri is used to refer to present day Kanchanaburi in the report.

⁵ Ibid.

⁶ BCR (Siam), 1885, p. 3.

⁷ BCR (Siam), 1889, p. 18.

⁸ Banasopit Mekvichai, 'The Teak Industry in North Thailand', p. 224.
See also, James C. Ingram, Economic Change in Thailand 1850 -1970, Stanford: Stanford University Press, 1971, pp. 16-17.

⁹ The Royal Forest Department (comp.), The Forests of Siam, p. 6.

¹⁰ Ibid.

¹¹ Banasopit Mekvichai, 'The Teak Industry in North Thailand', p. 104.

¹² Until the 1880's, milling in Siam was done by hand sawing in sheds. Owners of the saw-sheds and their workers were mostly Chinese. See Banasopit Mekvichai, 'The Teak Industry in North Thailand', p. 131.

¹³ BCR (Siam), 1888, p. 5.

¹⁴ "Trade Report for 1867" in British Commercial Reports for China, Japan, and Siam, 866-68, p. 316.

¹⁵ In 1879, Acting Consul General, W.H.Newman, reported that "the forests still continue to be worked almost exclusively by British subjects from Burmah". See BCR (Siam), 1879, p. 2.

¹⁶ BCR (Siam), 1875, p. 1.

W.S. Bristowe, Louis and the King of Siam, London: Chatto and Windus, 1976, p. 2.

Daniel McGilvary, A Half Century among the Siamese and the Lao, New York: Fleming H. Revel Company, 1912, p. 192.

Although Consul General, Thomas Knox had succeeded in pressuring the Siamese government to award British subjects large compensation in their claims made on the northern *Chao*, the manner in which Knox conducted the negotiations was undiplomatic. Knox was reported to have "put pressure on the Siamese, making them believe that the loss of their tributary Chiangmai would ensue on his demands not being complied with".

Re F.O. 69/60, H. Alabaster to Foreign Office, Bangkok, 28 May, 1873.

F.O. 69/60, "Chiangmai claims and dacoity in Raheng" in Knox to H.B. Majesty, despatch No. 17, 29 May, 1873.

Ibid.

Ibid.

James Ansil Ramsay, 'The Development of a Bureaucratic Polity: The Case of northern Siam', Ph.D. thesis, Cornell University, 1971, p. 63.

NA, R.5. T. 6.1/3, "Treaty between the governments of Siam and India, for promoting commercial intercourse between British Burmah and the adjoining territories of Chiang Mai, Lakon, and Lampoonchi, belonging to Siam", in State papers: Kingdom of Siam 1664-1886, London: William Ridgway, 1886, p. 97.

NA, R.5. M. 16/10, "Prince Phenphatanaphong's Rai ngan kan pamai", 1 May, R.S. 2 (1903 A.D.), p. 7.

Ibid.

Banasopit Mekvichai, 'The Teak Industry in North Thailand', p. 124.

NCP, 12 February, 1879, p. 1.

See also, Enclosure of the Proclamation of Toleration in DUSCB, D.B. Sickels to Dept. State, 5 Feb, 1879, Vol. 6.

Banasopit Mekvichai, 'The Teak Industry in North Thailand', p. 104. Bristowe however states that Cheek gained the working rights to the Mae Yom forest in March 1885. According to Bristowe, the subsequent lease for the forest of Mee [Mae ?] then offered to Louis Leonowens came from the King of Siam. In Bristowe's opinion, the Mae Tuen forest lease might have been the first lease granted officially to a westerner. See W.S. Bristowe, Louis and the King of Siam, p. 72.

⁶⁹ W.S. Bristowe, Louis and the King of Siam, p. 70.

⁷⁰ Ibid.

⁷¹ William L. Bradley, "Mr. Kellett and Dr. Cheek, The Uses and Abuses Of Extra-Territoriality" in Ratsasartsan [Social Science Journal], Chiang Mai University, Vol. 16, Pt.1-2, 1990, Chiang Mai University, p. 239.

⁷² " Siam, Trade Report For 1867", in British Commercial Report For China, Japan and Siam, 1866- 1868, p. 317.

There were two categories of labour employed in the teak industry namely, skilled labour and unskilled labour. Skilled labour included controlling of log traffic along the main rivers and the training of elephants to work in the forests. Unskilled labour included girdling and cutting of the teak trees in the forest. This subject will be discussed further in Chapter Six.

⁷³ Marion Cheek had been supplying teak to the Borneo Company from about 1882. But his formal appointment as the company's agent only came two years later in 1884. See W.S. Bristowe, Louis and the King of Siam, pp. 69-71.

⁷⁴ Henry Longhurst, The Borneo Story, p. 75.

⁷⁵ Ibid.

⁷⁶ Akira Suehiro, Capital Accumulation in Thailand, p. 63.

⁷⁷ Ibid.

