When the World Came to Southeast Asia

Malacca and the Global Economy

By Michael G. Vann

Viewed from the sea, Malacca seemed a modest affair and not what one would expect from one of the world's richest trade emporiums. Antique engraving published by F. Valentijn, titled *De Stad Malacka*, Amsterdam, 1726. Source: *Wikimedia Commons* at http://tinyurl.com/lhgmroj.

Situated in the west coast of the Malay Peninsula on the strait that bears its name, the port of Malacca is adjacent to one of the world's busiest shipping lanes. Today's Malacca (Melaka in Malay) is a small port city with few obvious signs of its former glory. Despite a growing tourist trade, most visitors are ignorant of the city's spectacular maritime past as one of the most important trade centers in the early modern global economy, a past that put Malacca in the same league with Venice, Cairo, and Canton. The average tourist is more likely to mention the city's food than its history. With centuries of trade with China, India, and the Arab world; being ruled by the Portuguese, Dutch, and English; and its close proximity to many of the world's spice producers, Malaccan culinary culture brings together East Asian, Indian Ocean, Halal, and European traditions into a Southeast Asian celebration of global food. But tasty as they are, these dishes are artifacts of the city's lost prominence. Fortunately, city leaders have funded several museums, restoration projects, and archeological sites to celebrate this Malaysian port's role in the world system, its dynamic multiculturalism, and significance in maritime Asian history.

Despite the port's tremendous importance and wealth in the fifteenth century, Malacca's greatness was fleeting. After 1403, a Malay ruler rapidly transformed it from a sleepy fishing village to a center of world trade in less than a decade, but in 1511, the dynamic trade emporium fell to Portuguese invaders who gradually ran Malacca into the ground until they were conquered in turn by the Dutch in 1641. If it became a backwater under colonial rule, a larger historical perspective on Southeast Asia shows that there has always been a hegemonic port city similar to Malacca in its glory days. Geography, meteorological patterns, and the logistics of maritime commerce dictated that somewhere along the Straits of Malacca, one city would serve as the regional center in the global economic order.

Land, Water, and Wind

French historian Fernand Braudel argued that geography and climate structured the decisions humans could make, placing human agency inside of certain environmental constraints. Although he studied the Mediterranean, his perspective is essential for understanding the history of maritime Asia. A check of the map reveals Malacca's importance. The land literally creates a funnel, as the Malay Peninsula and the island of Sumatra get steadily closer as one travels into the strait. Tomé Pires, a Portuguese apothecary, referred to the strait as a "gullet," and contemporary analysts use the term "choke point."[1]

The Straits of Malacca connect the Indian Ocean basin to the South China Sea. China-bound maritime trade from India, Persia, and the Arabian Peninsula must either pass by Malacca or travel much farther to the south to the Sunda Strait between Sumatra and Java. While the Sunda passage is appropriate for ships coming from the Cape of Good Hope, it is a major detour for Indian, Persian, and Arab merchants. Furthermore, the winds along the west coast of Sumatra can be unreliable, and the open ocean swells spawned by massive storms in the Southern Ocean provide for excellent surfing in the Mentawai Islands but dangerous sailing for small craft. The placid waters between the northeast coast of Sumatra and the west coast of the Malay Peninsula are well-protected from ocean swells and can seem like a lake when compared to the towering waves of the Indian Ocean.

The monsoon wind cycle adds a final and historically decisive factor to the history of global trade patterns. In the Northern Hemisphere's summer months, a high-pressure system over

Now a sleepy tourist attraction, the banks of the Malacca River once saw the flow of the world's trade. Source: Bjørn Christian Tørrissen via *Wikimedia Commons* at http://tinyurl.com/nzswbp9.

