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An Era of Deflation and Southeast Asia: The First Half of the Nineteenth Century

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I. Introduction: The Significance of Studying the History of Southeast Asia in the First Half of the 19th Century

The first half of the 19th century, in particular the decade of the 1820s, is an era that enables us to look at the world since the 1990s from a relative or comparative perspective. The period from around the 1820s to around the year 1990 was characterized by a relatively well-defined division of roles between what were called advanced countries and what were called colonies or developing countries, with the former producing industrial products within their borders and exporting them to the latter, while importing in return from the latter raw materials for industrial production. The period also saw a series of enormous wars, for sure, but it was rather seldom for catastrophic natural disasters to hit densely populated areas, and even if they did, they were often short-lived.

In the period preceding the 1820s, however, China and India were the world's factories for merchandise exports. Moreover, from 1645 to 1715 and from 1770 to 1830, Europe underwent significant cooling (Wallerstein 1989, 2011; Tange 2010). The period following the 1990s, on the other hand, has been characterized by phenomena that include accelerating global flows of capital, China's emergence as the factory of the world, and the aggravation of global warming. The first half of the 19th century saw the rise of the Western powers and the decline of Asian powers, namely, developments that proceeded in the opposite direction to what we are witnessing today; and the period was replete with many examples of groups that ended up successes as well as those that failed, in their efforts to cope with and survive the changing international environments. As we are living amidst the gigantic changes that are taking place today, it is worth our while to pay attention to such examples and identify what types of causal relationships determined the successes and failures of these efforts, because such an inquiry will help us to perceive the powerful current of history and broaden the choices available for our survival.

However, even though the first half of the 19th century is clearly relevant to important topics for historical studies such as industrialization and modernization,[1] the period in the history of South, Southeast, and, East Asia has not yet been fully explored. Since the period from the 18th century to the mid-19th century has traditionally been regarded as one in which Asia became dependent on Europe, a number of studies have criticized such an argument by emphasizing the autonomy of Asia, but among studies on India, those focusing on the 18th century constitute by far the majority (Mizushima 2008: 1-16). On China, too, there is a sizeable accumulation of studies dealing with the 18th century, but it is not until the early 21st century that studies focusing on the 19th century prior to the Opium War began to be made in earnest.[2] As for studies on Southeast Asia, a large number of studies have been published, emphasizing the autonomy and modernity of various governments and groups in the region in the period from the 18th century to the early 19th century, including an anthology edited by Anthony Reid (Reid 1997) and a voluminous work by Victor Lieberman (Lieberman 2003, 2009). Nonetheless, studies focusing on the early half of the 19th century and attempting to elucidate its characteristic features are few and far between.

As a matter of fact, Japanese researchers are very well-placed to study Southeast Asia in the early half of the 19th century, because in Japan there is already a large amount of related research that is remarkable by any standard.

There seems no denying that Japan enjoys a solid comparative advantage in the studies of Japanese and Chinese history. In the history of India, too, Japan has produced a number of internationally acclaimed researchers, whose findings are readily accessible.[3] In addition, economic historians in Japan have built up a series of very influential research findings on industrialization of Asia. On the 17th and 18th centuries, immediately preceding the first half of the 19th century, the theory of "industrious revolution," which was developed by Akira Hayami during the 1970s, has been inherited by the 21st century (Akita 2008; Oshima 2008). Furthermore, the findings of a research project on the relationship between Japan's proto-industrialization and the Asian trade zone, undertaken by Heita Kawakatsu, Takeshi Hamashita and others, were published in 1991 (Hamashita and Kawakatsu, eds. 1991). Subsequently, discussions on the industrialization of Asia, and of Japan in particular, have continued to be carried out by shifting the focus toward the latter half of the 19th century. In addition to the publication by Kaoru Sugihara (1996) of a very important book on the expansion of the intra-Asian trade that sustained the industrialization of Japan and India, an anthology on trade networks in Asia, compiled by Naoto Kagotani and others (Kagotani and Wakimura, eds. 2009), is also worthy of mention (Akita 2008; etc.). With regard to research on the first half of the 19th century, on the other hand, there has been a growing awareness in recent years about the shortage of research, which has inspired new efforts to fill the vacuum about the history of trade and commercial networks. For example, among the articles collected in an anthology titled *Teikoku to Ajia Nettowaku* (Empire and the Asian Networks), edited by Kagotani and Wakimura (Kagotani and Wakimura, eds. 2009), those by Wakimura and Kanda, which deal with the situation in India in the first half of the 19th century, as well as the work by Sugihara, which deals with intra-Asian trade in the same period, seem to highlight both the expansion of trade and the stagnation of agrarian economies during that period.

By contrast, case studies dealing with the developments in Southeast Asia in the first half of the 19th century are very scarce, with the only exception being, to the best of my knowledge, the pioneering work of Hiroyoshi Kano on trade in Southeast Asia as looked at from the global, as well as the regional, perspective (Kano 1991). More recently, efforts have begun to be made in the field of the history of trade to study developments concerning trade from the perspective of intra-Asian trade (Sugihara, ed. 2013). These efforts have found, among other things, that intra-Southeast Asian trade, centered in Java and Singapore, was expanding, and that Singapore had replaced Java as the center of intra-Southeast Asian trade. An important contribution made in fields other than the history of trade is the discussion of colonial states advanced by Takashi Shiraishi. Shiraishi contends that in colonized Java, the Philippines, and the Straits settlements (i.e., Singapore, Penang, and Malacca), state apparatuses that would continue into the present time were formed during the 1820s (Shiraishi 1999). It seems also worth pointing out that in understanding various developments during the first half of the 19th century, when technologies that could drastically remodel nature had not yet been brought into use, the findings of a research project not in history but in the fields of ecology and the science of agriculture, led by the Center for Southeast Asian Studies at Kyoto University, will prove to be very instructive and revealing (Takaya 1985; Sugihara, Wakimura, Fujita and Tanabe 2012).

The comparative advantage of studying the history of Southeast Asia in the first half of the 19th century in Japan consists of making use of the accumulated findings of the highest-quality studies mentioned above, and of partaking in global discussions by capitalizing on these findings. In other words, it is possible to build an argument based on the Western impact on trade and the Asian response, the relatively autonomous of intra-Asian trade and the expansion of its total volume, and the industrialization of Japan, India and China in the period beginning in the latter half of the 19th century. The dearth of studies on Southeast Asia, resulting partly from the scarcity of the historical documents available about the region, gives Japanese researchers the significant advantage of relying on and referring to research findings in neighboring fields.

