

Early Rattanakosin Period Politics and Trade

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Thai Economic History

1/2017

Topics

- Early Rattanakosin (Rama I – Bowring Treaty)
 - Overview
 - Trade and taxes
 - The development of markets and the middle class in early Rattanakosin: perspective from Nidhi's *pakgai-bairua*

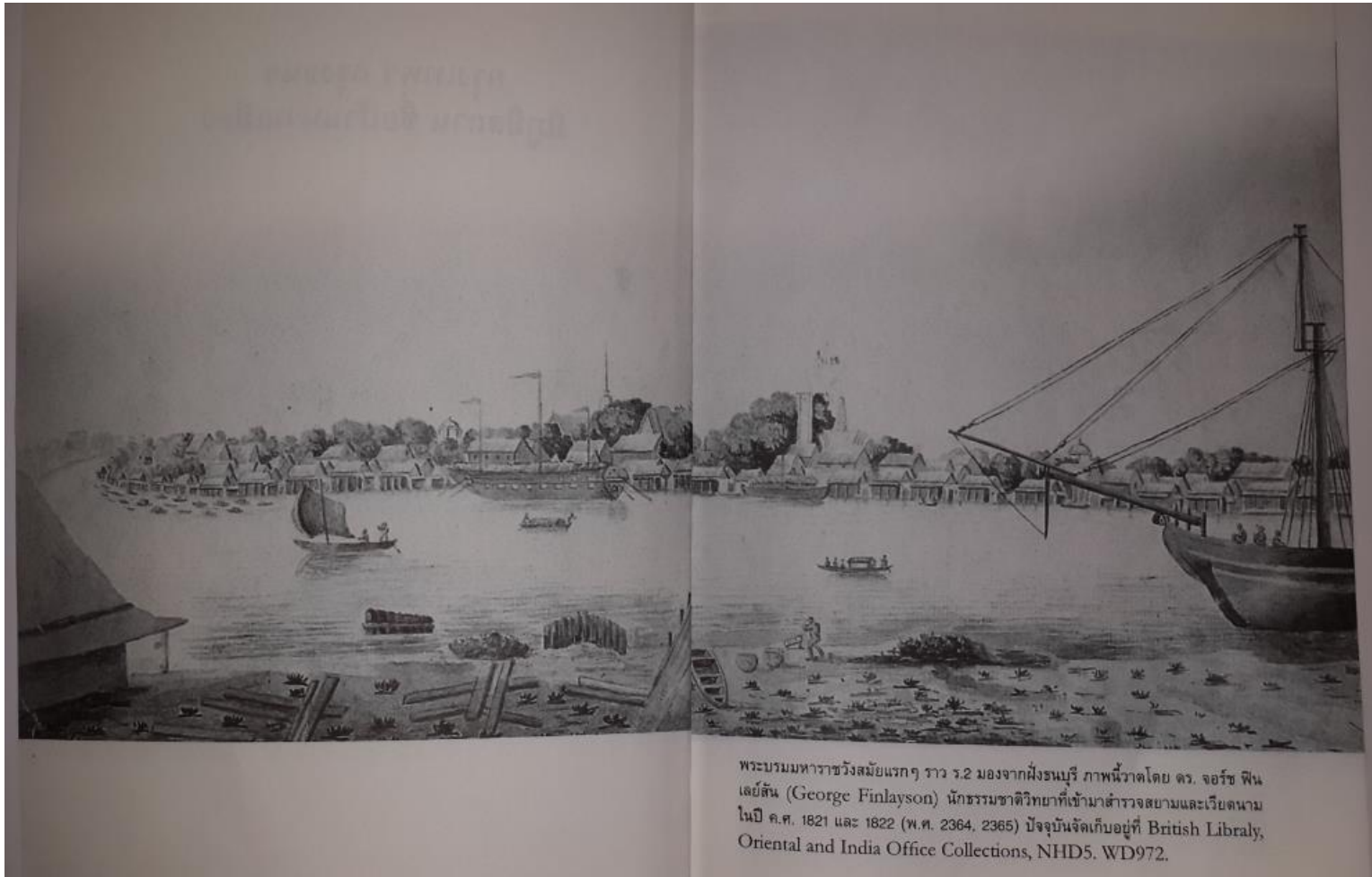
From previous lecture

- Ayudhaya's system was about managing
 - Trade
 - Scarcity of labour
 - Extraction of production and labour
- Thonburi's continued the challenges, and the challenges continued to early Rattanakosin