⁷⁸ See Article (XI) of the Chiang Mai Treaty of 1883.

⁷⁹ Prasanitpojnakhon (trans.), Raingan khong Mr. H. Slade, kan pamai kong prathet Siam (samai kon tang krom pamai), R.S. 114 (B.E. 2439), [Report by Mr. H. Slade on the forests of Siam before the establishment of the Forest Department (A.D. 1895)], p. 14.

⁸⁰ Banasopit Mekvichai, 'The Teak Industry in North Thailand', p. 210.

⁸¹ NA, R.5. M. 16/10, "Prince Phenphatanaphong's Rai ngan kan pamai", 1 May, R.S. 122 (1903 A.D.), p. 8.

⁸² Borneo Company Limited, The Borneo Company Limited: Seventy Years Trade in Bangkok, 1856-1926, Bangkok: Bangkok Times Press, 1926, p. 4.

⁸³ Ibid.

⁸⁴ Ibid., p. 3.

⁸⁵ Ibid., p. 4.

⁸⁶ Guildhall Library, London, 'Bangkok (Siam) rice mill leases, 1869 and 1913', Ms. 27,319.

⁸⁷ The Borneo Company Limited, Seventy Years Trade in Bangkok, p. 4.

⁸⁸ NA, R.4. 2/6, Sir Robert Schomburgk to His Majesty The First King of Siam, 14 March, 1863.

In the annual trade report for the year 1863, Schomburgk reported that the salt trade with Batavia, under a contract with the Netherland's Government, ceased because of mismanagement by the Siamese contractor. See BCR (Siam), 1863, p. 314.

⁸⁹ Henry Longhurst, The Borneo Story, p. 45.

Chanthaburi is a town on the east coast of the Gulf of Thailand, some 350 kilometers east of Bangkok.

⁹⁰ The Borneo Company Limited, Seventy Years Trade in Bangkok, 1856-1926, Bangkok: Bangkok Times Press, 1926, p. 4.

⁹¹ Ibid.

⁹² Ibid.

⁹³ Guildhall Library, London, 'Notes assembled by Henry Longhurst for the writing of the Borneo Company's history', Ms. 27,442.

⁹⁴ See "Report on the Trade of Chiang Mai for 1893", in BCR (Siam), 1893, p. 19.

⁹⁵ This date is taken from W.S. Bristowe, Louis and The King of Siam, p. 148. See Endnote (17). Based on D.F. Macfie's record in the "Chiangmai Record, 1884-1919", Leckie had left for Bangkok from Chiang Mai in August, 1899 and thereafter resigned from his post in the East and left for home. But the letter from C.S. Leckie, stating that he had been asked by the Directors of the Borneo Company to conduct, on their behalf, negotiations with the Forest Department of Siam is dated 30 Aug, 1900. See NA, R.5. M. 16.2/31, C.S. Leckie to King of Siam, 30 August, 1900. Perhaps Leckie had resigned from his post as manager of the BCL in 1899 but did not leave Bangkok until some time later. The negotiations between Leckie (acting for the BCL) and the Forest Department must have taken place between the time of his resignation and his departure from Bangkok for home.

⁹⁶ NA, R. 5. M. 16.2/31, Charles Leckie to King of Siam, 30 August, 1900.

⁹⁷ Prasanitpojnakhon(trans.), Raingan khong Mr. H. Slade, p. 15.

- ⁹⁸ NA, R.5. M. 16/4, Prince Damrong to King Chulalongkorn, 22 June, 1894, cited in James A. Ramsay, 'The Development of a Bureaucratic Polity', p. 137.
- ⁹⁹ F.O. 69/159, de Bunsen to Marquis of Salisbury, 22 July, 1895, cited in, James A. Ramsay, 'The Development of a Bureaucratic Polity', p. 139.
- ¹⁰⁰ C.O. 273/333, "General Report on Siam for the year 1906", pp. 13-14. For a discussion of Germany's control in Siamese State Railways and her leading position in sea commerce with Bangkok see, F.O. 371/132, "Extract from the "Times" of 21 May, 1906", p. 3. See also, Clemens Weiler, "The Germans and Thailand's First Railways", in Southeast Asia and the Germans, Tübingen and Basle: Horst Erdmann Verlag, 1977, pp. 200-214.
- ¹⁰¹ The Royal Forest Department (comp.), The Forests of Siam, p. 7.
- ¹⁰² NA, R.5. M.16/13, Prince Damrong to Tottenham, Conservator of Forests, Chiang Mai (not dated).
- ¹⁰³ NA, R.5. M. 16/3, "Report of the Royal Forest Department for 119" (1900 A.D.), p. 50.
- ¹⁰⁴ Ibid., p. 7.
- ¹⁰⁵ Ibid., p. 37.
- ¹⁰⁶ Ibid., p. 25.
- ¹⁰⁷ Ibid., p. 31.
- ¹⁰⁸ Ibid., p. 25.
- ¹⁰⁹ Ibid., p. 26.
- ¹¹⁰ Ibid., p. 7.
- ¹¹¹ Raymond L. Bryant, " Shifting the Cultivator: The Politics of Teak Regeneration in Colonial Burma", in Modern Asian Studies, Vol. 28/2, May 1994, pp. 225-250.
- ¹¹² NA, R. 5. M. 16/3, "Report of the Royal Forest Department for 119" (A.D. 1900), p. 7.
- ¹¹³ BCR (Siam), 1882, p. 1.
- ¹¹⁴ NA, R.5. M. 16/3, "Report of the Royal Forest Department for 119" (1900 A.D.), p. 49.

