Chinese family business networks in the making of a Malay state: Kedah and the region c. 1882-1941

Wu, XA

Citation for published version (APA):
Chapter 3
Family And State 1889-1895

If ethnicity is one of the most striking elements in shaping Southeast Asian society, to a great extent, sensitivity about it originates from the presence of the Chinese and their economic power beside which that of the indigenous community tends to pale into insignificance. It is the very element that influences the contemporary landscape of much of Southeast Asian politics, economy, and capitalism today, namely a mixture of political discrimination against and economic dependence on the Chinese, a particularly salient pattern in Indonesia and Malaysia. Ethnopolitics in Southeast Asia is generally assumed to be a post-colonial phenomenon. In colonial times, the "ethnic economy" was related to the Chinese, while "ethnic politics" was largely confined to the power struggle between European colonialism and the indigenous elite, leaving little or even no room for Chinese political participation. If there was any Chinese politics, it was expressed in the three divergent forms: Chinese nationalism, oriented towards mainland China, secret societies, the Bang politics confined to their own community, and the revenue farming system, an economic alliance with the state with an ineluctable involvement in politics. All these unique Southeast Asian Chinese political ties were intimately related to business success, providing the financial support expected by Chinese government, the struggle for control over economic resources by the rival Bangs, and revenue management for the colonial and local states.

Taking into account the colonial and regional multi-ethnic power struggle, in order to reconstruct the ethnic dimension of its politico-economic alliance historically, I have chosen to focus on the relationship between family and state. The vertical family-state relationship between Chinese business networks and the Malay elite in Kedah cross-cut a horizontal state-state interaction in the region between the sultanate of Kedah and British Penang. This family and state relationship was very unusual in that the family did not subject itself to the sovereignty of the state, not simply because of its immigrant identity, but also because any such move would have been hindered by the complexity of regional power relations and legal identities. Take the example of Lim Leng Cheak of the Penang family, he was a British subject under the jurisdiction of the British settlement of Penang, rather than under Malay sultanate of Kedah. In the case of the Kedah family Choong Cheng Kean, the sultan maintained effective political control over him as a Kedah resident, but Choong was not a subject of Kedah state, and later he could move to and settle in the British settlement of Penang to register as a British subject for protection because of his being a wealthy and influential towkay. Moreover, the family and state relationship was also unusual in that the state depended greatly on the family for revenue, indubitably a position of power. But it did not necessarily mean that the family could override the state. Indeed the family needed the state power in the first place to secure their own position in internal Chinese competition, but also in the wider sphere to obtain better business terms. The family tried all means in its favour to please and satisfy the state, of which in the sultan and his royal families were the outward and visible sign.

Essentially, this family and state relationship was one of reciprocity in business and politics. It had at least four smoothly interlocking characteristics - the "personalized", the "ethnicized", the "institutionalized", and the "appropriated". The "personalized" means not only that the state economy depended to a great extent on a few Chinese families, but also that this relationship was cultivated primarily through and largely maintained by personal patron-client connections with the sultan and other important members of the Malay elite. The "personalized" state power of the sultan, royal family, and a few Malays could be viewed as the fundamental political and economic system in that society. The "ethnicized" indicates that it was a Chinese-Malay ethnic economy, in which by acting as the legal agents for the Malays, Chinese towkays managed Kedah’s economic administration under Malay state protection. The "ethnicized" immigrant Chinese economy, in contrast, functioned under absolute Malay political control. The immigrant Chinese might share some state authority derived for the space of one or several terms from their revenue farm contracts, but they had no intention of replacing the Malays in the state administrative machinery. The immigrant Chinese could never challenge, or even thought to challenge the local ruler because they were hampered by the historical circumstances of both British colonialism and their being sojourner immigrants. Far from feeling put upon, they were satisfied with and even proud of the fact that they could enjoy the powerful patronage of the local Malay rulers, as it maximized security and opportunities for their businesses. A specialized division of rights and obligations, seen largely in terms of ethnic niches, was the result.