Early Rattanakosin: overview

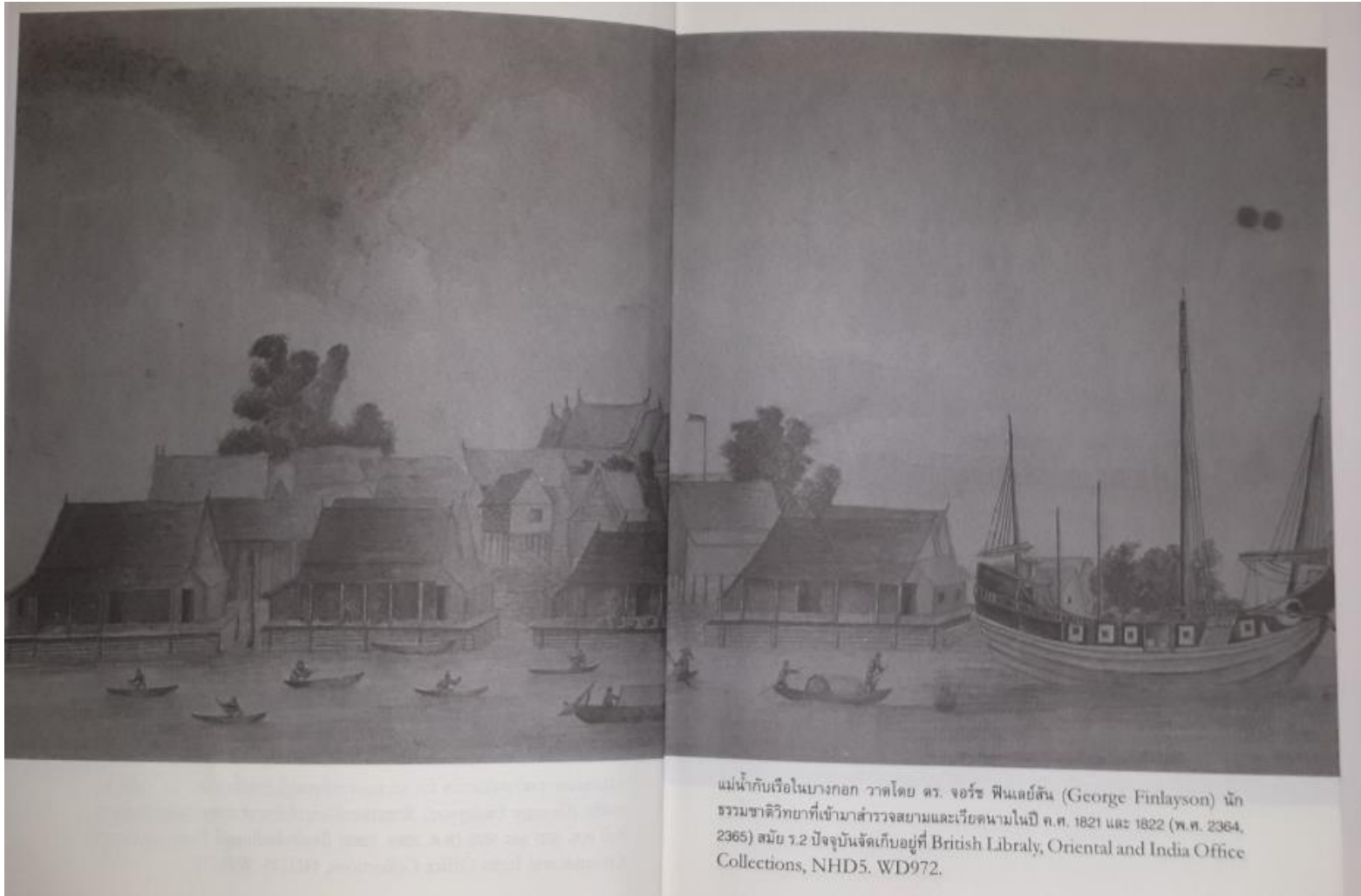
- Continuing challenges
 - Rebuilding the state and society
 - Overcoming the scarcity of labour
 - Reviving trade
- Factors transforming the challenges