Siberia pulls wet and warm air off the Indian Ocean, bringing heavy rain and dominant winds that blow toward the northeast. In winter, the pattern is reversed, with Siberian low pressure pushing relatively cooler and dry air to the southwest. In the age of sail, it was next to impossible for boats to travel against these winds. Mariners sailed downwind from India or China toward the southern edge of the Straits of Malacca from November to April. From May to October, they used the monsoon winds to push boats northward to India or China. This wind pattern combined with Malacca's geographic location to make it an ideal place to await the change of the wind cycle. As merchants going from South Asia to China realized that it was easier and quicker to simply exchange goods with each other at a halfway point in the straits, ports in the region developed into trade emporia where goods from afar could be imported, stored, and exchanged amongst foreign merchants. Such a system allowed Indians and Chinese to bring goods from home, exchange them for foreign goods, and return home in close to six months, rather than the almost two years it would take to travel the full distance.

The Braudelian factors of geography, ocean patterns, and wind cycles made the Straits of Malacca a natural pivot point of commerce in maritime Asia.

Pre-Malaccan Thalassocracies

Before Malacca, there were two great *thalassocracies*, or sea-going empires: Srivijaya (eighth through twelfth centuries) and Majapahit (1293–1527). Initially, the kingdom of Funan (first through seventh centuries), in what is now Southern Việt Nam, Cambodia, and Thailand, established maritime trade connections between India and China, with the city of Oc-Eo serving as the main port. However, with the Straits of Malacca home to various pirate bands, merchants in the age of Funan used the overland route at the narrow Isthmus of Kra near the present-day Thai-Malaysian border.

In the seventh century, Srivijaya opened up the Straits of Malacca. Using naval power to crush pirates and rivals, the kingdom grew from the region around present-day Palembang in South Sumatra Province in Indonesia to claim control over most of Sumatra, the Malay Peninsula, much of Java, and thousands of smaller islands. For centuries, Srivijaya expanded the volume of trade through the straits as it led military expeditions against potential rivals while ensuring foreign merchants safe passage and necessary port facilities. After half a millennium of power, the maritime empire fell to the rising Javanese Majapahit kingdom. Another sea-going empire, Majapahit controlled an even larger amount of territory at its imperial zenith in the fourteenth and fifteenth centuries. The Javanese combined access to the spice islands of the Moluccas with domination of the Straits of Malacca.

These thalassocracies set the example of incredible wealth that would come from servicing the maritime Silk Roads between China and the Indian Ocean basin. Sea-going trade proved itself to be a much more cost-effective and faster option than Central Asia's thousands of miles of unreliable roads, slowly crossed by camel caravans at a walking pace.

The Rise of Malacca

Following these precedents, the rise of Malacca was simply the newest phase of a centuries-old pattern. While specific details on the founding of the city remain murky and often the stuff of legend, we do know that prior to 1400, Malacca was a small fishing village. Malay, Portuguese, and Chinese sources hold that the displaced Malay nobleman Parameswara (1344–1414) was in search of a kingdom. Finding a small river that met a beach in the protected waters of strait—all at the foot of a nearby hill that allowed one to observe the coming and going of ships—Parameswara must have realized that the site would make an ideal port that could both service trade and project military power. Accordingly, he forged an alliance with the nomadic *orang laut* (known as "sea people," they were literally a floating population of pirates and merchants) to crush his rivals, scare off other pirates, and encourage merchants into his harbor. If he strong-armed some ships into his port, once there they found reliable trading practices and security in a dangerous area.

Malacca's just and uniform trade practices quickly gained notoriety throughout maritime Asia. Under the watchful but protective eyes of the fierce orang laut, merchants who came into Malacca found that the city offered safe and secure warehouse facilities. Ensuring smooth transactions, Parameswara established a system with clear rules on the percentage of incoming cargo that would be taxed. Avoiding opportunities for graft and petty corruption, the local government had a hierarchy of officials with four harbormasters, each for an ethnically defined group of merchants such as Gujarati, Bengali, Malay, or East Asian. An executive officer stood above them all to arbitrate interethnic disputes and ensure harmonious multicultural commerce. Serving as a marketplace for imports to be traded amongst foreigners, the city produced and consumed relatively little.

