

Coconuts: Catalysts of Conflict

by [Philip Cerepak](#) · Published April 5, 2016 · Updated October 12, 2019



Can increased global consumption of a commodity as seemingly inconsequential as coconut oil lead to armed insurgencies in parts of the world? Yes! Quite often, when insurgencies do occur, they are linked to agricultural commodities in high demand. In fact, in Southeast Asia, rebellions and agricultural production have gone hand-in-hand for centuries. Between 1650 and 1900, revolts, rebellions, and resistance by [sugar workers](#) increased as sugar became a daily fixture in the European and American diet. And, in the twentieth century, increased global consumption of coconut oil turned coconuts into a catalyst of conflict.

Before 1860, European imperial powers did not trade

extensively in [copra](#), the dried meat of a coconut. Within a hundred years, however, demand for copra would make it one of the most extensively traded agricultural goods throughout the world. Copra's rise as a necessary import within the western world was a result of industrialization, war-time experiences, and the importance of fats and oils for food, feed, and the raw material industry.

Creating a Cash Crop



Coconuts drying before being processed into copra. Image courtesy of wikimedia commons. CC BY 2.0.

Relatively speaking, the introduction of European plantation methods to coconut growing is a recent phenomena. In the 1840s, the British first established copra plantations in the colony of [Ceylon](#), modern day Sri Lanka. Previously, British investors had channeled their productive energy towards coffee, which had proven a lucrative crop. The prosperity produced in coffee plantations helped stimulate interest in copra, and by 1860 British land owners had planted roughly 250,000 acres. By 1903, coconut plantations covered 650,000 acres. The number reached one million acres by 1926. As a result, European markets swelled with new luxurious

soaps made from the pressed oil of copra. But it was the United States that would ultimately emerge as the world leader in coconut and copra consumption, as rising consumer demands for cooking oils, margarines, and soaps led manufactures to seek out copra.

As a result of this demand, the Philippines, a U.S. colony since 1898, nearly [tripled its acreage](#) and number of coconut trees from 406,000 acres to 1,166 million acres in the decade and a half between 1910 and 1926. Copra production swiftly surpassed both corn and sugarcane, which had previously been the number one cash crop in the Philippines. The Philippine Organic Act, introduced in July 1902, prevented individuals from owning more than 16 hectares of land and corporations from owning more than 1,024 hectares. Originally, William Taft, then governor of the Philippines, asked for a limit of 20,000 acres for corporations. However, beet sugar lobbyists in the United States, who feared unfair sugar competition in the newly acquired islands, blocked Taft's request in congress. As a result, sugar production in the Philippines slowed, but coconuts—which required less land—flourished.

In the twentieth century, the Netherlands and the United States replaced Britain as the dominate world traders in copra. In the Philippines, copra production occurred on the agriculturally rich land on the island of Mindanao. The Dutch based their copra empire in [Sulawesi](#), an island in central Indonesia. By the mid-1920s, the Dutch East Indies and the Philippine Islands, which were under U.S.

control, accounted for nearly 62 percent of the world's total production of Copra and coconut oil.

Both nations' colonial copra industries expanded rapidly in the 1910s, when World War I prompted the need for cheap fat substitutes. Copra is stiffer than lard, has a lower burn temperature than butter, and is



Dried copra is crushed for oil. Image courtesy of The National Archives (United Kingdom). OGL 1.0.

naturally sweet. These properties all contributed to coconut oil's promotion as a versatile fat for specialty products such as confectionery, baked goods, and popcorn. After World War I, coconut oil comprised over 40 percent of the total fat used in the production of margarine and became the principal vegetable oil used in the United States.

By 1950, copra had become the world's main oil source. While Sulawesi, now part of Indonesia rather than a colony of the Netherlands, remained a major world producer of copra throughout the 1950s and early 1960s, in the second half of the twentieth century the Philippines—a sovereign nation after 1946—took over the copra market almost entirely.

Coconuts and Conflict

From the end of World War II in 1945 until 1982, demand for copra rose. This demand made coconuts both a profitable crop for Southeast Asian nations and powerful source of resistance against the state. In the second half of the twentieth century, copra smuggling would emerge as local people sought the economic benefits of their agricultural labor previously denied to them, first by colonial power-holders and later by their own governments.

Compared to drugs like cocaine and heroine, which created lucrative illicit markets, copra might seem like an unlikely source of resistance. Although copra does not evoke the same aura of mystique that addictive commodities such as heroin, cocaine, or even cigarettes do, the two commodities share a key characteristic in common: they create market dependence. While heroin and cocaine create a market through addiction in users, there is no question that the world market has depended heavily on the manufacturing of copra. Its versatility allowed American scientists to manipulate copra properties, and it became an [essential ingredient](#) in consumer products including laundry and dish soaps, margarine, car wax, sunscreen, insect repellent, and many more household items that we still use today.

The postwar boom in uses for coconut oil meant that the Philippine's signature cash crop remained as lucrative as



Workers on a coconut plantation. Image courtesy of Wellcome Library, London. CC BY 4.0.

ever. In Mindanao, soil conditions continued to provide the ideal environment for growing coconuts to meet these rising demands. In the 1959-1960 growing season alone, the island produced

nearly [1.7 million](#) coconuts. Not all of this crop reached copra merchants and shippers located in [Luzon](#), however. Instead, many shipments bypassed the official Philippines market, and were smuggled out of the country.