Early Rattanakosin



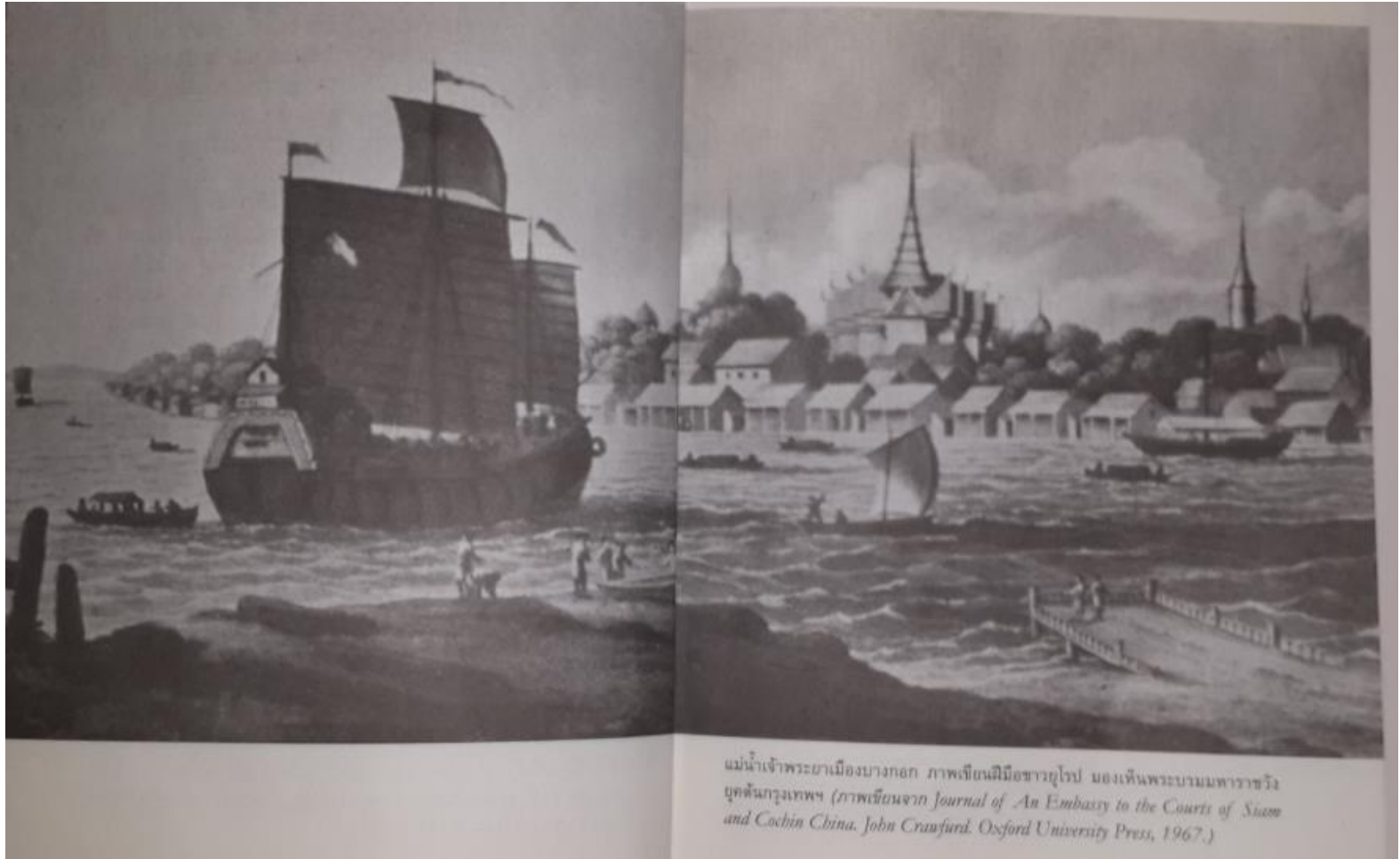
พระบรมมหาราชวังสมัยแรกๆ ราว ร.2 มองจากฝั่งธนบุรี ภาพนี้วาดโดย ดร. จอร์จ ฟินเลย์สัน (George Finlayson) นักธรรมชาติวิทยาที่เข้ามาสำรวจสยามและเวียดนาม ในปี ค.ศ. 1821 และ 1822 (พ.ศ. 2364, 2365) ปัจจุบันจัดเก็บอยู่ที่ British Library, Oriental and India Office Collections, NHD5. WD972.