Considering the nature of Malay society and the overlapping identity of sultan (royal family) and state, these "personalized" and "ethnicized" family-state relationships, cannot be dismissed simply as informal, as a close examination shows they were in fact fairly formal and institutionalized. They were legitimatized through the "personalized" state polity vested in the sultan and royal family, and then systematized in and accepted by the whole society. They were also "institutionalized" in the sense that they functioned through the revenue farming system. Under that system, the sultan issued the Chinese with a permit giving them the authority to conduct tax collecting and other economic activities. These revenue farms were granted in exchange for a fixed amount of state revenue to be paid by the Chinese farmers for the expenditure of the sultan and his court. The substantial revenue farms were controlled by the sultan and bid for by Chinese farmers of good financial standing who had a connection with the sultan and his court, directly or indirectly. While the sultan also granted some less important permits (usually not large in terms of revenue) to his cronies and subordinate officers as a kind of salary payment for their services, these farms were re-farmed to and managed by the Chinese for a fixed payment of revenue. These two sets of revenue farming systems comprised the whole source of the state revenue in Kedah. All these Kedah Chinese revenue farmers had close financial connections with Penang. They were agents of Penang Chinese capital. What it all boils down to is that all these characteristics strongly suggest, bearing each active strategy in mind, that this close Chinese-Malay ethnic interaction cross-cut the British-Malay or Kedah-Penang political and economic competition. Under these particular regional circumstances, it implied the sultan of Kedah needed the influential Chinese families as an instrument, politically as well as economically, to channel revenue resources in his own state and to deal with the British Penang community. Consequently, Chinese family business networks and power relationship could not confine themselves to the narrow micro-level of the family firm as such, but transcended the grander boundaries of state, region, and ethnicity. Behind the family facade were rich capitalists, influential business lobbyists, powerful interest groups, the Penang press, the wider community followers, the Siamese consul, a legitimate
Malay state, and the British authorities. In between British Penang and the Malay state of Kedah, according to circumstances and family business needs, resources could be mobilized to play off one against the other. Therefore, access to resources such as capital, labour, knowledge and contacts were "appropriated" by certain leading families, and in turn those families "appropriated" total leadership of Chinese community and a monopoly of representation to the local state and society. The family business network was in fact a miniature reproduction of the regional politics and economy.

The transitional period for inaugurating the mechanism for placing the whole Kedah opium farm (except Langkawi) in the hands of Penang farm was 1889-1895 (Chapter 2, Part 2). In the process of that transformation, Lim family’s challenge to the Penang-Kedah economic institution of the opium farm was the most important topic in regional interaction. In terms of the two most important Chinese families, it witnessed the overwhelming performance of the Penang Lim family in the forefront, while the Kedah Choong family was still in ascendance and perhaps partially overshadowed by the former’s prosperity. By focusing on the Penang Lim family and opium politics, this chapter will attempt to show how the interests of family and state coincided with each other. This voyage of discovery will reveal that the political and economic alliance between family and state, or Chinese and Malays, ran parallel to the inherent conflict of interests between Penang and Kedah, or the British and the Malays.

The dual identity of the Penang Chinese family of Lim Leng Cheak in both Kedah and Penang provided a unique advantage in securing power resources from both sides whenever the need arose. The historical dynamics of the multi-ethnic politics and economy in the region are therefore best understood in the case of Lim Leng Cheak. This chapter includes three inter-related parts: (1) between Penang and Kedah: family networks and power relations; (2) tenders for the Kedah opium farm 1892-94; and (3) the 1893 opium crisis and riots.

## 1 Between Penang And Kedah: Family Business Networks And Power Relations

There are various classic images of the roles some prominent Chinese played in the political field between the colonial power and indigenous state. Describing the Federated Malay States c.1850-73, Khoo Kay Kim paints a general picture of the increasingly significant political role played by the Straits Chinese merchants and miners.\(^2\) Godley presents the specific case of Chang Pi Shih (Thio Thiau Siat) occupying a position in between the Southeast Asian governments and the later Ch’ing government in China. "A mandarin-capitalist from Nanyang", Chang was appointed both consul-general in Singapore (1890) and first Chinese vice-consul in Penang (1893) by the Chinese government.\(^3\) Skinner outlines various cases of numbers of prominent Chinese families appointed the governors in Siamese outer provinces in the nineteenth century, including scions of the Lim family in Phuket, the Wu family in Songkhla, and the Khaw family in Ranong.\(^4\) By focusing specifically on the Khaw family,

