CREDIT AND DEBT IN INDONESIA, 860-1930
The Institute of Southeast Asian Studies (ISEAS) was established as an autonomous organization in 1968. It is a regional centre dedicated to the study of socio-political, security and economic trends and developments in Southeast Asia and its wider geostrategic and economic environment. The Institute’s research programmes are the Regional Economic Studies (RES, including ASEAN and APEC), Regional Strategic and Political Studies (RSPS), and Regional Social and Cultural Studies (RSCS).

ISEAS Publishing, an established academic press, has issued almost 2,000 books and journals. It is the largest scholarly publisher of research about Southeast Asia from within the region. ISEAS Publishing works with many other academic and trade publishers and distributors to disseminate important research and analyses from and about Southeast Asia to the rest of the world.

KITLV Press is the publishing department of the KITLV/Royal Netherlands Institute of Southeast Asian and Caribbean Studies. It specializes in scholarly monographs and other books on the anthropology, art, economics, history, linguistics and literature of Southeast Asia, with special emphasis on Indonesia, and the Caribbean.

KITLV/Royal Netherlands Institute of Southeast Asian and Caribbean Studies has specialized in collecting information and advancing research on the present and former Dutch colonies and their surroundings since 1851. Today it is an authoritative research institute focussing on Southeast Asia, in particular Indonesia, and the Caribbean, especially Suriname, the Dutch Antilles and Aruba. Its collections, publications and research encompass the humanities and the social sciences, ranging from colonial history to present-day social issues. KITLV houses sizeable and diverse collections, a leading publishing unit, and changing research projects.

The Institute of Southeast Asian Studies (ISEAS) was established as an autonomous organization in 1968. It is a regional centre dedicated to the study of socio-political, security and economic trends and developments in Southeast Asia and its wider geostrategic and economic environment. The Institute’s research programmes are the Regional Economic Studies (RES, including ASEAN and APEC), Regional Strategic and Political Studies (RSPS), and Regional Social and Cultural Studies (RSCS).
# Contents

*Preface*  
vii

*Contributors*  
viii

1. Credit and Debt in Indonesian History: An Introduction  
   by David Henley  
   1

2. Preliminary Notes on Debt and Credit in Early Island Southeast Asia  
   by Jan Wiseman Christie  
   41

3. “Following the Debt”: Credit and Debt in Southeast Asian Legal Theory and Practice, 1400–1800  
   by Peter Boomgaard  
   61

4. Credit among the Early Modern To Wajoq  
   by Kathryn Anderson Wellen  
   80

5. Money in Makassar: Credit and Debt in an Eighteenth-Century VOC Settlement  
   by Heather Sutherland  
   102

   by Kwee Hui Kian  
   124

7. A Colonial Debt Crisis: Surabaya in the Late 1890s  
   by Alexander Claver  
   143
Contents

8. Credit and the Colonial State: The Reform of Capital Markets on Java, 1900–30
   by Jan Luiten van Zanden

Appendix

Index
Preface

This book has its origins in a KITLV (Royal Netherlands Institute of Southeast Asian and Caribbean Studies) research project entitled “Credit, Risk, and the Economy of Debt: Indonesian Trajectories” (CREDIT), in which we have been the principal participants, and in a discussion panel on “Credit and Debt in Southeast Asia, Past and Present”, which we organized at the Fourth Conference of the European Association of Southeast Asian Studies (EUROSEAS) in Paris in September 2004. Besides six pieces which — in most cases after much revision — became chapters included here, the Paris panel also included papers by Andi Faisal Bakti, Greg Bankoff, Pramuan Bunkanwanichcha, Caleb Kwong, Martin Ramstedt, and Willem Wolters. We remain grateful to these scholars for their input and insights, some of which are indirectly reflected in the present volume. Our thanks go also to Anne Booth, Thomas Lindblad, and other members of the panel audience for their critical and constructive comments. Two of our eight chapters, those by Jan Wiseman Christie and Heather Sutherland, did not originate in Paris, but were written after the conference at our request. We are particularly grateful to these contributors, without whom the range of topics and periods covered would have been much less adequate. In addition we would like to thank Rosemary Robson, for improving the English in some of the pieces; the staff of the KITLV, for their always cheerful assistance when we were in search of publications and illustrations; and Triena Ong of ISEAS Publishing, for her help, and forbearance, during the reviewing and editing process.