Early Rattanakosin

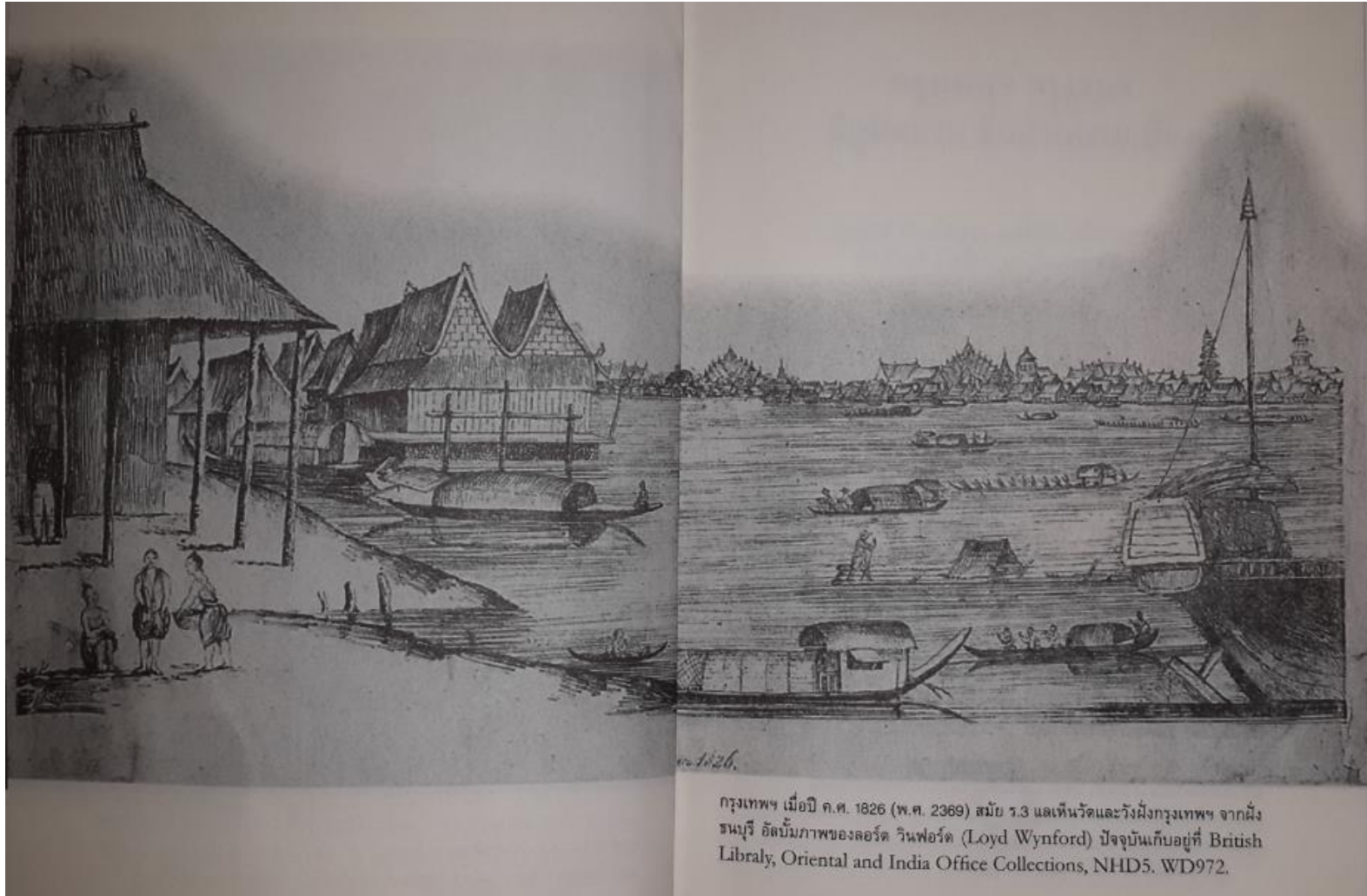


แม่น้ำกับเรือในบางกอก วาดโดย ดร. จอร์จ ฟินเลย์สัน (George Finlayson) นักธรรมชาติวิทยาที่เข้ามาสำรวจสยามและเวียดนามในปี ค.ศ. 1821 และ 1822 (พ.ศ. 2364, 2365) สมัย ร.2 ปัจจุบันจัดเก็บอยู่ที่ British Library, Oriental and India Office Collections, NHD5. WD972.