---


\(^4\) Skinner, 1957, pp.149-52.
who were appointed Siamese governors for several generations, Cushman specifically elaborates the alliance between the (Chinese) family and the (Siamese) state in the economic development of southern Siam and in the political encounter with the British colonialism. Likewise, Tan Kim Ching, a leading Chinese businessman from Singapore, who had considerable business interests in the Straits Settlements, the Malay States, Siam, and Saigon, played an active political role in the Malay States and southern Siam. He was closely involved in establishing Raja Abdullah as the sultan of Perak. He was "the trusted adviser of the Sultan of Kedah", governor of Kra and Kraburi in southern Siam, plus consul-general and special commissioner for Siam in the Straits Settlements. Another example can be found in the Koh family in Penang, who originally came from Kedah and had close connections with the British and Malay governments. For example, Koh Kok Chye, the eldest son of Kapitan Koh Lay Huan, served the Siamese government in the capacity of governor of Kuala Kedah (1821-41), raja of Pungah (in Ligor) and agent for the Chau Phya of Ligor. All of these Chinese political business brokers shared similar features in being Straits Chinese (except for Chang Pi Shih), British subjects, and business tycoons. For these three reasons, all of them had important power bases in the Chinese, British, and indigenous communities. As Straits Chinese, they had a language advantage and long-term experience in dealing with the colonial and indigenous powers. As British subjects, they had the privilege of making use of colonial political and legal frameworks. As business tycoons, they had business partnerships and transactions with both the European business lobbyists and indigenous elite, while they also had the solid and ready resource mobilization from the Chinese community, capital, business, and labour at their fingertips.

In the eyes of the British Lim Leng Cheak was a trouble-maker: he dared to stand up and challenge the British arrangement of opium farms, to defend the interests of Kedah state, and to influence local colonial politics. The driving force underlying his alliance with the sultan of Kedah was the overlapping business interests between his family and the sultan. What gave him the power to assume this role of vanguard was his politico-legal status as a British subject and business tycoon, which was facilitated and consolidated by a powerful interlocking business group of Chinese and Europeans alike. This discloses a many-stranded opportunistic and practical strategy deployed within the political-legal framework to be traced in the lobbying of power-brokers, the manoeuvring of the press, and the mobilizing of labour disturbances. Hence, the marriage of business and power was the dynamic foundation of family regional business networks, in which Penang and Kedah formed two solid bases for family power relations, each consolidating the other. In Penang, first of all, the Chinese commercial community and the British political community, incorporated the family into the mechanism of the colonial power relationships. Capital and business cultivated one core interest group including the most influential Chinese and European power-brokers, an exercise in strategy in which the family played an important role. While the family’s special linkage

---

5 Cushman, 1991.
6 Khoo, 1972, pp.87, 216-17.
8 Khoo, 1972, p.209.
with the Malay political community in Kedah served to consolidate its position in the Chinese commercial and British political community in Penang even more soundly, it also put the family in the vanguard of this multi-ethnic interest group. Family business networks and power relations between Penang and Kedah, transcended, yet were embedded in both worlds.

Family Business Prominence
Another important side of business life for revenue farmers was commercial and capitalist production, involving planting, mining, shipping, and the like. The sources available indicate that Lim Leng Cheak seemed to reach the apex of his business and socio-political life during 1889-94. In his capacity as a planter, he had large coffee and coconut estates in Kulim, Kedah. At the invitation of the sultan, he opened up a new enterprise, a tapioca estate, in the Kulim district. Lim Leng Cheak’s tapioca plantation in Kulim was one of the largest in the region. According to his own statements found in the examination of labour conditions, he had 2,000 acres under tapioca cultivation at Kulim in 1891. He employed Tamils, Chinese, Javanese, and Patani Malays, about 1,000 together, all free men. About half of the coolies were Tamils. The second largest group were Chinese, including 200 Teochews, twenty to thirty Hainams, and twenty to thirty Hokkiens. He said the Teochews were the best coolies. The strategy of keeping coolies of different races was because they could check on each other. As Lim Leng Cheak said: ”I must keep several nationalities on my estates, so that if some strike I can fall back on the others”. In another tactical move, he placed the Javanese coolies under both a Javanese and a Chinese overseer, for “the Javanese are rather lazy and irregular in their work... A Javanese Mandor alone would not make them work”. However Lim Leng Cheak thought ”The labour supply [was] too small”. Lim Leng Cheak’s mills and estates in Kedah were frequently cited as models and visited by the British resident councillor and consul during his seasonal tours, assuming the politico-diplomatic purpose for being a showcase of the well-administered and prosperous Kedah government. For example, in July 1892 Trotter, the acting resident councillor, paid a consular visit to Alor Star and was very impressed with Lim Leng Cheak’s mill there, which employed several hundred workers. In the following seasonal tour in Kulim in September 1892, Trotter was again taken to Lim Leng Cheak’s Tapioca Mills by the district officer, Tunku Mahomed Saad, and Commissioner of Police Mitchell. Trotter was shown how tapioca was manufactured to suit the taste of people in both East and West. Lim Leng Cheak had a large number of