In an effort to kick off research into the history of Southeast Asia in the early half of the 19th century, this paper, benefitting from these studies, attempts to review the history of Southeast Asia in that period from the perspective of how the governments in the region responded to the changes that were taking place at the time in the trading environments of the region.

At the outset, I would like to define the framework of my discourse by basing myself on the 2009 book edited by Naoto Kagotani and Kohei Wakimura, *Teikoku to Ajia Nettowaku: Choki no 19-seiki* (Empires and Asian Networks: The Long 19th Century). The book's main contention can be summed up as follows. There was in existence in Asia before the 19th century both economically open empires (i.e., Ottoman, Mughal, and Qing) and intra-Asian trade networks operated by Asian merchants. When the Western impact emanating from the industrial revolutions of the West, including Great Britain, reached Asia, merchants and capitalists in the region responded to the impact, especially in the region east of India, in such a way as to boost their activities by actively making use of the forced free trade regime and the financial network and other international public goods that were installed by Britain. In the meantime, intra-Asian trade kept on growing while remaining relatively independent.

Even though this framework is made up of building blocks that are drawn from historical phenomena in

Britain, India and China in the period from the mid-19th century to the early 20th century, it seems to be applicable to Southeast Asia in the first half of the 19th century. For one thing, by focusing attention on empires, Asian merchants' networks, business customs, and the modern institutions of the West (such as free ports and international finance), the book makes it a high priority to discuss the way in which Europe and Asia were organizationally joined to each other, and such a discussion can be applicable to, or linked up to, societies in Southeast Asia where politics and economics were still undifferentiated and markets were undeveloped. Secondly, the "relative independence" of intra-Asian trade, which is emphasized by the book, has also been an important topic of inquiry for studies on the history of Southeast Asia.

In order to connect the studies on the history of Southeast Asia in the first half of the 19th century with these studies, it is necessary to add explanations on the following four factors: 1) the effects of India-China trade on the Southeast Asian region; 2) the activities of Western powers other than Great Britain, especially, the Netherlands, Spain and the United States; 3) global price fluctuations and currency disturbances; and 4) global and regional climate changes.

Furthermore, when elaborating on 1) and 2), it is imperative that we heed the following four points. First, there was no early-modern empire having Southeast Asia as its birthplace, and the networks of native merchants were relatively weaker than those of "foreign Orientals" (mainly Chinese merchants, with Indian and Arab merchants also included, to some extent). Second, there existed colonies of mercantilist countries in Europe (i.e., countries not open to free trade), such as the Netherlands, Spain, and Portugal. Third, there existed commercial networks of "foreign Orientals" which, having been born within and having grown out of the open empires of the East, maintained close connections with the non-open colonial states. And fourth, given the welcome progress being made lately in research on the United States' trade with Asia in the first half of the 19th century (e.g., Irigoin 2009), it is necessary to incorporate into the history of Southeast Asia an analysis of the way American traders at the time, with their strong early-modern characteristics, entered into and exited from trade in Southeast Asia.

The reason why it is important to take 3) into account is because Southeast Asia had already experienced drastic changes in its trade structure in the latter half of the 17th century when the differences in the gold/silver exchange rates and in price levels between the East and the West leveled off. Factor 4) is important because existing studies on the history of Southeast Asia have already established that the ecosystem is an important determinant of historical developments in the region.

Let me present the skeletal structure of my forthcoming discussion in advance. Even though the first half of the 19th century saw both long-distance trade in Southeast Asia with Europe and the Americas and intra-Asian trade expand quantitatively, trading environments changed drastically under the combined effects of the above-mentioned changes 1), 2), 3), and 4), with the 1820s being the turning point. This was accompanied by significant changes in the structure of tropical agricultural production in many parts of the region. However, the free trade regime and capitalism championed by Britain, which would become dominant after the mid-19th century, had not yet made solid inroads into the Southeast Asian market; and, given this situation, it seems safe to say that amidst the global deflationary trend and the international currency turmoil that took place during the 1820s and 1830s, the political economies under control of the major governments in the region converged for the time being on a state of temporary equilibrium. The reason why I pay attention to this situation, which might be called a pause in the historical process in Southeast Asia, is because, as Takashi Shiraishi asserts, it was during this period that the prototypes of the major states that would continue into the present time were formed.

The remaining part of the paper gives an overview of how these developments unfolded from one period to another. Section 2 gives an overview of the developments in the 1750s and 1760s, the period preceding the main focus of this paper, during which the political and trade systems that would lead to the first half of the 19th century were formed. Section 3 lists the factors that boosted trade in Southeast Asia in the period from the 1770s to the early 1820s, while Section 4 points out that most of these factors started to disappear or undergo qualitative changes beginning from the mid-1820s or thereabouts. Section 5 gives an overview of the first half of the 19th century from the perspective of how various governments and forces in Southeast Asia reacted to these profound changes in their trading environment. Lastly, Section 6 comments on the link between the reactions discussed in the preceding section and the political and economic situation that prevailed in the 1850s and after. This paper concludes by identifying research topics that need to be explored in the future.[4]

II. The 1750s and the 1760s: The Formation of the Political and Trade Frameworks

If we are to characterize the developments in East to South Asia during the 1750s and the 1760s from the perspective of the trade environment in Southeast Asia, the period can be identified as one in which the political and trade systems that would lead into the 1770s and after were established.

First, Britain established control over Bengal. During this period, Britain fought a Seven Years War (1756-1763) against France over colonial territories. The war ended with the 1763 Treaty of Paris, which gave Britain a decisive edge over France. Especially important is the fact that by winning the Battle of Plassey in 1757, which drove French forces out of India, not only did Britain (in its relationship with other European powers) bring virtually all of India under its sphere of influence, but it also became the de facto ruler of Bengal. Subsequently in 1765, it secured from the Mughal Empire tax collection rights in Bengal, Orissa, and Bihar. As it started to control India from its base in Bengal, the Strait of Malacca emerged as Britain's essential trade route to Southeast Asia and China.

Second, Qing China opened Canton in 1757 as the only port for trade with Europeans, and placed the port's trading activities under the monopoly control of the "Canton Factories" or the "thirteen factories." Consequent upon this shift from several ports for Europeans to the single port Canton, the trade networks of the East and South China Seas began to be restructured with Canton in the central position. In its trade relationship with Europe, China exported to Europe such items as tea, silk, and earthenware, and its exports to Europe chronically exceeded its imports. European countries such as Britain, the Netherlands, and France delivered silver to China.

