CHAPTER 5

THE COMMERCIAL STRUCTURE OF ARAKAN AND TENASSERIM,

1820s-1850s

Being coastal provinces, both Arakan and Tenasserim had a deep rooted maritime tradition. The British were not the first to develop Arakan's and Tenasserim's maritime potential for both were active trading centres under their own rulers. Though trade was frequently disrupted by wars, it soon resumed with the return of peace, often focused at new centres. As in the rest of Southeast Asia, the cyclic rise and demise of ports was a feature of the territories bordering the Bay of Bengal, including Arakan and Tenasserim.

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Although from the very beginning the Commissioners in both the provinces tried hard to encourage trade, commercial growth was slow. Difficulties encountered by the early officials were closely related to the uncertain status of the territories which, in the case of Tenasserim, was not resolved until 1833. Subsequently, the trade of both provinces increased gradually until the 1850s when Akyab and Moulmein were flourishing centres of commerce. As Keeton writes:

The British developed the rice production of Arakan until it soon exceeded that of Arakan's golden years in the 1600s. Akyab was for a time around the rice-exporting capital of the world -- until superseded by the phenomenal increase of rice exports from Rangoon following the Second Anglo-Burmese War. Moulmein port in Tenasserim was developed as a teak exporting outlet for the Karenni forest, and as a rice exporting and ship-building centre.

I. ARAKAN

Maritime trade had been a long-standing tradition in Arakan. This was due largely to its geographical location.

as a coastal province, with numerous creeks and shoals. Cut-off from the rest of Burma by the Arakan Yoma, Arakan was maritime orientated, serving the commercial world of the Bay of Bengal. Much of the early trade was based on slave-raiding. At its heyday, Arakan proved to be a terror in the Ganges region due to its slave-raiding activities. The availability of slaves helped reinforce its commercial links, first with the Portuguese and then with the Dutch. Portuguese mercenaries helped enhance Arakan's naval power, important for slave-raiding expeditions. With the rise of Batavia, Arakan became an important supplier of rice and slaves to the Dutch capital.

The British administrators of Arakan were quick to recognize its potential as an important area for the export of paddy and locally produced salt. In the case of salt, the early administrators came to understand that this article could, if properly managed, become an important item of trade. Though initially the Indian authorities were keen to develop salt production and export,


this ambition soon fell short of realization due mainly to Calcutta's aim to maintain Bengal as the prime producer of salt in the region. Another factor which hampered development of the industry was the high freight charges incurred in transporting salt to Calcutta. Richard Hunter's hopes of producing some five lakhs maunds of salt annually was soon abandoned. The efforts of the Special Commissioner, William Blunt, in 1828 to establish a profitable government salt industry had also failed, but only due to the growth of an active trade in privately manufactured salt, smuggled to Calcutta, Chittagong and Ava. Calcutta was however, reluctant to take blanket measures to suppress the trade as they feared any interference in the smuggling trade would jeopardise their relations with Ava.

Alternatively, in 1837, the Commissioner of Arakan, Bogle, was instructed by the Indian authorities to suppress the activity through a system of strict control over the production of salt which included the imposition of taxes on boilers (See chapter 3). In accordance with this, Bogle suggested the setting-up of a government monopoly to purchase all the salt produced, as well as to increase government surveillance over the Mayu river which appeared to be the focus of the smuggling activity. The

effectiveness of the new measure was reflected in the exportation of 20 to 30 lakh rupees worth of salt annually. Almost all of it was shipped to Chittagong and sold to a private merchant who was reported to have held a monopoly.

Rice was the mainstay of Arakan's exports from the 1820s until the 1850s. The overall exports of rice gradually increased with the rise in paddy cultivation. In 1834/35, Arakan exported 425,040 maunds of rice at a total value of 173,636 Rs. Two years later, in 1837/38, its value had increased to 1,317,317 Rs. By 1840/41, it was reported that Arakan's annual total rice exports stood at 1,142,187 Rs. for some 2,654,298 maunds. Rice was exported mainly to South India and Penang, both being chief importers of Arakan's grain for the period under review. From available statistical returns, it may be ascertained that exports to South India began in the 1830s, particularly to ports on the Coromandel Coast such as Nagapattinam, Coringa, Madras and Masulipatam. A large amount of this trade was conducted by native crafts from that coast. Until 1847, the Coromandel Coast was still

7. **Pinang Gazette and Straits Chronicle** (hereafter Pinang Gazette), 9 February 1839.


Arakan's principal purchaser of its grain though there were ships from Ceylon, and the Bourbon visiting Akyab which carried away 1,824 tons of rice from Arakan. This trade with the Coromandel Coast constituted largely the exportation of unhusked rice. Besides supplementing needs for local consumption in the Tamilnadu, it was reshipped as 'Madras rice' to other destinations. The tremendous increase in the population of Madras from 9.5 million in 1800 to 22 million in 1851/52 appears to have been the main reason for the great demand of Arakanese rice in the Madras Presidency. One opinion states:

The extension of grain cultivation was inadequate to meet the needs of the [Madras] Presidency, and it required to be supplemented by increasing imports of [Arakan] rice.