David Henley and Peter Boomgaard
Contributors

Peter Boomgaard (boomgaard@kitlv.nl) was trained as an economic and social historian. He is currently Professor of Environmental History of Southeast Asia at the University of Amsterdam, and a senior researcher at the Royal Netherlands Institute of Southeast Asian and Caribbean Studies (KITLV) in Leiden. His books include *Frontiers of Fear: Tigers and People in the Malay World, 1600–1950* (2001) and *Southeast Asia: An Environmental History* (2007).

Jan Wiseman Christie (c.j.christie@btinternet.com) took her first degree in Indo-Iranian Studies at the University of Pennsylvania, and obtained her doctorate in Art and Archaeology of Southeast Asia from the School of Oriental and African Studies (SOAS) in London in 1982. She recently retired from her position as Senior Lecturer and Honorary Professor in the Centre for South-East Asian Studies at the University of Hull, and now holds a professorial research fellowship at SOAS. She has written on diverse aspects of early Javanese states, and is at present completing a register of the inscriptions of the early state of Mataram in Java.

Alexander Claver (alexanderclaver@hotmail.com) studied history at Utrecht University, where he specialized in nineteenth- and twentieth-century Dutch economic and business history. In 2006 he obtained his doctorate from the Vrije Universiteit in Amsterdam with a thesis entitled “Commerce and Capital in Colonial Java”, focusing on trade finance and commercial relations between Europeans and Chinese during the nineteenth and early twentieth centuries. His research interests also include entrepreneurship and corporate strategy in contemporary Southeast Asia. At present he is working on Indonesian legal history, as well as the history of the Armenians in the Netherlands Indies.

David Henley (henley@kitlv.nl) is a researcher at the Royal Netherlands Institute of Southeast Asian and Caribbean Studies (KITLV) in Leiden.
He has written on diverse aspects of Indonesian history. Among his publications are *Fertility, Food and Fever: Population, Economy and Environment in North and Central Sulawesi, 1600–1930* (2005) and (as editor and contributor) *The Revival of Tradition in Indonesian Politics: The Deployment of Adat from Colonialism to Indigenism* (2007).

**Kwee Hui Kian** (huikian.kwee@utoronto.ca) is Assistant Professor of History at the University of Toronto. Her research focuses on transnational commercial and social-cultural networks in Southeast Asia, in particular those of the Overseas Chinese in Malaysia, Singapore, and Indonesia. Her publications include *The Political Economy of Java's Northeast Coast, c. 1740–1800: Elite Synergy* (2006).

**Heather Sutherland** (hsutherland@compuserve.com) is Professor of Non-Western History at the Vrije Universiteit in Amsterdam, where she teaches Southeast Asian and Indian Ocean history, as well as historiography. Her recent publications include “Trade, Court and Company: Makassar in the Later Seventeenth and Early Eighteenth Centuries”, in *Hof en Handel: Aziatische Vorsten en de VOC 1620–1720*, edited by Elsbeth Locher-Scholten and Peter Rietbergen (2004); and “The Problematic Authority of (World) History”, *Journal of World History* 18 (2007): 491–521.


**Jan Luiten van Zanden** (jvz@iisg.nl) is Professor of Economic History at Utrecht University and a senior researcher at the International Institute of Social History in Amsterdam. He has published widely on the economic history of Western Europe since the Middle Ages. In 2003 the Netherlands Organisation for Scientific Research (NWO) awarded him the Spinoza Prize for his research. He is currently working on a project comparing economic growth performance in Europe and Indonesia. The resulting publications to date include “Rich and Poor before the Industrial Revolution:
Contributors