Early Rattanakosin



Early Rattanakosin



กรุงเทพฯ เมื่อปี ค.ศ. 1826 (พ.ศ. 2369) สมัย ร.3 และเห็นวัดและวังฝั่งกรุงเทพฯ จากฝั่ง
ธนบุรี อัลบั้มภาพของลอร์ด วินฟอร์ด (Loyd Wynford) ปัจจุบันเก็บอยู่ที่ British
Library, Oriental and India Office Collections, NHD5. WD972.

Early Rattanakosin

Rebuilding the state and society

- Early Rattanakosin condition
 - This enabled the elites to gather for rebuilding
- But this would happen until the changing nature of trade and domestic economy obliged them to change.
 - What were the changes?

Early Rattanakosin

Overcoming the scarcity of labour

- Wars caused severe scarcity of labour, and the ruling system of early Rattanakosin had to adapt
 - What were the means of responding to the scarcity of labour?

Early Rattanakosin

Reviving trade

- The revival of international trade was mostly with "China".
 - Shifted among European traders
 - Noew control over Northeast
 - The boom in Junk trade (การค้าด้วยเรือสำเภา) between Thailand and China.

Early Rattanakosin

Factors for Transformation: Inflow of Chinese

- Accommodation of the Chinese as the solution for trade and labour shortage.



Figure 3.13
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Early Rattanakosin

Factors for Transformation: Inflow of Chinese

- The Chinese's situation
 - Relations to Sakdina system
 - The settlements
 - The new skills of production
 - The domestic trade

Early Rattanakosin

Factors for Transformation: Changing Economy

- The change in global trade under Western imperialism



Early Rattanakosin: Trade and Taxes

Early Rattanakosin

Trade and taxes

- Bangkok's economic development and the Chinese.
 - Accounts in Rama II: Chinese outnumbered Siam by 2:1 ratio.
 - The assimilation process was an aspect of the success.
- The nobles of early Rattanakosin tried to reap benefits from the expansion of Chinese trade.

Early Rattanakosin

Trade and taxes

- Landscape of Wealth
 - Among 82 Siamese owned ships operating out of BKK, King owned 9, Nobles 25, Chinese 48
- The Bunnag family dominated Phra Klang.
- Dit Bunnag (เจ้าพระยาคลัง - สมเด็จเจ้าพระยาบรมมหาประยูรวงศ์): the largest operator in the private junk trade.



Early Rattanakosin

The rise of tax-collectors

- Changing pattern of extraction
 - Taxing trade and production.
 - The collection of taxes no longer had to be "in-kind".
 - **Tax-farming** became the new source of income for the king, the nobles, and the Chinese.
- Chinese merchants facilitated tax collections

Early Rattanakosin

The rise of tax-collectors

- “Nai-akorn” (tax-farmer).
 - Khaw Soo Cheang, a Hokkien, were tax farmer for tin in Ranong, Chomporn, and Krabi. He became governor of Ranong in 1854. His family members became governors of many other Southern provinces.