There was also an active trade between Arakan and Penang particularly in the 1840s and 1850s. Though Tenasserim was the chief supplier of rice to Penang, in 1844, Arakan's rice exports had already superseded that of Tenasserim's. By the 1850's, and especially between 1850 till 1855 (with the exception of 1853 and 1854) some

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13. Pinang Gazette, 10 April 1844.
255,890 piculs and 931,254 bags of rice/paddy were exported to Penang. For the period 11 to 29 March 1852 alone, Arakanese earned some 14,200 Company rupees in payment for rice. By 1855, this trade to Penang was beginning to decline drastically, due probably to the supply of rice to Penang from the Burmese delta (See Table 5.1). But Arakan's overall rice exports continued to increase as late as 1861/62 through its traditional markets in the Madras Presidency.

Table 5.1

<table>
<thead>
<tr>
<th>Year</th>
<th>Piculs</th>
<th>Baskets</th>
<th>Bags</th>
</tr>
</thead>
<tbody>
<tr>
<td>1850</td>
<td>77,550</td>
<td>59,000</td>
<td>--</td>
</tr>
<tr>
<td>1851</td>
<td>75,840</td>
<td>756,649</td>
<td>--</td>
</tr>
<tr>
<td>1852</td>
<td>79,980</td>
<td>115,605</td>
<td>--</td>
</tr>
<tr>
<td>1853</td>
<td>n.a</td>
<td>n.a</td>
<td>n.a</td>
</tr>
<tr>
<td>1854</td>
<td>n.a</td>
<td>n.a</td>
<td>n.a</td>
</tr>
<tr>
<td>1855</td>
<td>25,520</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

n.a. -- not available

Source: Pinang Gazette, 1850-1855.


15. Ibid., 1850-1852 and 1855.

Until 1831, Kyaukpyu on the Ramree Island, served as the British headquarters in Arakan. But subsequently the civil headquarters was shifted to Akyab leaving Kyaukpyu as the military headquarters. According to an official opinion:

Arakan possess many advantages which, are not enjoyed by any other port on the coast, and it is now the centre of a very flourishing trade. It has an uninterrupted inland navigation with the most productive districts of the Province.

The strategic location and access to inland resources meant that within less than five years of British rule there was a significant expansion in Arakan's resources and Akyab soon emerged as the principal port in Arakan.

The other ports of Arakan, namely Kyaukpyu and Sandoway town, assisted Akyab's rise to pre-eminence by functioning as feeder ports. Sandoway, for instance, exported rice, sesamum, salt, salted-fish, silk some tobacco either to Akyab or Kyaukpyu. Kyaukpyu, in addition to being a feeder port for Akyab, also conducted some direct trade. This was not a new development because, even as early as


1805, Ramree Island was described as a "grand emporium" which was annually visited by about sixty large ships from Bengal.

The general duty levied in 1826, on all imports and exports at Akyab and the other ports of Arakan, amounted to 10 per cent of the total value of the cargo and was payable in kind or cash. There were five customs posts created in the whole of Arakan to increase efficiency of customs-duty collection. Probably as a result, there was a substantial increase by 1834 in the duties raised from port clearance at Akyab, derived mainly from a duty of twelve rupees imposed on each square-rigged vessel carrying rice to the Coromandel. In 1852, the port charges at Akyab were two-and-a-half anna per ton. Charges for agency services were 5 per cent. In addition, there was a packing and shipping charge of one anna per bag, with another one-half anna payable for godown rent when the rice was stored, or packed on shore.

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21. Pinang Gazette, 10 July 1852.
The shipping season at Akyab was between October to April each year. The sea-traffic at Akyab gradually increased with the growing prosperity of Arakan. Between October 1830 and April 1831, no less than 140 vessels, varying between two and four hundred tons, cleared from Akyab. It was also reported in the same year that:

This trade has been progressively increasing yearly, and the principal export consists of products which are now more extensively obtained in the division of [Arakan] proper than any other...

By 1833, a total of 178 vessels visited Arakan with goods valued at a total of 93,806 Rs. It was also reported that every bazaar in Akyab was well supplied with British goods, evidently brought by vessels exporting rice and was an indication of Arakan's growing prosperity. In the same year, specifically during the first three months, about 178 vessels are reported to have visited Kyaukpyu to obtain rice. By 1837, the sea-traffic at Akyab had


further increased to 501 vessels with a total tonnage of 64,459 calling at that port.

Although rice appears to have dominated Arakan's trade, salt remained the second principal article of export even as late as 1852. Other articles of export were tobacco, bees' wax, honey, raw cotton, hides and horns, earth and wood oils, sharks fins, maws, chillies, ginger, cows, bullocks and ponies. These exports constituted a mixture of agricultural, marine and jungle produce. The imports on the other hand were mainly British piece goods, 'book muslins', cloth, cotton velvet, gingham, woollens, coconuts, mustard oil, ghee, soap, muskets, iron, betel-nut and Bengal rum. On the import of coconuts from the Nicobars, Tarling writes:

... [B]y 1848, it could be asserted that near one hundred British vessels load at the above islands [Nicobars] annually for Tenasserim or Arakan.

