

SYNOPSIS

This paper is written as a Graduation Exercise to be presented to the University of Malaya as part fulfilment towards the Degree of Bachelor of Arts with Honours in Economics.

Most of the research done for this study was carried out in the Registry of Companies, Kuala Lumpur. The main interest of this topic would be to discuss the changes in the ownership and control of the tin dredging companies from 1954 to 1964. To really show the changes in the ownership and control, data extracted from the share registers of the tin dredging companies is used.

This topic traces the early source of capital for the tin dredging companies and the tin mining industry as a whole. Thus, we could talk of the "pioneers" in the development of the tin mining industry - these pioneers were mainly Chinese. The dominance of the Chinese in the tin mining industry in the early years of its history soon found competition in the dredges which were introduced by the Westerners. The tin mining industry was faced with a new situation in which capital was mainly derived through a new institution, namely, the public companies. It will be proved to the reader that though these limited operated in Malaya, they were initially not owned by Malaysians. This was true both in terms of the number of investors and in the amount of shares owned or the magnitude of investment. In fact, the dredging companies were started and owned by foreigners. Till 1953, none of the companies was owned by the local population. But this situation was not to last for long. Throughout this paper, we will find that changes have taken place and that by 1964, the position of the foreigners and the local investors was just the reverse of what it was in 1954. Local investors in 1964 (basing conclusions on the companies in this paper) contributed more than 60% to the capital requirements of the tin dredging companies. We will find that the Chinese especially are very prominent investors of the tin dredging companies. The number of firms that participate in the tin dredging companies is also big. Many reasons can be employed to explain such changes. They range from economic to political influences.

Finally, this topic will also deal to a small extent the structure of the ownership and control of the tin dredging companies.