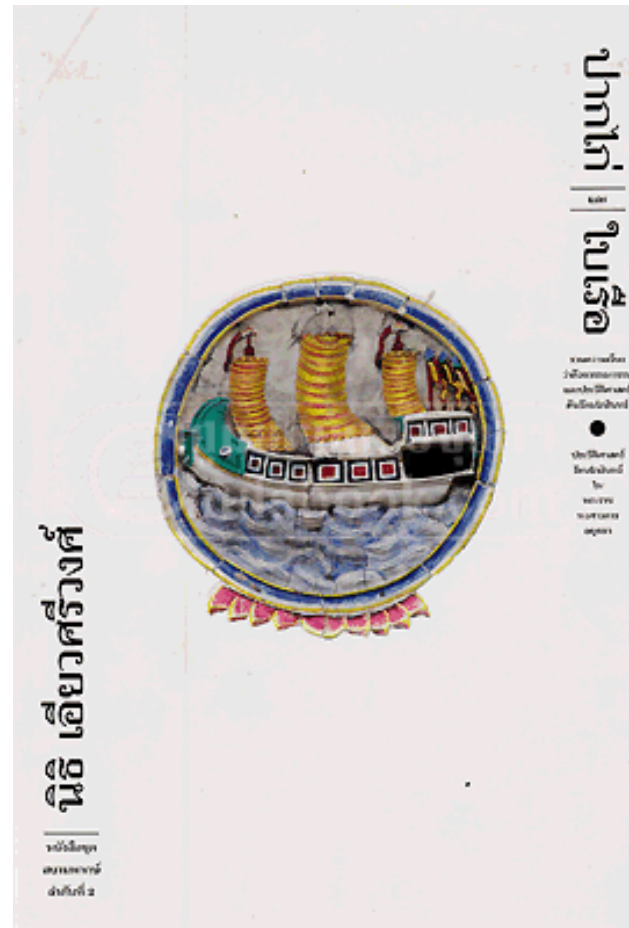


Early Rattanakosin

The rise of tax-collectors

- The nobles also turned toward tax-farming.
 - Controlling Phra-Klang, Bunnag family controlled 31 tax-farms. From 1850s, they secured sugar tax-farms in Petchaburi, and moved to settle there as the base of their power.
- How did tax-farming change the nature of production and accumulation?
- Reaction from the King

Development of markets and the middle class in early Rattanakosin:



Perspectives from Nidhi's *pakgai-bairua*

Changing nature of trade

Ayudhaya's trade

- Ayudhaya's trade → "passing through" trade.
 - Ayudhaya as “entrepot”
- Kings of Ayudhaya's monopolized trade and own junks
 - Extraction was done mainly on "trade" and not on "production".
- The limited impact of the trade pattern of Ayudhaya

Changing nature of trade

Rattanakosin's trade

- Changing trade in early Rattanakosin
 - Chakri dynasty as traders
 - Chakri dynasty and nobles
- Impact on trade activities
 - King did not have a reason to prevent nobles from trade.

Changing nature of trade

Rattanakosin's trade

- The change in export products
 - Forest products became less important, replaced by agricultural products such as **rice and sugar**
- **Crucial implications on the nature of extraction**
 - Decline in importance of Royal monopoly
 - Shifting way of gaining extractions (taxation)
 - Support toward free-trade

Markets in early Rattanakosin

Merchants

- Two major groups of merchants in early Rattanakosin
 - (1) King and nobles
 - (2) Chinese with connection to Thai sakdina



Chinese in Siam: drivers of changes

Markets in early Rattanakosin

Chinese migrants

- The inflow of Chinese was a crucial factor in the economic changes of early Rattanakosin.
 - Characters of Chinese who came to Siam
 - Two groups, separated by integration with Sakdina
- Chinese as Sakdina's frontman and protectors

Markets in early Rattanakosin

- *Siam and Chinese*



- เหตุการณ์จันต๊ะเหี้ยะที่
จะเชิงเตตรา
- http://www.matichon.co.th/news_detail.php?newsid=1314615743&grpid=no&

Markets in early Rattanakosin

Chinese migrants

- New production activities brought over by the Chinese migrants
 - **Agricultural production**
 - Farming of sugar-cane and the production of sugar
 - Others: pepper and tobacco, and rice production
 - Mining
 - Ship-building

Markets in early Rattanakosin

Expansion of domestic markets

- From subsistency the the expansion of internal trade.
 - The role of Chinese traders
 - Allowed to travel freely, they distributed necessities such as rice, salt, and textiles. They sold luxury imported product, in exchange for domestic products that can be exported.
 - The role of canals

Markets in early Rattanakosin

Expansion of domestic markets

- Effects of market expansion
 - The effects on the local Thais
 - The rising significance in the use of "money"
 - Thai elites turned to the use of money to hire Chinese labour. The increased significance of money also allowed new tax system to developed.
- The constraints of the expansion

Markets in early Rattanakosin

The emergence of the middle class

Bourgeoisie in the West

- A product of capitalist development.
- Developed freely from the elites
- Resisted the control from the elites and the monarch

Bourgeoisie in early Bangkok

- Results of the state's trade policies and the influx of Chinese migrants.
- Not independent from the state and the sakdina system
- Implications?

Markets in early Rattanakosin

The emergence of the middle class

- The impact on the ruling class from the nature of bourgeoisie (Chinese)
 - Consumptions
 - Production
 - Rationality
- Impact of Sakdina on the bourgeoisie
 - Incentives for capital accumulation
 - Development of the local craftsmanship