In another direction, as early as 1831, the administrators of Arakan and Tenasserim were already looking into the possibility of establishing trade relations with Ava. This was through the An and Talak passes which were the


major communication routes cutting across the Arakan Yoma and leading to Magwe and Minbu on the Irrawaddy river. In 1828, it was reported that some 150 bullocks laden with goods of independent Burma had visited the Talak fair. The goods they brought were Burmese silks, cotton, cotton thread and some bullion. Further, a report on the traffic passing through the An pass in 1831 noted that some 2,600 bullocks annually crossing the pass "laden with products of the [Burma] territory and the staples and manufacture of Britain and India".

Overall, the annexation of Arakan by the British in 1826, brought about dynamic changes in its economy. What had been a war zone in the hands of the Burmese, was turned into a rice granary in just less than three decades. Though initially, development was slow and gradual, Akyab ultimately earned wide reputation as a rice exporter. By the 1850s it was well known to most shipowners as far as Liverpool. This meant that Akyab, originally


30. Ibid.


a small fishing village, became "the seat of an extensive rice trade". In the fifty years between 1831 and 1881, its trade multiplied by more than two-hundred-and-twenty times.

II. TENASSERIM

Because of its geographical configuration along a long and narrow coast, Tenasserim had an even deeper rooted maritime tradition. Tenasserim's maritime activities in pre-colonial times reached an apogee between the fourteen till the sixteen centuries under Siamese rule. By providing Siam access for trade with the Bay of Bengal, Tavoy and Mergui became centres for Thai's international trade. They thus commanded a considerable volume of trade centuries before the British annexation of Tenasserim.

Active British trade with Tenasserim had long preceded the conquest, conducted largely by 'country traders' and the Company servants in their capacity as private traders. The chief articles of trade were


34. Ibid.

timber, stick-lac, salt-petre, rice, oil and elephant tusks. In fact, during the early eighteenth century, Calcutta ships traded with Tenasserim to obtain tin and sapan and sandal wood.

In his very first proclamation on 30 September 1825 to the inhabitants of Mergui, Anthony D. Maingy, assured the people that "the most free and unrestricted internal and external commerce will be established and promoted". This was undoubtedly, a far more liberal trade policy compared to that of the Burmese who were reported to have levied the rate of ten per cent to be paid in kind on grain and garden produce.

Robert Fullerton, the Governor of Penang was very optimistic about Tenasserim's trade potentialities and wrote:

Its central position both with regard to the Burman and Siamese territories point it out in every aspect as a depot for commercial emporium, and with an increased population combined with industry and enterprise of British and Chinese merchants, it may


reasonably be expected that the ancient commerce formerly carried on with Siam will again be revived, and by this means the manufacture of England and British India be widely dispersed ....

Interest in Tenasserim was one of the reasons for Captain Henry Burney's mission as envoy from Calcutta to the Court of Siam to establish early communication between Mergui and Bangkok. Although trade showed signs of slight revival in 1825, the import and export duties at Tavoy and Mergui did not produce much in the way of revenue. Both were visited only by a few junks and prow due, obviously, to the unsettled conditions in the province following the war.

From the very beginning Maingy was interested in encouraging Chinese immigrants from the Straits Settlements to inject a spirit of commercial enterprise. He was disappointed when only a few Chinese came. Also, during the early years, instead of exporting rice, Tenasserim was actually forced to import rice from Calcutta, when Mergui encountered a shortage in 1826. By 1833 however, just seven years after the British annexation, Tenasserim like Arakan, was exporting rice to the Coromandel Coast and the Straits Settlements. By this time, large quantities

41. Ibid.

42. Ibid. See also Straits Settlements Records, (hereafter SSR), A6, pp. 82-90, Report on Mergui & Tavoy by Maingy to Fullerton, 31 Jan. 1826.

43. Ibid.

44. Foreign Dept., Tenasserim, Revenue Cons., 27 Oct. 1834, No. 1, MacSween's Report, 29 Mac. 1834.
of Tenasserim's rice and teak were also reaching Calcutta from Moulmein. As regards forest produce, there was evidently an active trade, especially in ivory, cardamom and bees' wax. But, as Blundell noted, there was a substantial loss of revenue due to rampant smuggling in these articles, to evade the 20 per cent duty.

The teak enterprise was a more important source of revenue and was thrown open for development to private enterprise. Following the 1827 report based on the inspection of the teak wood forests by Dr. Nathaniel Wallich, Superintendent of the Botanical Gardens, Calcutta, Maingy granted the first licence to cut teak in 1829. Licencees were permitted to cut as much teak as they pleased so long as they paid the ad valorem duty of fifteen per cent per log. This very quickly encouraged speculators whereby, between 1830-1833, some 7,309 tons of teak were exported to Calcutta. In 1839 Tenasserim sent its first shipment of teak to England. The logging also established the foundations for the shipbuilding industry at Moulmein.

The shipbuilding industry at Moulmein was founded in 1830 when a small vessel, the 'Devil', of fifty-one tons was built. By 1833, three square-rigged vessels had been constructed while another four were under construction.

45. Ibid.
In 1837, a number of nine vessels with a total tonnage of 2,500, at an estimated value of 250,000 Rs. were launched at Moulmein. Five years later, in April 1842, Moulmein had produced sixty-five ships, including a steamer, with an aggregate tonnage of 16,324. Moulmein's teak was generally more popular on the market than Rangoon's because it was exported as sawn timber. Moulmein had also a reputation for building "stout vessels". Smaller vessels were built in Mergui and Tavoy.