¹¹⁵ Ibid.

¹¹⁶ Ibid., p. 50.

¹¹⁷ Ibid.

¹¹⁸ Ibid., p. 52.

¹¹⁹ Ibid.

¹²⁰ Ibid., p. 53.

¹²¹ Ibid.

¹²² One of Slade's near contemporary (a European), however, wrote that Slade was "of exceptional ability and force of character". See Reginald le May, An Asian Arcady: The Land and Peoples of Northern Siam, Bangkok: White Lotus Co., Ltd., 1986 (reprint), p. 61.

¹²³ NA, R.5. M. 16/3, "Report Of The Royal Forest Department For 119" (1900 A.D.), p. 39.

¹²⁴ The British Consular Report for Chiang Mai however gives a different account. For the year 1899, British and Danish firms extracted 69 and 5 percent respectively while the Chinese and Siamese firms extracted 26 percent. Together the European firms produced 74 percent of total teak output. No mention of the French firm is made in the Consular Report. Slade's report, on the other hand, stated that the output from the French firm accounted to 19.05 % of total teak logs extracted in 1899. Although different figures are given in Slade's and the Consul's report, both agree that the output of teak from European firms increased and the Chinese and Siamese firms' output decreased in the years following the establishment of the Forest Department. See, BCR (Chiang Mai), 1900, p. 8.
See also, Sompop Manarungsan, Economic Development of Thailand, 1850-1950, p.128.

¹²⁵ NA, R.5. M.16/3, "Report of the Royal Forest Department for 119" (1901 A.D.), p. 39. (Figures from the Table).

¹²⁶ James Ansil Ramsay, 'The Development Of a Bureaucratic Polity' pp. 131-132.

¹²⁷ Ibid., p. 132.

¹²⁸ Krom Pamai, Prawat krom pamai, B.E. 2439-2514 [History of the Royal Forest Department, 1896-1971], Bangkok: Royal Forest Department, 1971, p. 10, cited in Banasopit Mekvichai, 'The Teak Industry in North Thailand', p. 111.

- ¹²⁹ Akira Suehiro, Capital Accumulation in Thailand, p. 58.
- ¹³⁰ Ibid., p. 59.
- ¹³¹ D.F. Macfie "Chiengmai Record, 1884-1919", Photocopy from a typescript copy, Payap Archives. See entry for the year 1908.
- ¹³² Ibid.
- ¹³³ Ibid. See entry for 1909.
- ¹³⁴ Akira Suehiro, Capital Accumulation in Thailand, p. 61.
See also, James Ingram, Economic Change In Thailand, p. 106.
- ¹³⁵ Maria Serena I. Diokno, 'British firms and the Economy of Burma', p. 177.
- ¹³⁶ Ibid., pp. 171-204.
- ¹³⁷ Between 1902 and 1903, royalty payments to the Chief of Phrae stopped but it is not clear if he accepted a fixed salary from Bangkok. See James Ansil Ramsay, 'The Development of a Bureaucratic Polity, p. 153.
- ¹³⁸ Ibid.
- ¹³⁹ Saratsawadee Prayunsathien, "Krabuankanruam huamuang prathetsarat Lan Na Thai khao su suan klang (B.E. 2427-2476), [Process of Consolidating the Tributary States of Lan Na Thai/Northern Thai States into the Central State, (A.D. 1884-1933)]", Varasan Sangkhomsat, Chiangmai University, Vol. 5, No. 1, April-June, 1981, p. 37.
- ¹⁴⁰ Ibid.
- ¹⁴¹ Tej Bunnag, The Provincial Administration of Siam, 1892-1915: The Ministry of the Interior under Prince Damrong Rajanubhab, Kuala Lumpur: 1977, p. 223.
- ¹⁴² King Chulalongkorn to Phraya Ratsampharakon, 12, July, 1883.
Cited in Anders P.Hovemyr, In Search of the Karen King: A Study in Karen identity with special reference to Nineteenth Century Karen Evangelism in Northern Thailand, Jppsala: Studia Missionalia Upsaliensia, 49, 1989, p. 43.