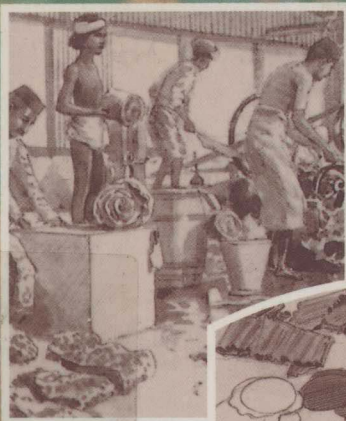
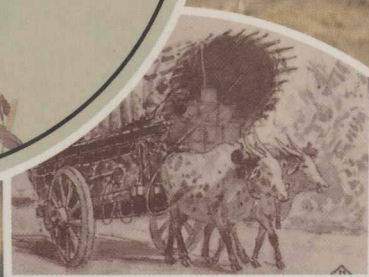


AUSTIN COATES
THE
COMMERCE
IN RUBBER
THE FIRST 250 YEARS



THE COMMERCE IN RUBBER

THE FIRST 250 YEARS

AUSTIN COATES

COMMISSIONED BY THE
SINGAPORE INTERNATIONAL CHAMBER OF COMMERCE
RUBBER ASSOCIATION

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Preface

THIS work was commissioned by the Singapore International Chamber of Commerce Rubber Association. The idea at first was to show the part which the trade had played in the thirty years following World War II, when natural rubber struggled for commercial existence against the challenge of synthetic.

In investigating the antecedents of this, however, it seemed to me that there was so much of interest in the past, and that rubber is itself such a coherent story, that it would be worthwhile going back to the beginning and re-telling it. My first acknowledgement is to the Rubber Association and its members for agreeing to this, for giving me unrestricted access to their records, and for requesting other related bodies in Malaysia and in London to do the same, which they did, and for which I am most grateful. Quite by chance, the manuscript was completed exactly 250 years after the scientific discovery of rubber and the earliest known reference to the trade—the sale of rubber ornaments and toys at places on the Atlantic coast of South America.

I owe most grateful thanks to Professor C.R. Boxer, F.B.A., for his initial advice on sources for the earlier parts of this work, to Professor J.S. Cummins, Ph.D., head of the Department of Spanish and Latin American Studies, University College, London, for his discerning help with the oldest documents quoted, and the choice of them, and to Dr. Luís de Sousa Rebelo, Reader in Portuguese, King's College, London, for clarifying some difficult Luso-Brazilian points.

To Miss Rosemary Angel, head of the Historical Department of the Royal Botanic Gardens at Kew, and to Miss Gina Douglas, librarian of the Linnean Society, London, I wish to express my appreciation of their expert guidance and advice; and I wish specially to thank Dr. Ethel Barrow, F.L.S., for these introductions, and for her help in regard to rare historical books and documents.

I owe a particular debt of gratitude to Mr. Arnost Propper, chairman of Pacol, London, for his guidance in matters relating to the commerce of the City of London, for help on a wide range of historical points, and above all for his encouragement and criticism, which were alike in-

dispensable; and to Mr. Carsten Holdorff for effecting this introduction from Singapore, as also for his own consistently pertinent comments as the book was taking shape.

For the use of their historical library of commercial books, reports, pamphlets and press cuttings, and for much advice and assistance, I am indebted to the International Rubber Study Group in London, in particular to the Secretary-General, Mr. John Carr, and to the statistician, Mr. Philip Watson; and I wish to thank Mr. Robert Lutton, O.B.E., who from Singapore effected this introduction, and to whom I am additionally indebted for his comments, amounting to a historical analysis, concerning the post-war rubber trade in South-East Asia.

For their cooperation in furthering my research, my thanks are due to Mr. Michael Davies and Mr. John Bailey, of the Rubber Trade Association of London; Mr. Anthony Rucker, of the London Commodities Exchange; and Mr. David Burt, of the Guinness Peat Group.

I wish specially to thank Mr. John Hobbs, of Harrisons & Crosfield, London, for giving much care and attention to my enquiries about the background of the firm, the records of which were destroyed in the bombing of the City in 1941, and Mr. Guy Nickalls, for allowing me to see some of his own research findings on the subject.

I am grateful to Mr. Patrick Coghlan for giving me extracts from his father's unpublished memoirs, and permission for these to be quoted.

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I wish to convey my personal thanks to Dr. Lim Chong Eu, Chief Minister of Penang, for his interest in this work, and for numerous valuable ideas and introductions; to Mr. Sjovald Cunyngham-Brown, O.B.E., Chev. Nat. Order of Merit, who himself figures in Chapter 33, for expanding on points in his own book, *The Traders*, and for a wealth of background detail derived from his exceptional experience of Malaysia; to Mr. Desmond Neill, M.B.E., company director and former chairman of the Singapore International Chamber of Commerce, for much perceptive advice, and for unearthing long-forgotten documents which turned out to be of vital importance; and to Mr. Artir Haslim, of Jakarta, for his general guidance on the historical background of Indonesian rubber, and for the generous gift of some rare books pertaining to the subject from his library.