Besides encouraging maritime trade, Maingy explored the possibilities of developing inland trade with Upper Burma. In 1829-30 Dr. D. Richardson was sent on an expedition, via the Lao states of Laboung and Chiengmai, to the Shan States. The aim of this mission was to divert to Moulmein the annual Chinese caravan trade to Ava. Resulting from the mission, trade with the Burmese Shan states developed, involving the importation of cattle and goods worth 72,615 Rs. annually between 1833-37. Exports in British Indian goods, for the same period, amounted to 73,000 Rs.


Maingy's plan to lure the Chinese caravans to Tenasserim, however, provoked retaliation from Ava which threatened to attack the caravan proceeding to Moulmein. By 1838, imports from the Shan states constituted largely stick-lac borne by some 700 bullocks annually. In 1838, the Tenasserim authorities sent Captain W. McLeod to Zimmay, in the Shan States, to again convince the traders of Yunnan to visit Moulmein but this effort also failed due to opposition from Ava.

Economic developments stimulated foreign immigrant labour, particularly of South Indian origin, which began to flow in to overcome the problem of labour shortage which had earlier vexed Maingy's administration. Besides this, Moulmein attracted a considerable merchant population of Europeans, Chinese, Chulias, Armenians and Par-

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54. Foreign Dept., Tenasserim Revenue Cons., To the Sudder Board from Blundell, 27 Nov. 1837.
sees. In fact, one of the wealthy merchants of Moulmein was one Aga Said Abdul Hoosein (probably an Indian Muslim) who was said to have owned many ships. Moulmein also attracted a substantial population of Chinese offering skilled labour and services as shipbuilders, spirit brewers, carpenters, blacksmiths, bakers and gardeners.

By August 1842, the Marine Board of Calcutta reported a great increase in shipping at Moulmein when, in August 1841, 344 ships visited Moulmein. On the whole, rice and timber dominated Tenasserim's exports from the 1830s to the 1850s. Between 1838-1839, about 39,557 piculs of rice and between 1849-1852 a total of 176,981 piculs of rice were exported to Penang. However, by 1855, this export had fallen drastically to 11,419 piculs due probably to the exports of paddy/rice from Rangoon.

55. Coates, The Old 'Country Trade', p. 87.
60. Ibid, 23 March 1853.
Out of a total value of Tenasserim's rice/paddy worth at 71,562 Rs. in 1837, Penang the main importer, purchased a cargo worth 43,622 Rs. Mauritius was the second most active buyer of Tenasserim rice, purchasing in the same year, a cargo valued at 12,640 Rs. This was followed by Ceylon and Madras. Despite the fact that after 1844, Arakan's rice production and imports to Penang had superseded Tenasserim's, the latter continued to export most of its grain to Penang.

During the subsequent period, Tenasserim's rice distribution expanded over a wide range of markets. Between 31 June 1845 to July 1847, some forty-three sea-going vessels sailed from Moulmein carrying cargoes of rice to various ports, mainly Penang, Singapore, Macau, Madras, Basra, Bordeaux and the Isle of France. Further, in 1849, out of the six ships which left Moulmein carrying rice/paddy, five headed for Penang. During the first half of 1850, sixteen ships sailed from Moulmein with cargoes mainly of rice/paddy for Penang, Madras, Rotterdam, Macau and France. Although Tenasserim's rice/paddy was sold all over the world, Penang was a more important

61. Ibid., 26 May 1838.


63. Ibid., 26 May 1853, No. 1.

64. Ibid.
purchaser than Singapore due, presumably, to its proximity to Tenasserim.

Timber, which became a more important source of revenue than rice, was exported largely to Calcutta. Other destinations to which this article went were Madras, London, Colombo, Coringa, Plymouth, China, Mauritius and Nagapatinam. As shown below, Moulmein's exports for 1837 showed that Calcutta's imports amounted to a total value 170,890 Rs., constituting one-half the overall teak exports valued at 351,933 Rs. Madras and Mauritius were the second and third largest importers of Tenasserim teak.

Table 5.2

<table>
<thead>
<tr>
<th>Destination</th>
<th>Value (Rs)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calcutta</td>
<td>170,890</td>
<td>48.6</td>
</tr>
<tr>
<td>Madras</td>
<td>109,478</td>
<td>31.1</td>
</tr>
<tr>
<td>Mauritius</td>
<td>63,365</td>
<td>18</td>
</tr>
<tr>
<td>Other Ports</td>
<td>8,200</td>
<td>2.3</td>
</tr>
<tr>
<td>Total</td>
<td>351,933</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Pinang Gazette, 26 May 1838.
The total value of timber exports for 1837 superseded the total value of rice exports by 280,371 Rs., an indication of timber becoming an important item of customs-duties.

Further, between July 1845 to June 1847, some seventy-nine ships left Moulmein loaded with timber, their numbers superseding the rice cargo ships by thirty-six vessels. Subsequently, for the two year period between July 1849 -June 1850, fifty-three vessels left Moulmein carrying timber. One of the major investors in the logging as well as shipbuilding was Messrs. Cockerell & Co.