---

9 Legco, 1891, 101 Evid.
10 Legco, 1891, 103 Evid.
11 Legco, 1891, Evid. 104.
12 Legco, 1891, Evid. 104.
13 SIPC, 23 July 1892.
14 SIPC, 1 October 1892.
landholding in Kedah. One of his landed properties in Kulim covered 14,000 relongs, on which the land rents had not been paid for for almost ten years, since the late 1890s.\(^{15}\)

Lim’s position as an important shipowner in Penang was very sound during this period, and consolidated even more than during the 1880s. According to his own account in 1892, he had three steamers: the "Cornelia", the "Washi", and the "Sportsman". Two of them carried over 400 tons and the other about 100 tons. They went to Tongkah, Rangoon, and the east coast of Sumatra. They carried provisions, piece-goods, coconuts, and sundry goods to Rangoon, and rice and piece-goods to Sumatra.\(^{16}\) Operating in the local market, they carried their produce on their own fleet - the Kedah line of passenger and cargo boats. They imported large quantities of paddy and prepared both white and parboiled rice in their mills. These products were supplied to the estates in Kedah, Province Wellesley, and the Federated Malay States. They were also exported to Ceylon, India, and Mauritius. Sugar they sold locally, but tapioca they sent to London, Havre, Nantes, and many other European ports.\(^{17}\) In July 1892, the steamer "Cornelia" was sold by Lim Leng Cheak & Co. to Messrs. Koh Guan & Co. for $22,000.\(^{18}\) During this period, the largest shipowner in Penang was Lee Phee Yeow of Messrs. Chong Moh & Co., with whom Lim Leng Cheak also had solid ties. On 7 October 1893, Messrs. Chong Moh & Co. was seized by the Supreme Court at the instance of J.F. Wreford, attorney of E.F. Thomas, Raman Chetty and the Penang Foundry Co.. Lee Phee Yeow went into bankruptcy, and Chuah Yu Kay, Khaw Joo Ghee and Siew Sin Siew had purchased from Messrs. Chong Moh & Co. the steamers the "Deli", the "Taw Tong", the "Mary Austin " and the "Langkat" for the sum of $45,000. The above people had acquired these steamers for an aspirant registered limited company, the Kong Hok S.S. Co.. The capital was $400,000 of which $ 200,000 was paid up. The shares were fully subscribed by Cantonese and Hokkien Chinese. Chuah Yu Kay was the manager.\(^{19}\) So, after this deal there were two prominent Chinese shipowners in Penang, namely Lim Leng Cheak and Chuah Yu Kay.\(^{20}\) It should be noted that all the captains of these Chinese steamers were Europeans as

---

\(^{15}\) About 1908, these large holdings of 14,000 relongs was later transferred by his son Lim Eow Hong to the Bukit Mertajam Rubber Co. Ltd of western capital. For details of these land titles and areas, see HCO 2536/1915, Land Tax due to the Government on Large Holdings.

\(^{16}\) Legco, 1892, pp. c488-c.489.

\(^{17}\) Wright, 1908, p.820.

\(^{18}\) SIPC, 20 July 1892. So, it must be wrong that both Cushman and Phuwadol mentioned that "Cornelia" was brought soon after 1889. See Cushman, 1991, p.60.

\(^{19}\) SFP, 11 October 1893.

\(^{20}\) According to Wright, Chuah Yu Kay died in 1894 for a tragic occurrence. He was stabbed by an energy of his at his office of the Kong Hock Steamship Company. See Ibid, Wright 1908, p.824. But in February 1895, it was reported that "Chuah Eu [Yu] Kay, the enterprising manager of the Kong Hock S.S. Co....Bought another ship the s.s. "Vidar" ". See Straits Maritime Journal & General News, 8 February 1895. So, we agreed with Feldwick that Chuah Yu Kay died in 1900. See Feldwick, W., Ed. Present Day Impressions of the Far East and Prominent and Progressive Chinese at Home and Abroad, London, Globe Encyclopedia, 1917. His only son, Chuah Kee Ee succeeded to and maintained the Kong Hock Steamship Company until 1902. In June 1902, the eight steamers of the Kong Hock fleet were brought by Khaw Joo Ghee, of the famous Khaw family. See PGSC, 12 June 1902.
far as is known. Interestingly, their relationship was not a simple one between the employer and the employed. The evidence suggests that the relation between them was a partnership. For example, in November 1894, it was rumoured that Lim Leng Cheak and Captain Ross had bought the steamer the "Fitzpatrick" on behalf of a syndicate. Captain Ross died in 1897, when his steamer was attacked by Acehnese pirates.