Third, with its economy expanding and its population increasing from the first half of the 18th century, China was increasingly turning to foreign supplies of various foodstuffs. Thus, even amidst the restructuring of the trading networks mentioned above, it energetically kept trading with Southeast Asia, with the result that the massive migration of Chinese to Southeast Asia and the build-up of their commercial networks in the region, which had been going on since the first half of the 18th century, continued unabated. Included among the groups of Chinese emigrants that were especially active at the time were those that were engaged in tin mining in Bangka Island and elsewhere, in gold mining in Kalimantan, and in the cultivation of pepper and *gambir* in the Riau Archipelago. There were also groups of Chinese emigrants who had established their own independent dominions, the notable example being the one built by the Mac family in Ha Tien, which was an important trading base.

Fourth, as the trade monopolies of the Spanish and Dutch colonial governments dwindled under the pressure of the trade activities of the Chinese traders, the British country traders, and the Buginese people, the two colonial governments began to change certain features of their colonial management. The Spanish colonial administration, which had been operating the Manila-Acapulco galleon trade since the 16th century made Manila serve as the transit port and intermediary in the exchange between silver shipped from Mexico and the silk and ceramic wares produced in China. However, as the galleon trade's high profitability began to be eroded by smuggling and other factors, the colonial government launched the "Bourbon Reforms," a set of programs that were designed to develop the colony. As the first step toward implementing this development policy, the colonial government expelled Chinese and Chinese Mestizos who refused to convert to Catholicism, so that Spanish and indigenous people could take back the colony's commercial activities from the Chinese. This policy was implemented in 1754, but with the Chinese cooperating with Britain when it occupied Manila (1763-1764) as part of its involvement in the Seven Years War (1756-1763), in the years following the occupation, this policy was enforced more thoroughly (Sugaya 2001). On the other hand, the Dutch colonial government in Batavia (present-day Jakarta), which was faced with the eroding profitability of its long-distance trade with Europe, began to invest in land and transportation networks in the 1750s in order to promote agricultural development in Java (Ohashi 2010: 175). It also took advantage of internal disturbances in the Sultanate of Mataram in central Java, and, in

1755, it incorporated Java's North Coast into its territory.

Fifth, during this period, there took place in Mainland Southeast Asia a series of dynastic changes, bringing into place those which would survive into the succeeding period. In Burma, the second Taungoo Dynasty in Upper Burma was overthrown in 1752 by the Mon people of Lower Burma. It is reported that the Mons toppled the Taungoo Dynasty by colluding with Chinese who rose in revolt in Upper Burma, which was controlled by the dynasty. However, Araungpaya, a native of Upper Burma and the founder of the Konbaung Dynasty, rapidly gained power, overthrew the Mons, and unified Burma in 1757. Subsequently in 1767, the Konbaung Dynasty invaded Thailand and destroyed the Ayutthaya Dynasty. Thailand was divided temporarily, but in the same year Taksin started to work for the reunification of Thailand with the cooperation of a Chinese network in the Gulf of Siam.

Sixth, Southeast Asia seems to have been extensively hit by drought, with serious crop damage in many parts of the region. Mainland Southeast Asia is reported to have suffered a drought from 1756 to 1768, and the disturbances and wars mentioned in the preceding paragraph are deemed to have been partially caused by the crop failures that were brought about by these droughts. In Vietnam, the Tay Son uprising, which would lead to a change in dynasty, took place in 1771, and this too is estimated to have been precipitated by a drought (Buckley & Lieberman 2012: 1095). In the case of Java, too, there are records showing that an extraordinary drought occurred in 1761, causing crop failures and a decline in the population. This drought is deemed to have started around 1758 (Jonge 1862-1888: vol. 10 384; Chijs 1885-1900: vol. 7 290).

Consequent upon the establishment in the 1750s and 1760s of British rule over Bengal, as well as China's adoption of the single port system of commerce that was centered in Canton, which was described above, the Strait of Malacca emerged as an extremely important trade route for intra-Asian trade. In the insular part of Southeast Asia, both the Dutch colonial government in Batavia and the Spanish colonial government in Manila adopted the policy of "going ashore," so to speak, while in the Mainland part of the region, a series of dynasties, which would survive into the succeeding period, came into existence. These developments are considered to have taken place against the backdrop of the activities of Chinese who boosted the production of tropical crops and transportation, on the one hand, and the droughts, on the other.

III. The 1770s to the early 1820s: Environmental Factors and Growing Trade Volumes

In the period from the 1770s to the early 1820s, there emerged from within the political and trade regimes that had been formed a number of conditions that were beneficial for the expansion of Southeast Asian trade. These conditions are as follows.

First, the monsoon remained stable until around 1815 (Buckley & Lieberman 2012: 1095) which means that agricultural production remained stable during this period.

Second, silver began to be produced in great quantities in Spanish Mexico. From the first half of the 18th century, Mexico had already been producing 80 percent of the world's silver, and the amount of silver produced in Mexico increased fourfold during the period between 1764 and 1779. High-quality Spanish silver coins that were minted in Mexico earned the status of the international settlement currency (Von Glahn 2011: 39; Irigoin 2009; 238-239). This situation remained in effect at least until Mexico attained independence in 1821.

Third, revolutions, independence movements, and the resulting wars that erupted in Europe as well as in North and South America during this period made it difficult for Britain and other European powers to spare sufficient energy for the promotion of trade between Europe and Asia and intra-Asian trade. Moreover, these developments also triggered wartime inflation, boosting the prices of tropical products (Watanabe 2003). To add in passing, included among the wars and other upheavals that took place during this period were the independence of the United States and the attendant war in 1776, the Napoleonic Wars that occurred in the period between the French Revolution of 1789 and the Congress of Vienna in 1814, and the independence movements of Central and South American countries that began with the slave rebellion of 1791 in Santo Domingo (present-day Haiti) and reached their climax in the first half of the 1820s.

Fourth, the 1791 slave rebellion in Santo Domingo caused a serious shortfall in the global market for coffee and sugar. As a matter of fact, the production of sugar and coffee in Central and South America began to increase from around the 1770s, replacing Asia as the major source of these imports into Europe. Santo Domingo alone was producing approximately 50 percent of the European demand for coffee, as well as a considerable amount of sugar (James 1963: 45). Consequently, the prices of coffee and sugar soared (Bulbeck et al. 1998: 136, 171), and European countries turned again to Asia for supplies of these commodities. Java, which might be regarded as the Santo Domingo of Southeast Asia, was crowded with trading ships intent on purchasing these products. Just at that time, the Dutch colonial government in Java, having become unable to transport the island's products to the home country because of the Fourth Anglo-Dutch War (1780-1784), had no choice but to sell these products to the trading ships of other countries that were visiting the island.