Tenasserim's trade with the kingdom of Ava, particularly Rangoon, too flourished. It appears that until 1836

65. Pinang Gazette, 26 May 1838.
66. Foreign Department, Tenasserim Marine Cons., 7 April 1847, No. 15-20; 4 August 1847, No. 11 & 12 and; 13 Nov. 1850, No. 1.
67. A. Duff & A. Friend, "The Tenasserim Provinces", p. 99. In 1790, Messrs. Cockerall & Co. were noted as one of the main agency houses in Calcutta, see Amales Tripathi, "The Agency Houses in Bengal", Bengal, Past and Present, Vol. 73, pt. ii, no. 137 (1954), p. 120.
Moulmein supplied most of the Rangoon's needs:

The great falling off in the importation of English piece goods, arises from the circumstances of the Rangoon market now being supplied from Calcutta whereas in 1836 almost the whole supply was landed here [Moulmein] in the first place and sent in small vessels which enjoyed certain privileges which have since been abolished at Rangoon.

The trade between Moulmein and Rangoon was bilateral and was largely in the nature of a coastal trade handled predominantly by small vessels. Between July 1846 and June 1847 some ninety-five vessels, mainly junks and small native vessels, arrived at Moulmein from Rangoon. Two years later, between July 1849 and June 1850 the number had further increased to some one-hundred-and-two vessels. The cargo consisted mainly of rice/paddy, cutch, betel-nut, ballast, fish maws, jaggery, stick-lac and coconuts.

In addition to the sea-borne trade, Moulmein conducted an active overland trade with Rangoon, as well as with Martaban and the Shan states. From 1836 to 1836 there was an increase of 49.6 per cent or Rs. 25,370 in the total value of imports from the overland trade, but for the period

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68. Foreign Dept., Tenasserim, Revenue Cons., 18 Apr. 1842, No. 76, Statistical Statements on the Tenasserim Provinces.

69. Ibid., Tenasserim, Marine Cons., 7 Apr. 1847, No. 15-20.

70. Ibid., 13 Nov. 1852, No. 1.
between 1836 and 1839 imports increased only by 7,217 Rs. The bulk of Moulmein's overland trade between 1833 and 1839 was with independent Burma (See Table 5.3). The articles which topped the list of imports in 1833 were rubbies and lacquer-ware, while for 1836 and 1839, the importation of cattle from the Shan states far exceeded the other articles. The supplies of cattle proved both plentiful and cheap. The substantial increase in luxury goods and cattle suggests surplus income and improved standards of living as a consequence of increased cultivation in Tenasserim provinces.

Increase in trade meant increased sea traffic at Moulmein (see Table 5.4). The upsurge in sea traffic was inclusive of large sea-going vessels and small native vessels or junks engaged in coastal trade with the Burmese territories and the Malayan Peninsula. During 1851/52 and 1852/53, fifty-seven and fifty-three ships respectively sailed from Moulmein to Penang. Of the total of 726 ships which departed from Moulmein between January 1851 and June 1852, about 110 ships or 15 per cent of the total sailed for Penang. Also, for both years mentioned above, the number of native crafts far exceeded square-rigged vessels.

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71. Ibid., Tenasserim, Revenue Cons, 18 Apr. 1842, No. 76, Statistical Statements on Tenasserim.

Table 5.3

Imports by land into Moulmein from the Burmese Territories for 1833, 1836 and 1839 (in Rs.)

<table>
<thead>
<tr>
<th>Articles/Years</th>
<th>1833</th>
<th>1836</th>
<th>1839</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold</td>
<td>4,132</td>
<td>485</td>
<td>2,460</td>
</tr>
<tr>
<td>Silver</td>
<td>1,049</td>
<td>750</td>
<td>5,012</td>
</tr>
<tr>
<td>Brass Articles</td>
<td>110</td>
<td>1,156</td>
<td>5,174</td>
</tr>
<tr>
<td>Ornamental Hair</td>
<td>1,741</td>
<td>550</td>
<td>582</td>
</tr>
<tr>
<td>Silk Manufactured</td>
<td>-</td>
<td>1,307</td>
<td>4,132</td>
</tr>
<tr>
<td>Lac Stick</td>
<td>-</td>
<td>2,400</td>
<td>5,400</td>
</tr>
<tr>
<td>Elephants</td>
<td>-</td>
<td>260</td>
<td>3,000</td>
</tr>
<tr>
<td>Horses</td>
<td>450</td>
<td>350</td>
<td>4,840</td>
</tr>
<tr>
<td>Cattle (horned)</td>
<td>2,800</td>
<td>39,749</td>
<td>21,110</td>
</tr>
<tr>
<td>Rubbies (rough)</td>
<td>6,400</td>
<td>136</td>
<td>1,265</td>
</tr>
<tr>
<td>Lacquered Ware</td>
<td>5,687</td>
<td>294</td>
<td>1,112</td>
</tr>
<tr>
<td>Misc.</td>
<td>2,692</td>
<td>2,994</td>
<td>3,561</td>
</tr>
<tr>
<td><strong>Total Rs.</strong></td>
<td>25,061</td>
<td>50,431</td>
<td>57,648</td>
</tr>
</tbody>
</table>

Source: Foreign Department, Tenasserrim Judicial Cons., 18 April 1842, No. 76, Statistical Statements relating to the Tenasserim Province.