Within a few years, the successful system made Malacca the most important trading center in Southeast Asia. With this prosperity, the young city grew. Merchants, laborers, and slaves from throughout Southeast Asia, East Asia, and South Asia soon filled Malacca. Cultural diversity became the norm, and one could hear dozens of languages spoken in the cosmopolitan city's bustling streets.

Tribute State and Sultanate

Parameswara solidified Malacca's position with institutional and personal connections to the great economic engines of his world, China and India. The city's rise coincided with one of the most dynamic phases in Chinese history as

the early Ming dynasty (1364–1644) deployed a massive fleet and established direct relations with the Asia maritime world. The Yongle Emperor (1402–1424) tasked Zheng He (1371–1433) with building and commanding hundreds of ships, some estimated to be over 400 feet in length. Not a mission of conquest or exploration, the fleet followed the well-known monsoon trade routes to promote trade and diplomacy by impressing the world with China's might. Maritime powers were encouraged to enter into the Confucian-based tribute-state relationship with the Middle Kingdom. Parameswara himself traveled to the Chinese capital to kowtow before the emperor in 1411. In return for his tribute and respect, the Malaccan ruler received honorary robes from the Chinese court, a symbol of prestige, and, more practically, assurances of Chinese military assistance should it be needed. Furthermore, the Chinese court granted the city what we might call most-favored-nation status.

If the sinitic tribute state system ensured the city's standing to the east, religion solidified Malacca's economic relationship toward the west. While it is unclear if Parameswara converted to Islam, he adopted titles associated with the faith (the Persian *Iskandar Shah* and the Arabic *Sultan*) and intermarried with Muslim royal families. This is not surprising, as increasing numbers of Indian, Persian, and Arab merchants began to arrive in Aceh on the northern tip of Sumatra and the Straits of Malacca. By midcentury, the city's leadership converted, and a sultan made the Hajj pilgrimage, placing Malacca in the wider Islamic trade network that dominated the greater Indian Ocean basin. Muslims from South Asia, Arabia, or North Africa knew that they would be able to find places of worship, individuals familiar with Arabic, and communities governed by familiar trade practices and influenced by Islamic law codes.

These relationships strengthened Malacca's foreign relations and its domestic dynamism. As a tribute state, the city became familiar to Chinese who soon began to reside in the port. Muslim merchants from thousands of miles away settled in the city, adding to its ethnic diversity. By the close of the fifteenth century, Malacca was one of the world's most important cities for trade and home to a cosmopolitan community of over 100,000. Arabs prayed with Chinese. Armenians traded with Javanese. Indians and Japanese saw each other in the street.