Fifth, in the latter half of this period, traders from the United States emerged in the Southeast Asian markets as carriers of silver from the Americas and as purchasers of the region's tropical crops, such as coffee, sugar, and pepper. American traders who arrived in Asia at the time did not seek to monopolize trade, and they had no territorial ambitions, either. They began to pursue trade with Asia in earnest in 1783, when Britain recognized the independence of the United States, and, to the best of my knowledge, their arrival in Southeast Asia began in 1784 when they sailed to Java (Kwee 2006: 190). Thereafter, they significantly boosted their share of trade in the region with the result that, by the early 19th century, the volume of the trade they handled between insular Southeast Asia and the West overtook that of both Britain and the Netherlands (Crawfurd 1820: vol. 3 262).

Sixth, in India and maritime Southeast Asia, Britain looked for potential markets for its textiles and places where it could procure commodities that were suitable for sale to China, and it expanded its trade in these areas while establishing its foothold by force. In 1772, Britain established an administrative system in Bengal by creating the post of Governor of Bengal. In the same year, it obtained the right to a monopoly over the collection of opium in Bihar. At first, opium was exported to the Dutch colonies in Southeast Asia, but, beginning in the late 18th century, China became the major destination for this opium. It should be pointed out, furthermore, that Britain had emerged victorious from the Anglo-Dutch War of 1780-84 mentioned above, thereby breaking the Dutch monopoly on the trade for good, and securing maritime hegemony in the region. After it had reduced the import tariff on tea from China in 1784 from 100 percent to 12.5 percent, the trade in tea between Britain and China is reported to have grown at an extraordinary pace. In order to secure the safety of its trade route to China, and also to purchase the goods necessary for export to China, such as pepper and sea cucumber, Britain obtained Penang in 1786 and Singapore in 1819 from their native chiefs. It even occupied Java for a while (from 1811 to 1816).

Seventh, during this period China's economy expanded steadily, and its population increased. It continued to export products such as tea, silk, and ceramic wares to the West. Its importation of silver by sea reached an unprecedented level in the latter half of this period, with more than 80 percent of its silver imports being carried by American traders in the year 1799 and after (Von Glahn 2010: 42).

Eighth, Chinese in Southeast Asia continued to pursue their economic activities vigorously. A glance at their connections with Southeast Asian states will be enough to substantiate this. The extensive networks of Chinese are reported to have contributed to the establishment of the Thonburi and Bangkok Dynasties in Thailand, and to the establishment of the Nguyen Dynasty in Vietnam and the unification of that country by the dynasty. In insular Southeast Asia, too, the Dutch colonial government's control over Java would have been unviable but for the cooperation of the networks of Chinese who served as intermediaries between the colonial authorities and the native population. In the Spanish Philippines, commercial activities linking the countryside and the center were monopolized by Chinese Mestizos who had converted to Catholicism. In other parts of insular Southeast Asia, groups of Chinese, in collusion with local chiefs or independently, were taking control of the cultivation of tropical crops and mining, as well as the exportation of products to China.

In sum, prominent developments in Southeast Asia in the early 19th century included the booming China trade that was carried out by the networks of Chinese that were being reorganized, and the emergence of American traders who came with silver produced in the Americas to purchase the tropical products of the region. In addition, British traders arrived in the region, carrying textiles and searching for products that were in demand in China.

During this period, Indian and Arab merchants also visited Southeast Asia, and Arabic-speaking kingdoms were established along the trade route between China and India. The arrival of trading ships belonging these many different traders, and the exportation of products at high prices, stimulated production aimed at making profits by selling products in nearby trade ports, which began to erode the mercantilist monopoly production systems that had been maintained by the Netherlands and Spain. Production aimed at selling goods in nearby trade ports included, for example, the mining of tin in Bangka Island, pepper cultivation in Sumatra, the cultivation of coffee and sugar canes along Java's north coast, the cultivation of pepper and cloves in Penang and Singapore, and sugar cane cultivation in the Mekong Delta.[5]

As is evident from the foregoing observations, developments in North and South America had significant effects on Southeast Asian trade during the period under consideration, but existing studies remain virtually silent about this fact. It should be pointed out that the relationship between the developments in the Americas and Southeast Asian trade should be a subject for future research.

IV. The Mid-1820s to the 1840s: Changes in the Trade Environment

In this section I will describe how most of the conditions favorable for the expansion of trade in Southeast Asia discussed in Section III either disappeared or underwent qualitative changes in the period from the mid-1820s to the 1840s.

First, during this period, Southeast Asia experienced climatic cooling and/or the destabilization of the monsoon. Beginning in 1815, the continental part of the region was affected by cooling and hit by a series of crop failures.[6] Java was also repeatedly struck by drought during the 1820s (Carey 1986: 131).

Second, peace returned to Europe. Wartime inflation came to an end, and the price levels generally started to fall as the production of both industrial and agricultural products was boosted in the process of war rehabilitation, which then led to excess production. The prices of tropical products in the European markets also declined. Consequently, in 1825 the first depression occurred in Europe, and there was also the threat of a financial crisis. It should be pointed out, however, that the fall in the price of cotton cloth made in Britain, unlike the prices of other industrial products, was attributable to both technological innovations in the industry of cotton cloth and the fall in the prices of imported cereals made possible by American innovations in transport technologies. Therefore, Britain managed to export greater amounts of cotton cloth by exploiting its reduced prices to good advantage. This meant that the value of its cotton cloth exports continued to increase (Watanabe 2003).

Let me give several examples of the extent to which the prices of tropical products fell. The price of cloves fell very dramatically. Having secured a maritime hegemony in Southeast Asia, Britain took clove seedlings out of the Dutch Moluccas, the original home of the plant. As cloves began to be cultivated in the Straits Settlements and East Africa, where these seedlings were transplanted, the price of cloves in Europe had by the 1830s dropped by 80 percent from its peak in the 1810s, when the prices of the other products mentioned below also peaked. On the other hand, given the fact that cloves were in demand in China and elsewhere, in addition to the West, their price in the Southeast Asian markets shot up, instead of falling, and temporarily rose higher than that in Europe. As a result, the trade of purchasing cloves in the Southeast Asian markets and then delivering them to Europe ceased to be viable. Turning to coffee, its price in Europe dropped during the 1820s to one half of its peak value, because, one after the other, the newly independent countries of Central and South America began to cultivate coffee and export the crop to the West. Given that the markets for coffee were virtually limited to the West, its price in Batavia fell to approximately 60 percent from its peak. This drop delivered a hard blow not only to intermediary traders who were purchasing coffee in the Southeast Asian markets and exporting it to the West, but also to coffee plantation owners who were supplying this product to these traders. Beginning in the 1830s, the price of sugar in the European markets also fell to approximately one third of its highest value. Given that sugar was in demand in places other than the West, the fall in its price in Europe did not affect its market price in Southeast Asia as seriously as was the case for coffee, but still, its price in the region during the 1830s temporarily dropped by around 58 percent, tormenting both traders and plantation owners. Lastly, the price of pepper in the European markets during the 1820s dropped to around 70 percent of its top value, but since the crop was in great demand in other markets, this fall in Europe did not have much of an impact on the Southeast Asian markets except for temporarily pushing down the price in the region during the 1820s by about 12 percent (Bulbeck et al. 1998; 59, 84, 136, 137, 141; Ohashi 2012: 90).[7]