This indicates that the coastal trade between Penang and Moulmein was dominated by native crafts. For the years 1851/52 and 1852/53, there were fifty-four and forty-nine native crafts respectively, trading between Moulmein and Penang. This was significant because the number of large
Table 5.4

**Arrivals and Departures from the Port of Moulmein 1845-1852**

<table>
<thead>
<tr>
<th>Year</th>
<th>Arrivals No. of Vessels</th>
<th>Departure No. of Vessels</th>
</tr>
</thead>
<tbody>
<tr>
<td>July-Dec 1845</td>
<td>99</td>
<td>102</td>
</tr>
<tr>
<td>1846</td>
<td>227</td>
<td>237</td>
</tr>
<tr>
<td>Jan-June 1847</td>
<td>112</td>
<td>116</td>
</tr>
<tr>
<td>July-Dec 1849</td>
<td>145</td>
<td>139</td>
</tr>
<tr>
<td>1850</td>
<td>239</td>
<td>246</td>
</tr>
<tr>
<td>1851</td>
<td>339</td>
<td>339</td>
</tr>
<tr>
<td>1852</td>
<td>388</td>
<td>387</td>
</tr>
</tbody>
</table>

**Source:** Foreign Dept., Tenasserim Marine Cons., 7 April 1847, No. 15 to 20; Cons. 4 August 1847, No. 11 & 12; Cons. 13 Nov 1850, No.1; Cons. 2 Dec 1850, No.3 and; Cons. 6 May 1853, No.8, 9 & 11.

Sea-going vessels for that period was only twenty-three and thirteen respectively.

An indication of Tenasserim's growing prosperity was the importation of European, Chinese, Indian and Burmese (these were mainly umbrellas) goods into Tenasserim. By 1848 these imports amounted to 634,344 Rs. Overall, imports increased by six lakh rupees, compared to an increase of two-and-a-half lakh rupees in exports.

73. *Pinang Gazette*, 21 April 1849.
Table 5.5

Number of Ships, Port of Embarkment and Nature of Cargo which arrived at Moulmein from 1 July 1845 to 30 June 1846

<table>
<thead>
<tr>
<th>Port of Embarkment</th>
<th>No. of Ships</th>
<th>Nature of Cargo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rangoon</td>
<td>61</td>
<td>Sundries</td>
</tr>
<tr>
<td>Calcutta</td>
<td>29</td>
<td>Sundries</td>
</tr>
<tr>
<td>Madras</td>
<td>28</td>
<td>Sundries</td>
</tr>
<tr>
<td>Penang</td>
<td>17</td>
<td>Sundries, Coconuts, piece goods, Steam Engine, Tobacco, Company's Rupees Sundries</td>
</tr>
<tr>
<td>Mergui &amp; Tavoy</td>
<td>13</td>
<td>Sundries, Company's Rupees, Dollars</td>
</tr>
<tr>
<td>Singapore</td>
<td>9</td>
<td>Coal, Sundries, Salt</td>
</tr>
<tr>
<td>Britain</td>
<td>9</td>
<td>Coconuts, Arrack, Coconut oil</td>
</tr>
<tr>
<td>Ceylon</td>
<td>9</td>
<td>Tobacco, Rice</td>
</tr>
<tr>
<td>Arakan</td>
<td>4</td>
<td>Ballast</td>
</tr>
<tr>
<td>Aden</td>
<td>3</td>
<td>Sundries</td>
</tr>
<tr>
<td>Mauritius</td>
<td>3</td>
<td>Sundries</td>
</tr>
<tr>
<td>Dacca</td>
<td>2</td>
<td>Sundries</td>
</tr>
<tr>
<td>Nicobar</td>
<td>2</td>
<td>Coconuts</td>
</tr>
<tr>
<td>Macao</td>
<td>1</td>
<td>Sundries</td>
</tr>
<tr>
<td>China</td>
<td>1</td>
<td>Ballast</td>
</tr>
<tr>
<td>France</td>
<td>1</td>
<td>Sundries</td>
</tr>
<tr>
<td>Cocos &amp; Keeling</td>
<td>1</td>
<td>Coconuts</td>
</tr>
<tr>
<td>Cape of Good Hope</td>
<td>1</td>
<td>Ballast</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>194</strong></td>
</tr>
</tbody>
</table>

Source: Foreign Dept, Tenasserim Marine Cons., 7 April 1847, No.15 & 16, Statement of Shipping for the port of Moulmein
For the whole period under survey Tenasserim's economy showed steady improvement, except in the case of the timber industry which showed a drastic decline in revenues by the early 1850's. Mismanagement of the industry was exacerbated by world depression. It resulted in the closing down of Messrs. Cockerall and Company, the largest shipbuilding and timber purchasing establishment in Tenasserim. By the late 1850's the annexation of Lower Burma and the opening up of trade in Rangoon caused a decline in Tenasserim's teak and shipbuilding industry. This was, however, compensated by increased extraction of timber resources, to be superseded by Rangoon not until the 1890's.