For their cooperation in furthering my research, my thanks are due to Mr. Tan Eng Joo, former chairman of the Rubber Association of Singapore; Mr. David Wilson, formerly of the Malaysian International

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For advice on specific points I am indebted to Tun Tan Siew Sin, chairman of Sime Darby, and to Dr. B.C. Sekhar, of the Rubber Research Institute.

Of those who helped, whether with information, ideas, or just steering me (often literally) along, I wish to acknowledge Tan Sri Dato' Haji Mubin Sheppard, Mr. Charles Letts, Mr. K.C. Arun, Mr. William Cooke, Mr. Tan Tong Han, Mrs. Zabaidah Fechter, Mr. Kwan Yue Kang, and Mr. Koh Aun Choo.

For her consistent support and help I wish to thank Dr. Chang Kiaw Lan, director of the Botanic Gardens, Singapore, not least for her introduction to Professor E.J.H. Corner, C.B.E., F.R.S., Professor Emeritus of Tropical Botany, University of Cambridge, to whom I am indebted for his counsel.

In Singapore, among members of the Committee of the Association sponsoring this work, I wish to express my thanks to Mr. Brian Miller, for wide-ranging background information on the trade, and for important documentary help; to Mr. Gilbert Holiday, for valuable advice on sources; and to Mr. Patrick Hays, of the Michelin Group, for his advice on the French participation in rubber during this century, and for a great deal of help with books, documents, and illustrative material. I wish to thank Mr. Howard Chappell, of the Goodyear Company, for his advice, extensive help with documents, and for his discerning criticism; Mr. Jim Haggerty, of the Firestone Company, for invaluable help on the Firestone background; Mr. Ross Miller, of the Goodrich Company, similarly; and Mr. Jean-Marc Seyman, of Alcan Far East, for tracking down the portrait of La Condamine.

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Special thanks, indeed admiration, are due to my two extremely able volunteer researchers, Mrs. Joanna Grant Peterkin in London, and Mrs. Christiane Scharlau in Singapore.

Readers may wish to be reminded that the £ sterling, under the earlier coinage system, consisted of twenty shillings; one shilling, expressed as 1s., consisted of twelve pence, one penny being expressed as 1d. Thus 10s. was decimal 50, and 15s. was decimal 75. Throughout much of the period prior to 1940 the trans-Atlantic exchange rate was remarkably steady at US\$4 to the £ sterling. The Straits \$ was linked to the £ at approximately 2s.4d. Thus for general purposes US\$1 equalled

S\$2. These were solely the exchange rates; the local purchasing power of money was another matter, often quite different.

I have not included any statistical tables. Rubber statistics are so complicated that unless expressed in book form, as is done by the International Rubber Study Group, they tend to mislead rather than illuminate. Selected figures, as are given throughout, are a surer guide, and from 1946 onwards there is the advantage that they are accurate.

Hongkong
November 1986

AUSTIN COATES

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Illustrations

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PART I

THE CONUNDRUM TREE

1735-1876

I

*Enigma—Spanish American sightings—
La Condamine in Peru—his journey down the Amazon—
Pará—Fresneau in Cayenne—Paris*

THE juice which is found in the bark of the hevea tree, from which most of the world's natural rubber comes, looks like milk. A diagonal incision in the bark of a mature tree is sufficient to cause the milk-like juice to flow very slowly out, and a cup of metal or coconut is tied to the tree at the lowest point of the incision to receive the flow.

Within hours of being extracted, the milk begins to darken toward a golden brown colour and thicken. At a certain stage, when it is no longer liquid yet still pliant, a piece of the substance can be stretched repeatedly to many times its length, and after each stretching return to about the same dimensions. Nothing else in nature possesses such elasticity.

The darkening and thickening continues, and after less than three days in a hot climate, the formerly milk-like juice has become dark grey-brown and solid. In this state it can be cut with a knife, and thin strips of it retain their elasticity; but pieces so cut cannot be re-united to form desired shapes. The substance can be moulded and shaped for useful purposes only when it is liquid and fresh from the tree.

This was the problem which rubber presented to men of science when they first encountered it, in Peru in the year 1736. It clearly possessed remarkable properties; but if it was to be applied to civilized man's uses, it meant at that date that it must be brought to Europe; and before it was even out of the forest, and long before it reached a ship, it turned into hard, intractable lumps, of which the only virtue was that if a ball-shaped piece of it was dropped on the ground it bounced.

Rubber is produced by a fairly wide variety of trees and bushes of different genera, most of them growing in the world's equatorial belt, whether in America, Africa or Asia, and between the latitudes of the tropics similarly, though only in regions of abundant rainfall and high humidity. It came to the cognizance of Europe through the discovery of the New World.

Michele de Cuneo, a traveller on Columbus' second voyage to