Third, during the 1820s, international settlement currencies began to be in relatively short supply. This spurred a deflationary tendency. Mexico's silver production temporarily decreased while the independence movement was at its height, but it soon picked up again. However, since newly independent countries in Central and South America started minting their own silver coins, which seldom proved to be of high quality, the international settlement system that was based exclusively on the high-quality Spanish silver coins began to fall apart (Irigoin 2009: 238-239). Additionally, the values of silver coins soared in various places, most likely because silver coins were in short supply relative to the supply of industrial products and agricultural products which were beginning to be mass-produced. As can be seen both in this section and in Section 5, many places experienced outflows of silver during this period, but to the best of my knowledge there is no study or historical document that pins down a specific country or area where the silver went. Most likely, the silver coins are deemed to have flowed into the very markets that were rapidly expanding with the onset of mass-production.

Fourth, many American ships used to carry silver to Southeast Asia but the number of those sailing to the region, especially those visiting the Dutch colonies, began to significantly decrease. The amount of silver exports handled by American merchants declined globally in the latter half of the 1820s.[8] The quantity of silver imported into the Dutch colonies subsequently rallied for a short while, but fell far short of what had been imported previously (Ohashi 2012: 91, 93). Although the factors explaining the fall in the number of American trading ships visiting Southeast Asia remain unexplored, one plausible explanation seems to be that as coffee and sugar began to be produced in large quantities in Central and South America, the practice of purchasing sugar and coffee in Southeast Asia and shipping them over long distances must have become unattractive to American traders. Other factors of possible relevance include the fact that American traders also began to use bills (Irigoin 2009: 213). In addition, a depression hit the United States in the 1830s, but these are research themes for the future.

Fifth, the trade structure began to show significant changes in China and India. Although these changes did not necessarily lead to overall economic downturns and slumps in trade in China and India, they brought about what may be regarded as "outflows of wealth." China was faced not only with an agricultural depression in the second quarter of the 19th century, which was caused by crop failures and other factors, but also with an outflow of silver in its trade with Europe, which began in 1826 and continued into the 1850s (Von Glahn 2012: 43-47, 56). In the case of India, too, its imports of cotton textiles began to surpass its exports in the 1820s.

Sixth, the foregoing changes proved advantageous for the expansion of British trade. Having already begun to collect taxes in silver in Bengal, and to export opium produced in India to China, Britain did not suffer much from the hike in the value of silver coins. Britain's trade with China increased dramatically, and became indispensable for it. Singapore, which emerged as the transit port on the route between India and China, developed as a British free port and overtook Batavia and Manila (Kobayashi 2013: 443). Furthermore, Britain in 1824 concluded a border treaty with the Netherlands in order to secure its trade route through the Strait of Malacca, and the borders defined by the treaty became the present-day borders between Indonesia and Malaysia.

Seventh, consequent upon the foregoing changes, a trade network of Chinese in Southeast Asia based in Canton and closely affiliated with Britain thrived, whilst other Chinese networks based in Amoy, Fujian, began to decline, at least for a while.[9] Given their close ties with the latter group of Chinese networks, the Spanish and the Dutch colonial governments are deemed to have been able to make their colonial policies reach Chinese residing in their colonial settlements, even while their trade with China stagnated.

To sum up the foregoing discussion, from around the mid-1820s, various changes in the international environment came into view. Looked at from the standpoint of Southeast Asia, the region began to suffer various problems as a result of, one, the globalizing trend toward the practice of earning a narrow margin on each unit of product but selling products in large quantities, and, two, developments in North and South America. More specifically, the problems consisted of: 1) the fall in the prices of tropical products and the decline in the number of purchasers consequent upon the emergence of competitive suppliers; 2) inflows of inexpensive cotton textiles, made possible by the British industrial revolution; 3) steep rises in the values of international settlement currencies, and the confused state of currencies that was created by the independence of Central and South American countries; and 4) changes in the transit ports along the trade routes between India and China.

V. Responses of Various Governments and Forces to Changes in the Trading Environment

This section will discuss how Southeast Asian governments coped with the sudden change in the trading environment that were characterized by the reduced profits from trade and domestic commercial activities brought about by the fall in the prices of tropical products and cotton cloth, coupled with the rise in the value of silver. I am focusing attention on governments for two reasons. One is that virtually no previous research findings are available on Southeast Asia for this period. The other concerns the social structure of the region at the time. Unlike in China and India, where societies were characterized by a well-developed division of labor and market economies, and taxes were being collected in silver, in Southeast Asia, where market economies were underdeveloped, governments were deeply involved in trade. Thus, when the trade environment suddenly changed, it was societies in China and India that were primarily afflicted, while in Southeast Asia it was central governments that had to confront the crisis first.

The responses taken by various governments can be broken down into the following three types depending on where each government was located in relation to the trade route between India and China: the on-the-route type; the peripheral type; and the remote type. Let me begin with governments of the remote type. This will make the explanation easier to understand.[10]