By the 1850s Tenasserim had come a long way towards development, though only two decades earlier it had been viewed in negative terms "as an useless acquisition" costing the British over one-and-a-half lakh of rupees annually. Sir Charles Metcalfe, who was member of the Supreme Council in 1833, had been strongly opposed to the retention of Tenasserim. He calculated that Tenasserim,

74. *Foreign Dept.*, Tenasserim Revenue Cons., 8 Apr. 1851, no. 26, From Bogle to Plouden, Secretary ot the Sudder Board of Revenue


76. *Foreign Dept.*, Tenasserim Secret Cons., 19 Mac. 1833, No. 3, To Metcalfe from the Political Dept., 27 Mac. 1833.
since its annexation in 1826, had cost the British authorities some ten lakhs annually and would, in all probability, "produce wars which will entail the waste of crores". But, in 1840, only seven years later, Tenasserim proved to be a major source of timber with an important shipbuilding industry. At the same time, Arakan emerged as the leading exporter of rice in the British territories. As one opinion states apropos Arakan:

... [T]he growth of trade at Akyab on the Arakanese coast is one of the great marvels of industrial annals.

Another view rated Moulmein the "most thriving seaport in British India".


CONCLUSION

The founding of the third Burmese empire in 1752, under the leadership of Alaungpaya, saw yet another attempt by the Burmese to unify the multi-ethnic groups constituting the kingdom, although it proved a failure. Though the Burmese had problems both on the eastern and western peripheries, the western problem proved more terminal. The Burmese attack on Arakan in 1781/82 not only drove thousands of Arakanese to seek refuge in the British district of Chittagong but also meant the extension of this Burmese problem to the British frontier. Inevitably, it resulted in the clash of two cultures — the Burmese on the one hand with their programme of royal aggrandizement, and the British on the other, attempting to carve-out its territorial gains in India. The long and badly planned first Anglo-Burmese war was fought, only to be concluded some two years later with the signing of the Yandabo treaty in 1826. Consequently, the Burmese not only suffered a humiliating defeat but also loss of territory, with the cession to the British of its two coastal provinces of Arakan and Tenasserim. On the other hand, this marked the dawn of a new era in the history of Arakan and Tenasserim, introducing spectacular changes.
The termination of war and stability established by the British brought important changes both to Arakan and Tenasserim. Early administrators like Hunter and Paton in Arakan, and Maingy in Tenasserim, shouldered the heavy responsibility of creating workable administrative systems incorporating both western and indigenous values, which were financially viable. Limited knowledge of the country, and in the case of Tenasserim, an uncertain future until 1833, proved major drawbacks. Frequent interference from the Indian authorities, despite the lack of first-hand knowledge of local problems especially in the case of Arakan, exacerbated problems. By the mid-1830s, however, both Arakan and Tenasserim had stable administrative systems, though only after sustained efforts at improvement.

Along with administrative change, both Arakan and Tenasserim also witnessed population growth. This can be attributed to several factors such as natural growth, return of large numbers of refugees who had earlier fled, and the immigration of foreigners into both these territories. Warfare being brought to a halt by British rule with improved living conditions provided a firm basis for the natural growth in population. Furthermore, large numbers of the indigenes who had, in earlier times fled, began to gradually return after 1826. In fact, the restoration of
population, particularly evident in Arakan, contributed significantly towards growth even as late as the 1840s. In addition, Arakan’s and Tenasserim’s expanding economy was an attraction to foreigners mainly Indians in search of better wages and opportunities. The return of large numbers of refugees is testimony of their desire to settle under British protection. On the whole, Arakan saw a more significant growth of its population with a recorded increase of about three-fold in just twenty-six years of British rule. The administrators of Tenasserim, in contrast, failed to attract similarly large numbers of Mons from Siam due mainly to the uncertainty which prevailed over Tenasserim’s political future until 1833. The movement of population from the Burmese territories of Martaban and the Irrawaddy delta was another factor which added to population growth in both these territories. One distinctive similarity shared by Arakan and Tenasserim was the influx of large numbers of Indian labour, with Arakan attracting Bengalis and Tenasserim drawing South Indians.

The establishment of British rule in Arakan and Tenasserim brought about economic growth in both these provinces. By the mid-1830s, Arakan had earned a reputation as a major paddy exporter while Tenasserim was soon known for its valuable teak supplies which encouraged shipbuilding. The once war torn provinces were, by 1850, valuable possessions of the British Indian empire, al-
though just twenty-four years earlier, some Indian officials had doubts over their financial viability. Sir Charles Metcalfe had, for instance, in 1833 strongly objected to the retention of Tenasserim which he viewed as a 'useless acquisition' and a financial burden to India. Although both showed prosperity by the 1850s, one significant difference in their development was that while Tenasserim enjoyed a more diversified economy in teak, shipbuilding and rice with a variety of forest and sea produce, Arakan was wholly dependent on rice.

On the basis of the liberal economic principles fostered by the British, Arakan and Tenasserim became important commercial centres within the British empire. By 1852, both Akyab and Moulmein, being British creations, could boast of handling some few hundred vessels annually, engaged in inter-regional trade. The active trading business of both stimulated the trade of Rangoon. Akyab and Moulmein became centres for marketing independent Burma's produce, such as paddy and cutch. Arakan and Tenasserim contributed to a similar expansion in the internal trade overland with independent Burma through the An and Talak passes.