In 1893, Lim Leng Cheak started another rice mill in Penang. It was reported that "It has a big barbecue as large as the drying ground at Hultsdorf mills, Colombo, while the mill building, which is entirely of corrugated iron, with a lantern roof, is over 150 feet by about 45 feet deep. It was fitted with machinery ... [The family firm] can easily turn out 30,000 bags of rice a month". Established in his base in Penang, Lim Leng Cheak took the opportunity to extend his business to North Sumatra in the south and Kedah in the north, but also attempted to penetrate into Perak. In his inspection report of the Krian District, E.W. Birch, the Secretary to the Perak government, wrote as follows:

"I feel very strongly that the Perak Government would do well to get in a capitalist to start a good mill, and to pay the people a fair price for their paddy. One, Leng Chiak [Cheak] a very business-like Chinaman in Penang, did enter into negotiation with the Perak Government last year, but nothing came of it. He has a rice-mill in Kedah, and is not unlikely to come to Krian, if encouragement is given to him. At this moment he will not be able to do so, but he promised me in Penang, when I sent for him to see whether he could not approach the Government early next year. He wants protection, and if he will give good prices for the grain, I think it would be well to give him the inducement he asks for".

The FMS government was also interested in introducing Lim Leng Cheak’s experience in Kedah to encourage the Malay peasants to take a greater interest in rice cultivation. W.E.

---

21 The List of Captains in the steamers with British Flag (take 1894 as example)

<table>
<thead>
<tr>
<th>Steamer</th>
<th>Tonnage</th>
<th>Captain</th>
<th>Route</th>
<th>Agent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Langkat</td>
<td>187</td>
<td>Lewis</td>
<td>Penang-Deli</td>
<td>Chuah Yu Kay</td>
</tr>
<tr>
<td>Washi</td>
<td>265</td>
<td>Ross</td>
<td>Penang-Edie</td>
<td>Lim Leng Cheak</td>
</tr>
<tr>
<td>Rosa</td>
<td>266</td>
<td>Jeremiah</td>
<td>Penang-Teluk Anson</td>
<td>Lim Leng Cheak</td>
</tr>
<tr>
<td>Mary Austin</td>
<td>149</td>
<td>Robinson</td>
<td>Penang-Teluk Anson</td>
<td>Chuah Yu Kay</td>
</tr>
<tr>
<td>Deli</td>
<td>88</td>
<td>Duff</td>
<td>Penang-Klang</td>
<td>Chuah Yu Kay</td>
</tr>
<tr>
<td>Taw Tong</td>
<td>105</td>
<td>Vaz</td>
<td>Penang-Teluk Anson</td>
<td>Chuah Yu Kay</td>
</tr>
<tr>
<td>Betsy</td>
<td>?</td>
<td>Myles</td>
<td>Penang-Teluk Anson</td>
<td>Chuah Yu Kay</td>
</tr>
<tr>
<td>R Halewynd</td>
<td>80</td>
<td>Rozario</td>
<td>Penang-Asahan</td>
<td>Chuah Yu Kay</td>
</tr>
<tr>
<td>Avagye</td>
<td>247</td>
<td>Hastrup</td>
<td>Penang-Deli</td>
<td>Chuah Yu Kay</td>
</tr>
</tbody>
</table>

Source: Penang Maritime Journal & General News, different issues in 1894.

22 PGSC, 29 November 1894.

23 PGSC, 13 December 1897.

24 PGSC, 13 December 1897.

25 PGSC, 30 May 1893.
Maxwell, then the colonial secretary, suggested that the Penang resident councillor, in his capacity of British consul for the western Siamese Malay States, should be called on for a report into the working of this system in Kedah. I can find no evidence to explain why Lim Leng Cheak did not take up the challenge offered by Perak to establish his rice milling empire there. If Lim Leng Cheak had obtained the same monopoly from the Perak government, his family would have controlled the whole of northern Malayan rice milling and supply. Perhaps an important factor was that the secretary to the Perak government, Birch, drew up a report disclosing the way that Lim Leng Cheak had obtained a monopoly from the sultan of Kedah. It is clear that the sultan of Kedah wanted a capitalist to invest in the rice milling industry, while in return the capitalist wanted the political protection and economic privileges.

