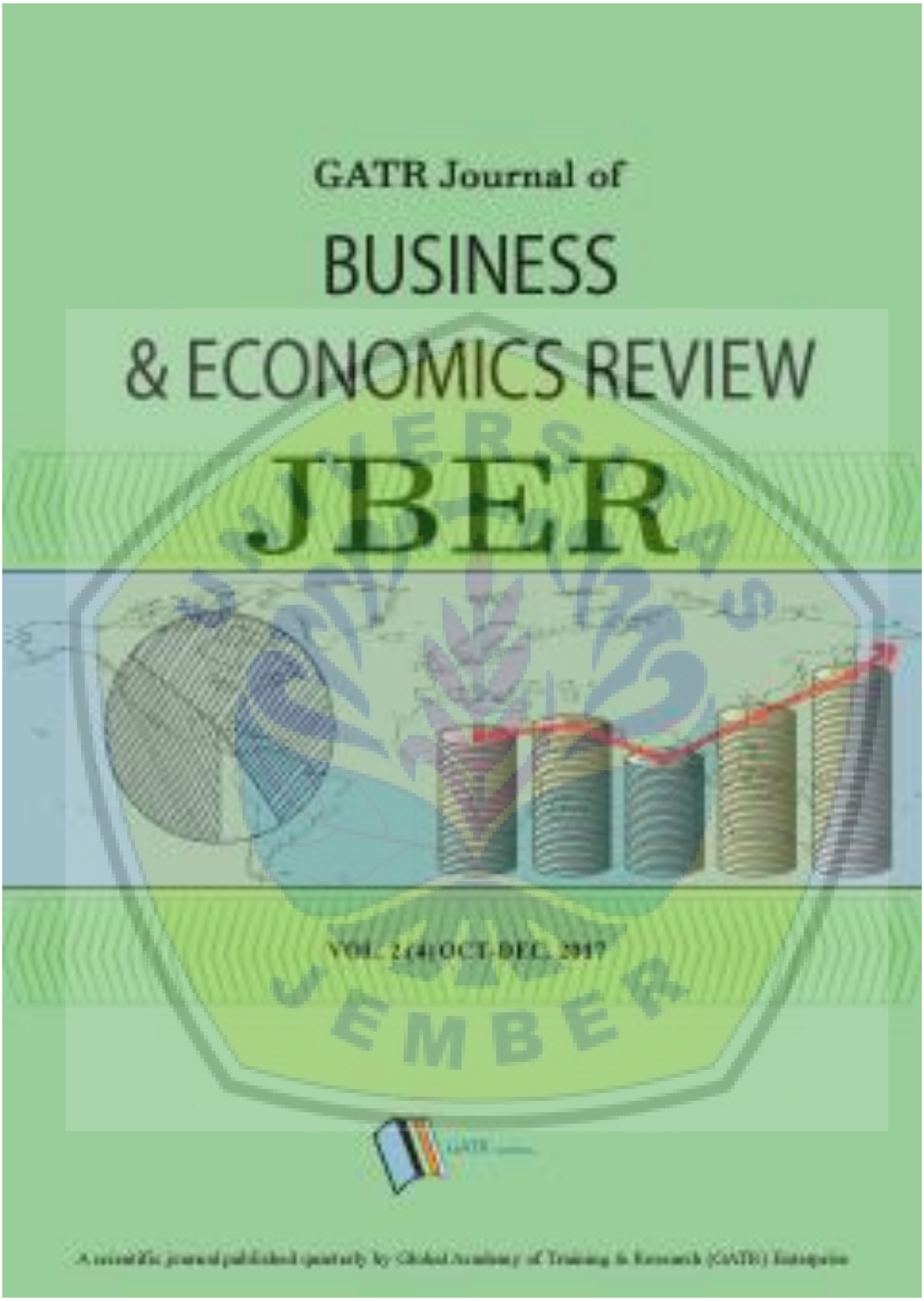
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Surplus Dutch Colonial Big Profits in Indonesia 1878-1942

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ABSTRACT

Objective – This study aims to analyse the Colonial Drain process to prove the colonial land profits based on the theoretical framework. The Surplus Colonial Profit is conceptualized through the term "colonial drain". The study uses historical economics based on the theories of Lenin Imperialism and Gramsci's Hegemony.

Methodology/Technique –This research will draw upon both primary and secondary sources. The primary sources include official and organizational publications including The Netherlands-Indies. The secondary sources include all relevant published and unpublished materials collected from diverse sources.

Findings –The calculation of the surplus of colonial profits is scrutinized using historical causality by Gramsci's Hegemony theory to strengthen the data where the profits are obtained from public and private companies, and beyond predictions, "private profits" became the biggest commodity.

Research Limitations / Implications – This research provides a basis for determining the direction of Indonesia's future economic development, and can also be a consideration of recent Indonesian lawsuits regarding Dutch debt, and can be a useful for reference material for further research.

Novelty – Royal Dutch wealth was obtained from international trade and shipping of goods to Europe and ranges from 5.29 billion in 1878-1939 in the trade, services, international shipping sectors for and from Indonesia. This means that about 1 billion guilders missed from the recording of previous research that was around 4.12 billion.

Type of Paper: Empirical.

Keywords: Colonial Drain; Profits; Surplus; Metropolitan Economics; Dutch.

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1. Introduction

The concept of colonialism is closely related to "Colonial Drain", namely the depletion of wealth of a colony, with the right to branding resources in the colonial state. As a result of the loss of traders, and falling levels of competition, de-industrialization occurs (Bagchi, 2002).

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