The trade of Arakan and Tenasserim as a whole drew both Europeans and Asians into the network. Bengalis in Akyab and Chinese and Chulias in Moulmein engaged in
merchant activity and the junk trade of the Bay of Bengal playing significant roles. Indigenous participation is evident in the large perahu trade which linked Tenasserim with Penang. An important section of Arakanese, Burmese, Mons and Shans played a crucial role in the overland bulking trade between Burma via the An and Talak passes and Martaban.

Indigenous administrative hierarchies were imaginatively assimilated into both the administrations of Arakan and Tenasserim, minimizing expenditure and potential problems and conflict inherent in the introduction of new structures at district level. By maintaining the indigenous administrative structure, at least in the initial stage, the British administrators were adopting a policy of indirect rule with the main aim of minimizing interference in local affairs. But this, gradually changed with improvements and the need to bring the local administration in line with the principles of government in India made direct interference imperative. New laws and regulations were accordingly instituted, superseding those of the pre-colonial period.

Growth of population with increased imports and revenues suggests improvement in socio-economic conditions in British Arakan and Tenasserim. But these changes were

1. Pinang Gazette, 9 July 1853.
not contingent upon significant improvements in social services and infrastructure. Traditional networks of transportation and internal exchange were evidently considered adequate for the first phase of economic development before 1852. Thus, significant developments in road transportation and social services, such as medical facilities, came only later with the next stage of economic development, during the later part of the nineteenth century. Some beginning was made in the area of education for the introduction of English schools, though the main lead in this field was maintained by the missionries well into the 1850s.

The administration of Arakan and Tenasserim laid the foundations for British rule in Burma, and provided officials who went on to serve in the rest of Burma with the necessary experience. The experience obtained by administrators such as Arthur Purves Phayre and Albert Fytche, helped the British in their next two phases of expansion in Burma in 1852 and 1885. Two-and-a-half decades of experience in Arakan and Tenasserim gave British administrators a better understanding of a country they were to gradually colonize.

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2. See Appendix A.
3. He was Assistant Commissioner at Sandoway between 1845-1848; Deputy Commissioner of Bassein, 1853-1857; Commissioner of Tenasserim, 1857-1867 and; Chief Commissioner of British Burma between 1867-1871. See C.E. Buckland, Dictionary of Indian Biography, London: Swan Sonnenschein & Co. Ltd., 1906, p. 158.
The history of Arakan and Tenasserim between 1826 and 1852 appear to have contributed in some measure also to developments in Lower Burma during the same period. There has been, up till now, a difference of opinion about the dichotomy between the conditions prevalent prior and subsequent to the British conquest. Michael Adas drew attention in 1972 to the inaccurate statements made by historians who, according to him "viewed the early colonial era as a time of recovery and progress" for Lower Burma. Although he did not sufficiently prove his disavowal of the under-development of the 'delta' prior to 1852 which, according to earlier historians, was due to prolonged warfare, it can be argued that the picture painted by these early writers was typical of the colonial viewpoint seeking justification for annexation of the country. The gradually increasing volume of trade between independent Burma and the British territories of Arakan and Tenasserim and especially the latter, as shown in Chapter 5, seems to add support to Adas' view.


Between 1845 to 1850, out of a total of 710 vessels which arrived at Moulmein, 247 vessels or 34 per cent came from Rangoon; out of a total of 473 leaving Moulmein, some 182 vessels or 38 per cent headed for Rangoon. In fact, agricultural expansion in the Irrawaddy Delta appears to have benefitted from its commercial links with Arakan and Tenasserim. There was a substantial increase in paddy cultivation in Lower Burma between 1830 to 1855, which rose from a mere 66,000 acres to 993,000 acres in 1855. The availability of an unrestricted market for their produce through Akyab and Moulmein and the incentive for procuring consumer goods through these ports could have been an important factor in inducing the Burmese to settle in the vicinity of the 'delta' and increase in paddy cultivation.

According to Charles Fisher in *The Economic Development of South-East Asia* although Arakan and Tenasserim were annexed in 1826, it was not until after the British seizure of the Irrawaddy delta that any commercial cultiva-

6. *Foreign Dept.*, Tenasserim Marine Cons., No. 11-20, Statement showing arrival and departure of vessels from Moulmein, 26 May 1853.

tion took place". This view was reinforced by C.D.Cowan, who was of the opinion that only in Java did any significant developments occur during the first-half of the nineteenth century. He stated that:

The other parts of South-East Asia which at this stage had already been exposed to the outside world are of minor significance in this context. In Arakan, which together with the Tenasserim province had been annexed by Britain after the Anglo-Burmese War of 1824-26, an export trade in rice was developing. As yet, however, this was on a relatively small scale, and did not as in Java include the element of government direction. The teak trade had even less effect on the scanty population of Tenasserim.

The rice industry, contrary to the view expressed above, proved to be a major source of rice supply to Penang and the Madras Presidency. The growth of this and the teak industry was particularly significant because it was developed under the system of free enterprise, thus demonstrating the principles of liberal economy. The teak industry, though managed predominantly by European enter-


prise, did affect the economic sector of the Tenasserim population involved in the business of felling, transporting and sawing the logs. Tenasserim labour also supplemented Chinese craftsmanship in the ship-yards of Moulmein. In the light of these developments in Arakan and Tenasserim during the period 1826-1852, the above views must 10 purforce be modified.

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