**Business Lobbyist and Penang Political Community**

In her book, Cushman argued that the Siamese political community and the Penang commercial community were two important dynamic factors in the formation of the Khaw family dynasty. The fact that the Khaw family were Siamese governors for many generations makes them a special case. As for ordinary Chinese businessman without any high-ranking position in the government, what happened to them? Examining colonial Java, by focusing on the mechanism for maintaining the opium socio-legal order, Rush has discussed how the Chinese farmers channelled influence and found collaborators among the *priyayi* and Dutch in pursuit of their interests. In the northern Malay case, from the perspective of local and regional power politics, I want to examine how the Chinese farmer stood in the centre of the political and economic controversy.

In this whole process, it is very important that Penang functioned not only as business community but also as a British political base which allowed the historical formation of Chinese business networks in the region. Chinese businessmen entertained very good relations with the power-brokers, and from their behind-the-scenes role as business lobbyists, they actively influenced government policy-making to their advantage. Lim Leng Cheak’s important linkage with the European business community is illustrated in the following example. In July 1889, on behalf of the syndicate formed to build a railway, a deputation waited on the governor Smith in Penang fort. By building a railway line from Prai, through Bukit Materjam, to Kulim, this scheme aimed to open up the tin mining and agricultural resources in these areas to the Penang networks. The deputation consisted of J.C. Budd, D. Comrie, J. Gibson, R. Morstadt, L. C. Brown, K.L Christianson, T.S. Gardner and Lim Leng Cheak. Except for the only Chinese, Lim Leng Cheak, all the others were influential

---

26 *Legco*, 1893, p.c176.


29 *PGSC*, 26 July 1889.
European power-brokers.\textsuperscript{30} In reply to the deputation, the governor Smith expressed his support and satisfaction. By December 1889, a survey would have been completed and they were awaiting an answer from the Siamese government before commencing the work.\textsuperscript{31} It is plausible that Lim Leng Cheak’s presence in the deputation was prompted by his capability (such as language) to deal with European business community, but it was also inextricably bound up with his special relationships with both the sultan of Kedah and a powerful Penang Chinese interest group. Hence, in European eyes, his representation indicated and secured a widespread, much-needed source of support.

Lim Leng Cheak was also prominent as an important business lobbyist. An interesting example was his role during the elections of the municipal commissioners, who formed the policy-making body in George Town, Penang. In the 1890-92 term municipal commissioner election, it was Lim Leng Cheak who joined M.A. Noordin in nominating Huttenbach as a candidate and helped him to win the election. Huttenbach had been a resident of Penang since around 1872. He was a senior partner in Huttenbach Bros. & Co. and Huttenbach, Liebert & Co., Penang. His firm was the agent for the British India Steam Navigation Company Limited and the Netherlands-Indies Mail Company called the Koninklijke Paketvaart Maatschappij (KPM). He played a very important role in the Penang Chamber of Commerce and was later elected a legislative councillor.\textsuperscript{32} The evidence shows that Lim Leng Cheak had business dealings with Huttenbach. For example, Lim Leng Cheak arranged the business transactions between Huttenbach and the sultan of Kedah in the purchase of furniture and Japanese appliances.\textsuperscript{33} In return, as a municipal commissioner, Huttenbach had a commitment to represent the interest groups behind business such as that of Lim Leng Cheak, who had nominated and supported him on the Municipality Board. But this alliance also ran into heavy seas when the political representative failed to meet business lobbyist’s expectations. In December 1892, Lim Leng Cheak intended to repropose and renominate Huttenbach in the forthcoming municipal elections. As luck would have it, this coincided with a proposal submitted by Lim Leng Cheak and his interest group, who asked the commissioners for

\begin{itemize}
  \item * J.C. Budd, of Chartered Bank Of India, Australia and China, Chairman of the Penang Chamber of Commerce in 1888.
  \item * D Comrie, of Comries & Co., Chairman of Chamber in 1891, Municipal Commissioner later 1880s and early 1890s, Legislative Councillor, 1891-92.
  \item * A.G. Wright, of Scandiland, Buttery & Co., Chairman of Chamber 1892-93.
  \item * J. Gibson, of Sandiland, Buttery & Co., Chairman of Chamber 1894-97.
  \item + R. Morstadt, of Schmidt, Kustermann, Committee Member of Chamber 1895.
\end{itemize}

Source: see Chuleeporn Pongsupath, The Mercantile Community of Penang and the Changing Pattern of Trade, 1890-1941, PhD Thesis, SOAS, University Of London, 1990, p.269, Table 5; p.271, Table 6; p.272, Table 7.