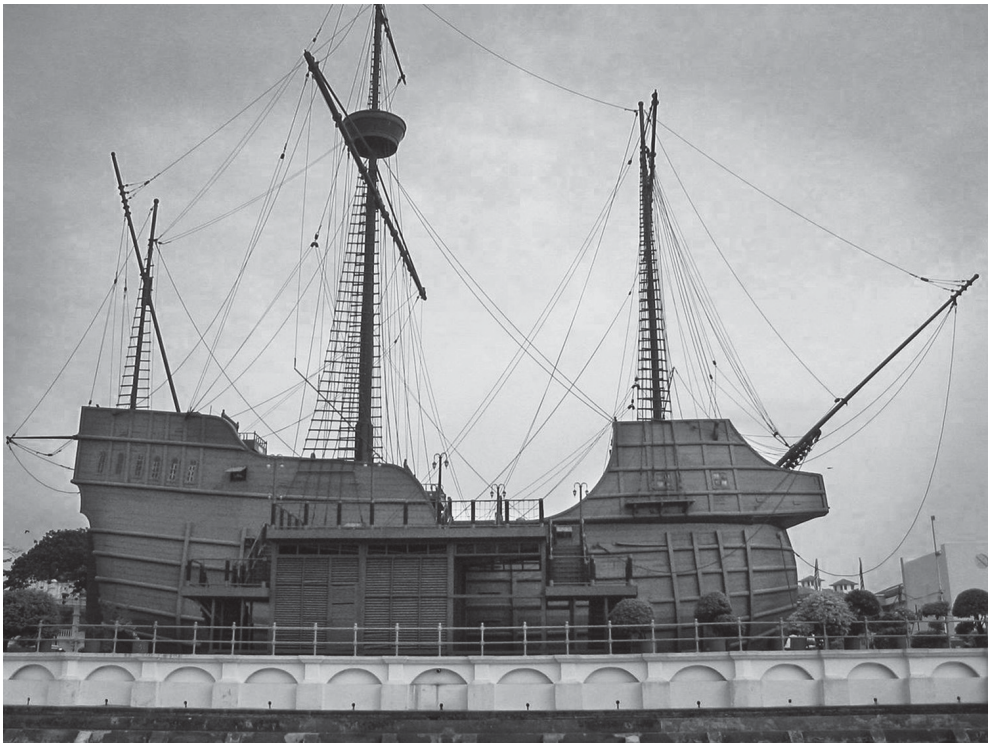
The Portuguese Crusade

Historians often mark Columbus's 1492 voyage across the Atlantic as the dawn of the modern era. This perspective, with its emphasis on the Iberian construction of global connections, can obscure the fact that the original goal of Spanish expansion was not the unknown New World but rather the markets of East and Southeast Asia. The Portuguese were more immediately successful in this quest. After the 1494 Treaty of Tordesillas, in which Portugal and Spain agreed to divide the world into two spheres of expansion, the smaller kingdom sent Vasco da Gama to India to build a trade empire on the far side of the world. Unfortunately, the Portuguese had little to sell in Asia and quickly turned to more violent means of acquiring the spices, silks, and other riches of Indian Ocean ports. Alfonso de Albuquerque (1453-1515), a brilliantly ruthless strategist was the main architect of Portuguese Asian policy. Recognizing the relative weakness of his small armed forces on land, he exploited his fleet's naval superiority by attacking strategic waterways such as the Strait of Hormuz (1507) and ports such as Goa (1510). His ships, bristling with guns and sailors trained in the ways of armed trade in the less-than-peaceful Mediterranean, highjacked Asia's maritime economy. Realizing that control of Malacca would give him a near-monopoly of Chinese goods and spices from the Moluccas, Albuquerque attacked the city in 1511. After several fierce battles with the sultan's skilled archers and powerful war elephants, the Portuguese conquered the port.