Governments of the remote type were located away from the trade route connecting China and India. As such, they remained virtually unaffected financially by the sudden change in the trading environment that started to take place in the 1820s. Thus, they felt no need to take specific actions to cope with the crisis. In Southeast Asia, Burma alone fell under this type. Elsewhere, Japan was in a somewhat similar situation, and in order to make myself better understood, I would like to compare the situation in Burma with that in Japan. The governments of the two countries held sizeable agrarian societies within their respective borders. Trading activities took up small shares of both government finances and people's incomes with the result that the main sources of government revenues consisted of taxes and tribute collected from the provincial areas. Commerce, minting and the circulation of currencies within the borders were undertaken primarily by compatriots, and were completed within the countries themselves. With regard to their participation in international trade, the two countries were relatively isolated both regionally and globally. Burma's trade was conducted mainly by land. China was the main trade partner for the two countries, with trade being carried out by Chinese merchants; and the major export items in the latter half of the 18th century and afterwards were agricultural products (mainly cotton) in the case of Burma, and mineral products and marine products in the case of Japan. No written report exists in either country that records any outflow of silver at the time, and major reforms of the currency systems were not carried out during this period (a reform was carried out in Burma during the 1860s). In the case of Burma, however, mention must be made of its armed conflict with Britain. The Konbaung Dynasty in Burma invaded Manipur, then within the British sphere of influence, in an attempt to expand its territory but it was defeated, and in 1826 it was forced to cede Arakan and Tenasserim to Britain, and pay war reparations (the First Anglo-Burmese War). It may be possible to say that Burma's government finance were affected militarily by Europe, rather than economically. It should also be pointed out that government finances and domestic economic situations of both Burma and Japan in the first half of the 19th century remained virtually unchanged, or were facing slow and gradual increases in unfavorable ways. Burma, in particular, was hit by a serious drought in the mid-1810s, which increased the peasants' indebtedness. It seems possible to say, furthermore, that both Burma and Japan, having started to develop their nation-wide taxation systems and market economies much earlier than other countries in Southeast Asia, were already equipped with independent economic spheres of their own by the beginning of this period.

Governments of the peripheral type were those located on the periphery of the trade route between India and China. Their systems of trade or structures of government finance underwent considerable changes around the 1820s. The Bangkok Dynasty in Thailand, the Nguyen Dynasty in Hue (present-day Vietnam), the Spanish colonial government in Manila, and the Dutch colonial government in Batavia fall into this category. These four governments also had large agrarian societies within the territories under their control. With trading activities taking up larger shares of government finances than were the case in countries of the remote type, these countries or areas were actively engaged in long-distance trade by sea.[11] Commerce within the territorial borders of each government was controlled by foreigners (mainly Chinese). Trade was carried out both by fleets of trading ships, which were owned by the central governments but were actually mostly operated by Chinese traders, and also, to some extent, by country traders from Britain, America and other countries. In the period prior to the 1820s, the Bangkok Dynasty (Thailand) mainly exported rice, the Nguyen Dynasty (Vietnam) exported rice (though its export was officially prohibited) and sugar, and the Spanish colonial government exported silver that had been shipped from South America. The major trading partner for these three governments was China. By contrast, the Dutch colonial government used to export coffee and sugar to the Netherlands. It should be pointed out in passing that the Nguyen Dynasty maintained a "closed door" policy toward European countries.

The actions these governments took in response to the changes in the trading environment beginning in the mid-1820s had the following two characteristics, which might be regarded as efforts to form economic spheres. First, the governments seem to have taken steps to substantiate their control over the countryside by establishing systems for the governance of the countryside so as to procure products for export as taxes in kind or at low cost by making wage payments in advance, that is to say, by making use of bonded labor. Second, in order to cope with a situation in which many different currencies were in circulation, these governments made efforts to establish their own currency systems and in this they seem to have been driven by the aim to sever their taxation systems from the rising value of and confusion surrounding the international settlement currency.

In the latter half of the 1820s, the Dutch colonial government witnessed both its balance of trade and its government finances go into the red, a large quantity of silver flow out, a large number of European entrepreneurs in Java go bankrupt, and the native Javanese stage a rebellion (the Java War of 1825-1830). It is well known that the colonial government in 1830 started implementing its notorious "forced cultivation system" in Java. This was designed to make use of local power relationships and compel peasants to grow crops such as coffee and sugar cane for delivery to the government instead of land taxes, but it is not so well known that shortly before this, in the latter half of the 1820s, it established a currency system. In 1826, it introduced into Java the same currency system as in the Netherlands, and it founded the Java Bank in the following year. The colonial government tried to cope with its financial difficulties and the dearth of silver by letting the Java Bank issue large quantities of paper currency and copper coins, which were not backed by silver coins, and they put these into circulation in Java. In the course of implementing the "forced cultivation system," this paper currency and the copper coins were used to make advance payments to peasants for the delivery of their crops, and to make loans sugar factory owners. By letting the Netherlands Trading Company, which was established in 1824, take charge of the delivery of the crops of coffee and sugar thus produced to the mother land on a monopoly basis, the colonial government managed to struggle through the difficulties imposed by the soaring value of the world currency (i.e., Spanish silver coins), and the falling demand for the colony's products (Ohashi 2012).

In the Spanish Philippines, agricultural products replaced silver as export items in the trade between Manila and China. Following the termination of the galleon trade in 1815, the major portion of the colony's trade began to be handled by country traders, and in 1834 Manila was officially opened for trade with foreign countries. Rice emerged as the major export item to China, in return for silver imported from China, while American ships began to visit Manila to purchase Manila hemp and sugar. Trade with Macau became important for Spanish traders living in Manila, while Fujian traders living in Manila began to trade with Sulu and other areas as the existing trade between Manila and China became unprofitable. Meanwhile, the colonial government had, since the latter half of the 18th century, been placing internal trade between Manila and the countryside under the monopoly control of Chinese Mestizos who had converted to Catholicism. In 1839, the colonial government also allowed Chinese who had not yet been converted to Catholicism to live in the countryside, but internal trade between Manila and the countryside continued to be carried out mainly by Chinese Mestizos until around 1850. Although details are not known about the exact arrangements that were in place for the production of rice, sugar, and Manila hemp, it is very likely that Chinese Mestizos and country traders were lending money to the peasants. On the other hand, tobacco had been produced under the colonial government's monopoly system since the latter half of the 18th century, with its sales within the Philippines and export helping to sustain the government's finances. In 1830, the colonial government took steps to reform this monopoly system by placing the peasants of north Luzon under heavier obligations to grow and deliver tobacco to the government. Thus, the significant transformation that Manila's trade structure underwent did not bring about economic deterioration. Instead, the Spanish colonial government is reported to have managed to retain silver within its territory as it had long hoped to do (Sugaya 2001).[12] To add in passing, the government conceived of a plan to issue a currency of its own and appealed to Spain to be allowed to do this, but the plan failed to get official permission from the mother country, so it fell through (Irigoin 2009: 223).