\textsuperscript{30} J.C. Budd, of Chartered Bank Of India, Australia and China, Chairman of the Penang Chamber of Commerce in 1888.

\textsuperscript{31} D Comrie, of Comries & Co., Chairman of Chamber in 1891, Municipal Commissioner later 1880s and early 1890s, Legislative Councillor, 1891-92.

\textsuperscript{32} A.G. Wright, of Scandiland, Buttery & Co., Chairman of Chamber 1892-93.

\textsuperscript{33} J. Gibson, of Sandiland, Buttery & Co., Chairman of Chamber 1894-97.

\textsuperscript{34} R. Morstadt, of Schmidt, Kustermann, Committee Member of Chamber 1895.

\textsuperscript{35} Source: see Chuleeporn Pongsupath, The Mercantile Community of Penang and the Changing Pattern of Trade, 1890-1941, PhD Thesis, SOAS, University Of London, 1990, p.269, Table 5; p.271, Table 6; p.272, Table 7.

\textsuperscript{31} Legco, 1892, p. c455.

\textsuperscript{32} SÇ, No.5, The Sultan to Lim Leng Cheak, 17 Rabiulakhir 1310 (7 November 1982).
approval for the transfer the Street Light Contract to a company which had good connections with Lim Leng Cheak and his group. A petition headed by M.A. Noordin and Lim Leng Cheak was also submitted. Lim Leng Cheak and Noordin instructed Huttenbach to try to get it passed by the board legally. But the municipal board refused to grant the transfer, giving as its reason that it objected to the particular form of the so-called company. The commissioners decided that unless the board was satisfied that the company was bona fide, the transfer of the Lighting Contract could not be sanctioned. The upshot was that rumours were circulated that Huttenbach’s firm might break the contract by paying the stipulated penalty. Huttenbach was very annoyed. In his letter to Noordin and Lim Leng Cheak of 21 December 1892, Huttenbach protested that "It could scarcely be expected that I should pay a penalty because I am willing to represent you". It is significant that on the same day a copy of this letter was published in The Straits Independent and Penang Chronicle (henceforth abbreviated as SIPC), and Huttenbach declared that were he renominated this would be against his will.34

Under these circumstances, at the repeated and urgent request of Lim Leng Cheak and other leading men, Koh Seang Tat, a great-grandson of Kapitan Koh Lay Huan who presented a fishing net to F. Light, was asked to stand for the forthcoming nomination. Koh Seang Tat was actually the leader of Lim Leng Cheak interest group and had been a municipal commissioner (1888-91) once earlier. This time he was proposed by Lim Leng Cheak, and seconded by Mohamed Ariff, a wealthy Penang Malay businessman.35 The Pinang Gazette & Straits Chronicle (henceforth abbreviated as PGSC) commented: "[In the last term election] Mr. Huttenbach polled 409 votes when he was proposed by Mr. Lim Leng Cheak, and now that the latter proposes Mr. Tat it becomes his duty to help him with all the energy and tact that he displayed in working for Mr. Huttenbach".36 On 10 January, the leading electors of all nationalities came forward to give Koh Seang Tat hearty support. Koh was elected as the bankers and leading European merchants voted for him, as did all the leading Muslims and Chinese.37

Another example of Lim Leng Cheak’s influence could be seen in August 1893, when the currency question stirred up a hornet’s nest in the Straits Settlements. On 7 August, a meeting was held at the resident councillor’s office. The resident councillor and Wright, chairman of the Chamber of Commerce, were present. Appearing for the Chinese community were towkays Tah Kid Keng of Gim Cheang & Co., and Lim Eng Kee of Hin Lee & Co. The upshot was that Lim Leng Cheak was nominated to go to Singapore to give evidence on behalf of the Penang Chinese planters and producers.38 Lim Leng Cheak’s role as an important business lobbyist was also reflected in his position in the Penang horse racing circles. The patrons of the Penang races were the most important local figures, like the officer administrating the