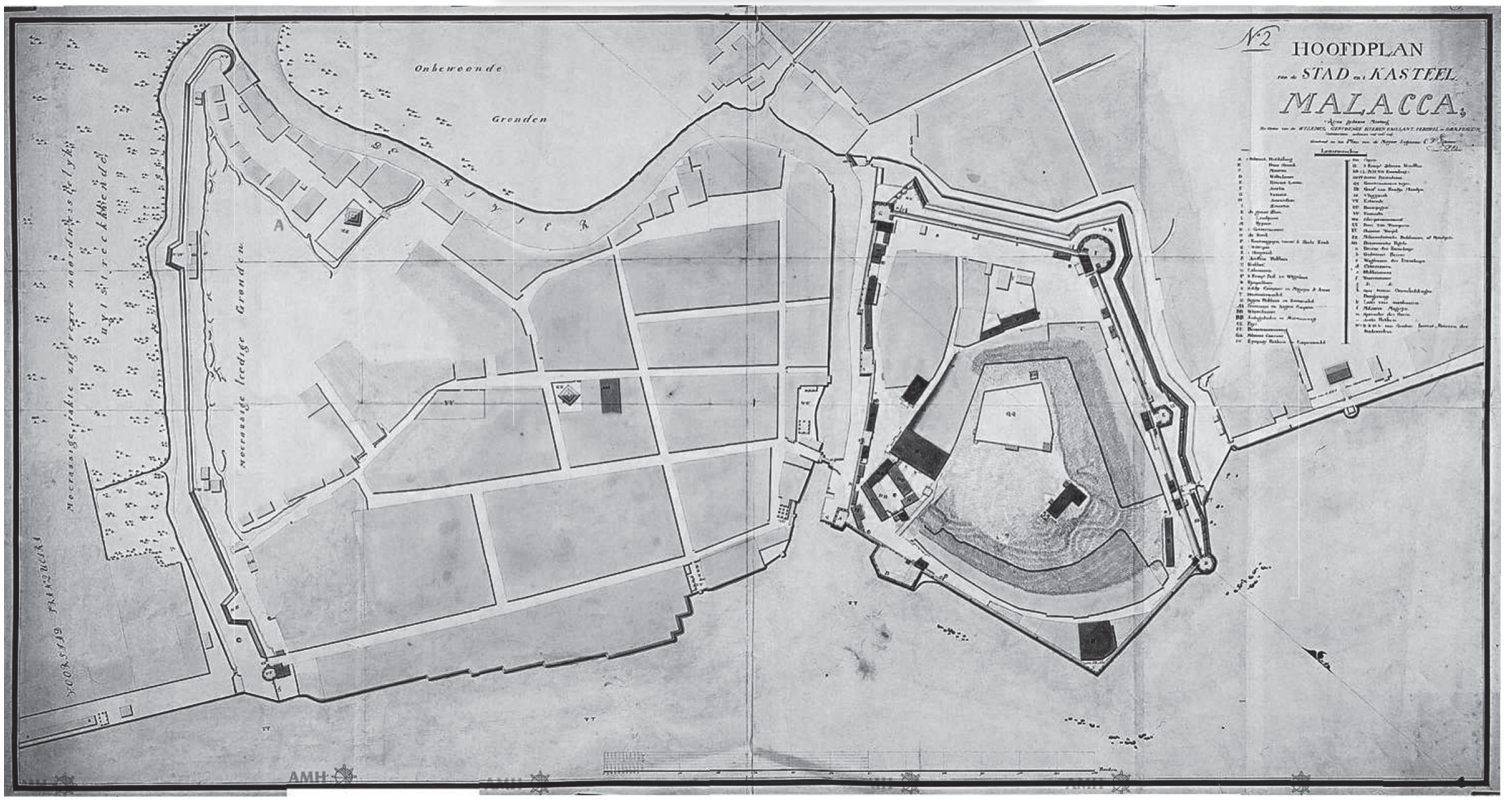
While Albuquerque's aim was to monopolize Asian trade by taking this crucial choke point, his motivations must be understood in the context of early modern Europe. Coming out of the Crusades and feudalism, Islamophobia and the warrior culture were central to the Portuguese worldview. But this conquistador also understood global patterns of trade and realized that if he seized Malacca, Portugal would gain an upper hand on a European commercial rival: the city of Venice. Since the Venetians made tremendous profits selling eastern goods to the Iberians and as the merchant republic got along a little too well with their Muslim colleagues, a move in Southeast Asia would solve a Mediterranean political crisis. Albuquerque justified his assault on the port in a speech to his men:

> *And I hold it as very certain that if we take this trade of Malacca away of their hands, Cairo and Méca are entirely ruined, and to Venice will no spiceries be conveyed except that which her merchants go and buy in Portugal.*[2]