In the mid-1950s, tensions between the Southern Philippines and the central government over the management of the copra trade prompted resistance. Amidst growing discontent caused by the government's economic interference and rising Christian populations on the traditionally Muslim island of Mindanao, [Iranun Muslim](#) entrepreneurs took advantage of the Philippine-wide American cigarette trade to profit of their own copra fields. Seizing upon trade networks between the Philippines, [Sabah](#), and Sulawesi, Iranun residents situated themselves in the world market as leaders in the regional trade of copra. This smuggling-based economy provided Muslim residents of [Cotabato City](#) a source of direct employment and stimulated the much-needed

economic growth they felt the central government had failed to provide. The cigarette and copra smuggling enterprise also allowed successful Iranun Muslims to invest in legitimate business ventures and purchase land for coconut farming.

Instead of sending their harvest to Luzon, Iranun smugglers took their copra supplies to markets in Sabah on the Eastern portion of Malaysia in order to reach the global market without paying taxes and without going



Traders load coconuts for transport to market. Image courtesy of wikimedia commons. PD-US.

through government middleman. The global demand for coconut products supplied ample incentive for the development of a thriving market in which smugglers exchanged copra for gold, guns, and cigarettes. This demand also allowed small-scale landowners siphon funds from the ever-expanding state copra industry, creating new spaces in which resistance movements could rise within the islands.

Copra smuggling operations developed in Indonesia as well. [Sukarno](#), president of Indonesian from 1945-1967, attempted to nationally integrate the outer-islands of

Indonesia in order to restructure the newly independent nation after centuries of colonial rule. His decision created political tensions between the central state and copra growers on the island of Sulawesi. Instead of economically integrating Sulawesi through the promotion of the copra industry, the central government sought to extend its power over copra growers. As a result, these policies in [robbed copra growers](#) of their hard-earned profits at the expense of Sulawesi's local economy. They also sparked a rebellion.



Permesta leader Ventje Sumual proclaims the opening of the rebellion. Photograph by Ennio Morricone. Image courtesy of Wikipedia. CC BY 3.0.

As tensions mounted between the government located on Java and the outer islands, a Sulawesi rebel group, *Permesta*, declared self-governance, and attempted to separate from the Indonesian state. Their declaration led to the [Permesta Rebellion](#) in 1957, which became an international conflict once the United States, via the CIA, [equipped guerilla fighters](#) in Sulawesi with weapons and encouraged the smuggling of copra to Borneo. As a result of this support, *Permesta* soldiers such as [Alex Kawilarang](#) meet with Philippine smugglers

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from Mindanao to purchase munitions, creating a smuggling trade network that extended from the Southern Philippines to British North Borneo, encircling the [Sulawesi \(Celebes\) Sea](#).

The [Sulu](#) and Sulawesi Seas had long connected local farmers in the frontier regions of Southeast Asia to both the states. This factor made them a key vector of trade, both legal and illegal. Filipino smugglers from Cotabato and Indonesia smugglers based in Sulu primarily brought copra to two ports in British North Borneo: [Tawau](#) and [Sandakan](#). Here, Cotabato traders exchanged copra for textiles and, more importantly, American cigarettes. These illegal cigarettes, called "[Blue Seals](#)," would then be smuggled into the Philippines. Although cigarettes provided huge profits, Philippine traders also bartered copra for gold and guns in Borneo. These arms would later be exchanged with rebel forces in Sulawesi for cheap-priced copra, and the cycle of exchange would begin again.

As a response to growing illegal trade networks, the Philippine government, like Indonesia's, took steps to integrate the nation that ultimately exacerbated tensions between frontier communities and the state. In 1954, the Philippine government passed legislation to protect the local tobacco industry from foreign competition by placing high tariffs and restrictions on imported cigarettes.

Ironically, these [restrictions failed](#) to dampen the demand for American tobacco products. By 1963, smugglers were

shipping roughly [9 million cigarettes per month](#) from Sabah to the Philippines. Cigarette smuggling was crucial in the rise of a new Muslim economic elite in the 1960s, composed primarily of Iranun families. Their prosperity also depended on access to copra, however, which was used to purchase the smuggled wares. If blue seal cigarettes served as a lucrative import for the Iranun traders, copra served as their export. Both were essential to a balanced trade.

Considering the Copra Conflict

Today, Americans consume coconut oil and coconut products as [healthy alternatives](#) in diet, beauty, and cleaning products. Although many of us view these products as environmentally friendly and “natural,” we forget that the coconut has a long, turbulent history of its own. A jar of coconut oil on the grocery store shelf may appear to be little more than the result of trends that began with the rise of American consumer culture in the 1950s, but it speaks to the legacy



Copra continues to be a supermarket staple today. Image courtesy of wikimedia commons. CC BY-SA 4.0.

of insurgencies in Southeast Asia as well.

Therefore, while many Americans think of coconut oil as little more than a product that makes their popcorn buttery, for small land holders in Southeast Asia copra became a means to combat the state agencies that attempted to profit from their labor through increasing tax demands and trade management. The illegal trade networks developed by Indonesian and Filipino insurgents and smugglers highlight the crucial role that copra played in creating a space for disadvantage citizens to resist the state. The copra trade not only helped fund both movements, but provided resistance fighters with a way to counter the choices of state officials based in Manila and Jakarta, who attempted to undercut local access to profits and the global market. As the world becomes increasingly globalized, spaces for resistance against overbearing government requirements and the demands of the market become increasingly important. So if we are to create a truly [global village](#) where all can prosper, then we must consider not only how much of the world's bounty we consume, but also how it reaches our hands.

Featured Image: Coconuts at harvest time. Image courtesy of wikimedia commons. CC BY-SA 2.0.

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