The Bangkok Dynasty (Thailand) found it difficult to sustain its government finances through the royal family's trade monopoly because of its treaty with Great Britain (i.e., the Burney Treaty of 1826) and the slump in junk-born trade with China. Thus, beginning in the 1820s, the kingdom attached importance to earning revenue by collecting taxes in kind from the countryside, and it began to improve its system of governance with the aim of reinforcing its control over the countryside. In order to collect taxes efficiently, it also started to contract out its tax collection work, primarily to Chinese. In the period from the 1820s to the 1840s, it continued to fight for territorial expansion in the Mekong Delta and Cambodia with the Nguyen Dynasty of Vietnam, and this conflict seems to have been aimed partly at securing tax revenues and exportable products. Various efforts were also made to diversify and boost exports by exporting the sugar and pepper that was being produced by Chinese immigrants, and by starting to channel some exports through Singapore to China. Although successive kings of the dynasty minted silver coins of their own, an analysis of existing coins reveals that it was during the reign of King Rama III (1824-1851) that large quantities of silver coins were minted for the first time.[13]

In Vietnam under the Nguyen Dynasty, in addition to crop failures due to climatic fluctuations that continued to hit the northern part of the country in the first two decades of the 19th century, sugar production in the south carried out mainly by Chinese began to decline during the 1820s, causing a further efflux of silver.[14] During the 1830s, the dynasty established a centralized system of local administration across the country, and then brought the tax collection system under the unified control of the central state, while, at the same time, ordering non-farming people to pay taxes in the silver bars minted by the government. Having started to consolidate a currency system since the beginning of the 19th century, the Nguyen Dynasty established an exchange rate between large and small silver bars in 1823. Furthermore, in 1832, the government minted silver coins modeled after the Spanish silver coins, and it began to use these new coins in its payments instead of the European silver coins which had been in use previously. Contrary to the government's expectation that the new coins would go into circulation within the country, they ended up failing to circulate widely (Taga 2014). Facing a shortfall of copper coins, which were being exported to China, the dynasty minted zinc coins to take their place (Taga 2014: 47). As for trade, the dynasty implemented a policy of using government-run ships and repressing the Chinese junk trade. Products that the government purchased by itself or collected in the form of taxes in kind were carried aboard these government-owned ships and sent to Singapore and Penang. On the other hand, the government tightened control over the trading activities of Saigon-based Chinese merchants by issuing a ban in 1824 prohibiting Chinese from smuggling out rice and smuggling in opium. It issued more bans in 1827 and 1828, prohibiting them from engaging in trade with Qing China and Singapore, respectively (Shimao 2001: 304-305). The question of how effective these policies were remains a subject for future analysis, but, given the fact that, faced with the confused state of trade at the time, the Chinese merchants must have been in need of government protection, the policies do not seem to have been entirely ineffective. To add in passing, despite an official banned on its exportation, rice actually topped the list of export items, and was exported to China.

In sum, during the 1820s and 1830s, the four governments of the peripheral type made efforts to change their trade structures and to give substance to their control over the countryside. These might be called efforts to enclose their spheres of influence. Furthermore, even with these structural changes, these countries' trade volumes and values did not necessarily decline, or, in the case of Java under the control of the Dutch colonial government, they decreased sharply but bounced back relatively soon. With regard to the economic activities that are confirmed to have shrunk during the 1820s or thereabouts -- namely, agricultural production in Java and the activities of the Chinese networks based in Amoy – it should be pointed out that, in the former case, Java at the time suffered crop failures from droughts and volcanic eruptions, as well as being afflicted by the Java War.

What needs to be pointed out about governments of the peripheral type is that suppressed profit margins from intermediary trade due to the declining international prices of domestically produced products, the hike in the value of silver coins, and the restructuring of the networks of Chinese merchants are deemed to have induced each government to form centralized state systems or economic spheres of their own, or to advance to such a state and give substance to their control over the countryside. Given that, at the same time, the governments of the peripheral type began to improve, or impose stronger control on, the taxation and currency systems during this period, it is highly probable that they took steps to consolidate new taxation and currency systems as part of their efforts to respond to the newly emerging trading environment.

Lastly, governments of the on-the-route type were those located on the coasts facing the trading route between India and China. Around the 1820s, these governments are deemed to have remained virtually unscathed by unfavorable changes in the trade environment and are deemed to have enjoyed increases both in trade volumes and profits. Geographically, these changes were concentrated primarily in the Malay Peninsula and West Kalimantan. Traditionally, the maritime areas of these places had been virtually free from state authorities that had sustained themselves by producing an agricultural surplus. Since the Age of Exploration, they had been actively engaged in trade activities, primarily exporting pepper, tin, swallows' nests, sea cucumbers, pearls, and tortoiseshells. The prices of these products, sustained by Chinese demand, did not decline in Southeast Asia and China in the first half of the 19th century, or, if they declined, they did so only by small margins.[15] Given this situation, production geared to selling these products to nearby trading ports, which had begun to thrive in the preceding period, seems to have been continued (Ota 2010). Trade between these maritime countries of the on-the-route type and China was mainly carried out by Chinese merchants and country traders, using currencies brought in from abroad. Furthermore, given that the countries of the on-the-route type belonged to the British sphere of influence, which was enjoying a relative advantage in the international environment of the 1820s and after, it seems highly likely that the local governments did not suffer much from the ongoing change in the trading environment, and thus did not feel any compelling need to defend their sphere of influence against the hike in the value of silver coins or the changing trade environment.

VI. Concluding Remarks

According to Shiraishi, the first half of the 19th century, including, in particular, the 1820s, was the period when the state systems of the major Southeast Asian countries began to form (Shiraishi 1999). This paper has taken an overview of the economic aspects of the same formative process of state systems. With the opening of the era of mass production both in manufacturing and agriculture, global deflation took place in the 1820s, ushering into Southeast Asia a period when profits earned by intermediaries began to shrink. The responses taken by various governments of the region can be broken down into three types depending on where each government was located in relation to the trade route between India and China: the remote type; the peripheral type; and the on-the-route type.

To begin with, the remote type consisted only of Burma. The country had a sizable agrarian society within its borders, its government finances relied on trade only to a limited extent, and it was located away from the trade route. For these reasons, it remained virtually unaffected by the change in the trading environment surrounding the trade route. The Western impact that affected Burma at the time took the form of the war it lost against Britain.

Four governments constituted the peripheral type, namely the Dutch colonial government, the Spanish colonial government, the Bangkok Dynasty (Thailand), and the Nguyen Dynasty (Vietnam). Despite having large agrarian societies within their respective territories, they sustained their government finances to a considerable extent through trade. In order to cope with growing deficits in their trade balances and/or government finances, these governments are deemed to have redoubled their efforts to survive financially by procuring products for export as taxes in kind, or at low cost by paying wages in advance, that is to say, by making use of bonded labor. To accomplish their aims, they also tried to enclose their spheres of influence and give substance to their control over the countryside by introducing systems for governing the rural areas. They also made efforts to mint their own currencies and establish their own currency systems. These last efforts seem to have been aimed at severing the taxation systems within their spheres of influence from two features that were manifestations of the deflationary trend of the time, namely, the rising value of the silver currencies and the confusion surrounding the international settlement system.