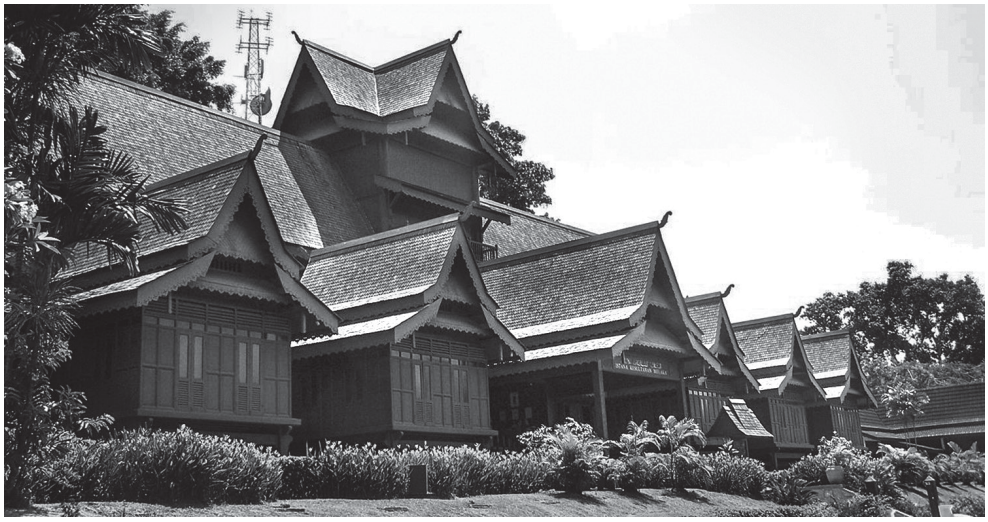
Clearly, the commander saw the world as a sophisticated trading system but also as a bitter clash of civilizations between Islam and Christianity. The merchants of Venice immediately understood the threat to their centuries-old trade with the East, which indeed went into an immediate and irreversible decline. The Catholic invaders viewed Southeast Asian Muslims with the same hostility and contempt displayed in Iberia, killing or expelling them from the city. Mosques were torn down and churches raised in their place. The subsequent century saw almost constant warfare between Portuguese Malacca and the neighboring Sultanates of Johore and Aceh. When compared with the Spanish Americas and Philippines, Portuguese missionary activity was spectacularly unsuccessful in Asia, and ironically, anti-Muslim policies may have sped up conversions to Islam as a means



This reconstructed Portuguese armed trading ship now houses a museum on the Malacca riverfront.
Source: *Wikimedia Commons* at http://tinyurl.com/oqrtprk.



This eighteenth-century Dutch map shows the Sungai Malacca that was home to the Sultanate's trade, the Portuguese walled fort to the east of the river, and the Dutch expansion to the west. Source: Felix Andrews via *Wikimedia Commons* at http://tinyurl.com/pz8rmmo.



Tourism boosters have reconstructed the sultan's fifteenth-century wooden *istana*, or palace. Source: Soham Banerjee via *Wikimedia Commons* at http://tinyurl.com/oo7mu25.

of resisting the Iberian invaders. Visiting priests, such as the Jesuit missionary St. Francis Xavier, disparaged the city's lack of piety and reputation for sin.

After a century of growth, Malacca went into a period of demographic instability. As many ethnic Malay Muslims and orang laut fled with the sultan and only a handful of ethnic Portuguese arrived in the city, the new rulers encouraged the migration of mixed-race Catholic converts from India. Others made it to Malacca from Portuguese colonies in Brazil, Africa, East Timor, and Macau. While Catholics remained a minority, the city's Hindu and Buddhist communities grew as Indian and Chinese merchants took up residence. As before, the new arrivals brought new food and increased the city's ethnic diversity.

Under the 130 years of Portuguese rule, trade declined. Muslim merchants found rival ports, and Protestant Europeans soon posed a serious threat. Increasingly, Portuguese Malacca survived only as a military outpost in a sea of enemies.

Stagnation and Displacement under the Dutch and British

When the Dutch arrived in Southeast Asia, they brought a new form of economic organization: the modern corporation. After its creation in 1602, the Dutch East India Company (VOC), with its system of buying and selling shares in the company, diversified risk for its many investors after its creation in 1602. The Iberian feudal elites and their merchant allies could not compete with the forces of early modern capitalism. The VOC's Batavia, modern-day Jakarta, quickly took over the spice trade, redirecting commerce away from the Straits of Malacca and toward the Sunda Strait between Java and Sumatra. When the Dutch replaced the Portuguese as masters of the city in 1641, the new Protestant rulers held the port only to keep it out of the hands of their rivals. The few Dutch who immigrated to Malacca did build distinctive buildings for VOC officials and merchants.

In the early nineteenth century, the British East India Company took an interest in the Straits of Malacca. English ships loaded with opium from India passed through Southeast Asia on their way to Canton. In order to secure this crucial waterway, the British negotiated control of Malacca by the 1824 Anglo-Dutch Treaty. However, Thomas Stamford Raffles (1781–1826) established Singapore as the center of English operations in the region and Malacca remained a backwater. When the naturalist Russel Alfred Wallace (1823–1913) visited in the 1850s, he wrote the following:

> *The population of Malacca consists of several races. The ubiquitous Chinese are perhaps the most numerous, keeping up their manners, customs, and language; the in-*

Malacca's streets are lined with homes built by prosperous Chinese merchants who created a distinct Sino-Malay culture. Source: Michael G. Vann, 2012.

digenous Malays are next in point of numbers, and their language is the lingua-franca of the place. Next come the descendants of the Portuguese—a mixed, degraded, and degenerate race, but who still keep up the use of their mother tongue, though ruefully mutilated in grammar; and then there are the English rulers, and the descendants of the Dutch, who all speak English.[3]

While neglected by the authorities, the port's vibrant multiculturalism continued to flourish. Under British rule, the Chinese population grew as part of the larger Peranakan Chinese community. As with the Portuguese and Dutch, many Chinese men took Malay, Javanese, and Balinese brides and concubines, producing a hybrid culture. Malacca's Baba-Nyonya cuisine combines southern Chinese dishes with spices and cooking techniques of Southeast Asia.

Contemporary Malacca

A number of factors combined to marginalize the once-great port city. In the twentieth century, Malacca's harbor served regional ships picking up tin and rubber from nearby mines and plantations. Yet this commerce was fairly small-scale, and the city became a backwater, eclipsed by Singapore to the south and Georgetown to the north. The British chose landlocked Kuala Lumpur as the political center of the colonial Federated Malay States. While the nationalist leader Tunku Abdul Rahman (1903–1990) did famously utter "Merdeka" ("freedom") in Malacca in 1956 and drew upon the city's historical legacy in his speeches, the following year he declared independence in Kuala Lumpur. With rising Malay nationalism, Malacca's diversity raised some eyebrows in regards to the city's authenticity.

Chinese manufacturers produced porcelain with Arabic calligraphy to export to the Islamic world. Source: Michael G. Vann, 2012.

However, a new wind is blowing into Malacca. In recognition of its important role in maritime history and diverse culture, the city became a UNESCO World Heritage Site in 2008. Tourists can see the colonial past in ruins of the Portuguese A Famosa Fort (1511) or the Dutch Stadthuys (1650). The hungry can sample local specialties in Baba Nyonya restaurants on Jonker Street. A number of museums represent the port's past as a center of Malay culture but also the meeting place of the Chinese and Islamic worlds, best seen in the exhibits and statues that celebrate Zheng He. For today's visitor, history in Malacca is alive and well. ■

NOTES

1. US Energy Information Administration, "World Oil Transit Chokepoints," accessed February 13, 2014, http://tinyurl.com/cx2zlj7.
2. Walter de Gray Birch, *The Commentaries of the Great Afonso D'Alboqueqgue* (London: Hakluyt Society, 1880), 118.
3. Alfred Russel Wallace, *The Malay Archipelago: The Land of the Orang-Utan and the Bird of Paradise. A Narrative of Travel, with Studies of Man and Nature* (New York: Harper & Brothers, 1885), 38.

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