We should also note the reason why the emerging governments in the continental part of the region, which were in the process of unifying their territories, and the weak colonial governments in the insular part of the region, which retained the old monopoly systems managed to succeed in enclosing their respective spheres of influence and maintain their sound trade balances. This was most likely because Britain, although it pursued open and unrestrained economic activities, was preoccupied at the time with the changing trade environment and its war with Burma. It therefore had no choice but to tolerate the policies pursued by the governments of the peripheral type.

Lastly, governments constituting the on-the-route type were located along the trade route, and did not have large agrarian societies within their borders. Given that they were enjoying expanding profits from their growing trade with Singapore and Penang, the British outposts in the region, they do not seem to have found it necessary to boost production by switching away from their existing production systems, geared as they were to selling their products to nearby trading ports.

It should be pointed out in passing that even though the governments of the peripheral type made increasing use of bonded labor as a means of procuring tropical products in the period from the latter half of the 18^{th} century to the first half of the 19^{th} century, this does not necessarily mean that their trade and production continued to expand linearly until the latter half of the 19^{th} century. On the question of how to understand the connection between the situation in which these governments found themselves in the first half of the 19^{th} century and the political and economic developments in the latter half of the 19th century and after, the following explanations are deemed plausible at the moment.

First, stimulated by the development of transportation and communication networks, global trade began to surge again in the 1850s; and, underlying this trade recovery, were, one, the establishment of a system for settling foreign trade accounts by means of gold and promissory notes, and, two, the creation of a banking network with the City in Britain at its center. In Southeast Asia, the international settlement system and the banking system spread from Singapore, the regional center, without destroying, but instead making use of, the existing commercial and currency systems of the Dutch colonial government, the Spanish colonial government and the Bangkok Dynasty. Consequently, the state systems of these countries could survive into the 20th century. This situation in Southeast Asia seems to have let the use of silver trade dollars survive, along with China's use of silver coins. By contrast, in Burma and Vietnam, where the development of the Irrawaddy Delta and the Mekong Delta was under way, banking networks were established to cover the colonial outposts in the delta areas, and currency systems that were different from those of the local governments were also introduced there.

Second, the switch from bonded labor to wage labor that seems to have become prominent in Southeast Asia during the latter half of the 19th century can be understood as follows. Remarkable progress in technology brought about developments in transportation and expanded the factory production of articles of daily use. In densely populated areas of Southeast Asia, such as Java, this, together with a natural growth in the population, seems to have created an excess supply of labor in sectors such as transportation and manufacturing. This forced many workers to seek new employment opportunities. On the other hand, the development of transportation networks also made it possible for sparsely populated areas to be supplied with large inflows of immigrants, who became both workers on plantations and in factories and consumers of manufactured goods.

The most important task that needs to be tackled in the future is the modification and refinement of these hypotheses on the basis of empirical studies. Also, given that this paper has focused primarily on governments, and has left a number of areas uncovered, it also seems necessary to undertake further research to fill the gaps in our understanding.

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[1] The first half of the 19th century covered the latter part of what Immanuel Wallerstein calls the "era of incorporation," and it also fell into the period that immediately followed what was covered by Andre Gunder Frank's discussion regarding his term "ReOrient," his critique of Wallerstein (Frank 1998). The other hand, in a debate over the definition of globalization, Dennis O. Flynn emphasizes the importance of the interplay between demand and supply that began in the latter half of the 16th century through intermediation using silver, while Jeffrey Gale Williamson and Kevin O'Rouke, in their rebuttal, attach importance to the process by which prices in Western Europe and North America converged to attain the same levels during the 1820s (Akita 2010: 7-8; Mizushima 2010).

[2] Based on my personal correspondence with Associate Professor Yasufumi Toyooka of the Faculty of Arts, Shinshu University.

[3] Among the authors of the works referred to in this paper, Professors Tsukasa Mizushima and Kohei Wakimura specialize in Indian studies, while Professor Shigeru Akita is also deeply interested in India from the perspective of British economic history.

[4] In discussing a historical phenomenon, this paper does not provide an explanatory note on the phenomenon if it is covered by books that provide a historical overview for third- and fourth-year university students.

[5] Based on my personal correspondence with Dr. Li Tana, senior fellow at the Australian National University. This paper is one of the products of the research project moderated by myself and financially supported by Kakenhi (MEXT/JSPS Kakenhi Grant Number: 24320117). In writing this paper I have made use of the latest findings of the project's co-researchers and collaborators. However, I have incorporated such findings into this paper at my own risk, and the responsibility for this paper resides entirely with me, and no one else. This is also the case with other parts of the paper where I base myself on the findings of the project's co-researchers and collaborators.

[6] Based on my personal correspondence with Dr. Li Tana, and with Professor Teruko Saito of the Tokyo University of Foreign Studies.

[7] Here I have limited myself to describing the fall in the prices of cloves, coffee, sugar, and pepper, because only the prices of these crops are presented by Bulbeck et al. In order to support the contention of the paragraph more thoroughly and empirically, it is also imperative to look into factors such as the volumes traded and the prices of rice and silver.

[8] Based on my personal correspondence with Dr. Maria Alejandra Irigoin, Assisant Professor of Economic History at the London School of Economics.

[9] Based on my personal correspondence with Dr. Li Tana.

[10] The descriptions on Burma and Japan are based on my personal correspondence with Professor Teruko Saito and Associate Professor Kayoko Fujita of Ritsumeikan Asia Pacific University, respectively.

[11] The parts of Vietnam that lie within the purview of this paper are essentially limited to the center and south of the country. The north may also be considered as belonging to the remote type.

[12] The discussion on the Philippines has benefitted from my personal correspondence with Professor Nariko Sugaya of Ehime University and her paper (Sugaya 2001).

[13] The discussion on Thailand has benefited from the doctoral dissertation of Dr. Hiroshi Kawaguchi (Kawaguchi 2013) and my personal correspondence with him.

[14] The discussion on Vietnam has benefited from my personal correspondence with Mr. Yoshihiro Taga, a doctoral student in the Graduate School of Letters, Osaka University, Dr. Li Tana, and Professor Shiro Momoki of the Graduate School of Letters, Osaka University, and from a paper by Professor Minoru Shimao of the Institute of Cultural and Linguistic Studies, Keio University (Shimao 2001).

[15] Based on my personal correspondence with Dr. Li Tana.

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