---

34 SIPC, 21 December 1892.
35 PGSC, 30 December 1892.
36 PGSC, 3 January 1893.
37 PGSC, 11 January 1893.
38 PGSC, 10 August 1893.
government, the sultan of Kedah, the sultan of Johor, the sultan of Deli, the resident general of FMS, the resident councillor, and others of that ilk. The committee and stewards consisted mostly of prominent Europeans. Among the stewards were only two Chinese. One was Khoo Guat Cheng, the other was Lim Leng Cheak. This is just another indication of Lim Leng Cheak's far-flung social network, which was of great importance to his business. This social network played a wonderful part in the 1893 opium disturbance, which will soon become apparent below.

The Sultan and Lim Leng Cheak

Being an important businessman undeniably increased the chance of being an important lobbyist in the local Penang political community, while close relations with the Malay political community provided more lobbyist resources. Brokering between two communities gave the businessman and lobbyist a unique vantage position. In Lim Leng Cheak's case, there were three specific elements which shaped the Chinese-Malay political and economic alliance. It was as plain as a pikestaff that to a great extent the state revenue and maintenance of the Kedah government depended on Lim Leng Cheak, leaning heavily on both his revenue farms (opium, spirits, and pawnbroking) and on his investments in rice milling (Alor Star), mining, and plantations (Kulim). The sultan also relied on Lim Leng Cheak in order to get access to finance from Penang and the market there. Lim Leng Cheak's position as an influential wealthy Chinese towkay in Penang made him the best middleman and guarantor through whom the sultan could secure loans from the Chinese, Chetties and European business community. Finally, the sultan needed Lim Leng Cheak's position in Penang and the double identity he shared between Penang and Kedah to push Malay political interests.

The evidence assembled above shows that Lim Leng Cheak was not a simple revenue farmer for Kedah, nor was he merely a capitalist who established the first rice mill in Kedah and developed large plantations in Kulim. As Khoo Khay Jin points out, "Leng Cheak, indeed, was so close to the sultan that he could be considered an integral part of the state machinery". As a manager, state treasurer, and capitalist to the sultan, Lim Leng Cheak played an ineluctable role in the state socio-political activities in Kedah. He arranged the sultan's affairs and maintained the latter's houses in Penang. He went shopping for the sultan, even for small items of stationery, fruit, as well as coffee cups, napkins and tablecloths, and a rifle,

---

39 Khoo Guat Cheng was son of an old and wealthy Penang merchant Khoo Soon Hong, who died in 1895 at the age of 82. His father was a Baba Chinese. Khoo Guat Cheng and his brothers were proprietors of the well-known and popular firm of "Guat Cheng Bros.", of Beach Street. See *The Straits Maritime Journal & General News*, 18 January 1895.


41 *SC*, No.3, the Sultan to Lim Leng Cheak, 25 Syakban 1307 (15 April 1890).

42 On 11 May 1890, the Sultan asked Lim Leng Cheak to buy a variety of fruits in connection with the visit of king of Siam. *SC*, No.3, The Sultan to Lim Leng Cheak, 22 Ramadan 1307 (11 May 1890).

43 *SC*, No.5, the Sultan to Lim Leng Cheak, 10 Rabiulakhir 1309 (12 November 1891).
to mention just a few purchases.\footnote{On 20 September 1891, the Sultan asked Lim Leng Cheak to but a rifle for him. The Sultan said that it was available in Penang for about $50. The Sultan asked Lim Leng Cheak to send the rifle to him as soon as possible. SC, No.5, the Sultan to Lim Leng Cheak, 16 Safar 1309 (20 September 1891).} He escorted the Siamese official missions from Bangkok.\footnote{PGSC, 10 January 1890.} He sometimes attended the horse-races on behalf of the sultan.\footnote{For example, the Sultan wrote to Lim Leng Cheak on 29 July 1891, asking Lim as his representative in the horse race. The Sultan wanted the racing horse to be named "Master Kedah". The Sultan said they had got only one horse from auction. The Sultan did not want to put his name as the owner of the horse. The Sultan asked Lim Leng Cheak to put Lim's name and pay for registration fee. The cost went to the Sultan's bill. See SC, No.5, 23 Zulhijjah 1308 (29 July 1891).} He acted as the middleman for the sultan and royal family when they wanted to secure the chetty or European loans in Penang.\footnote{For example, on 20 June 1892, the Sultan asked Lim Leng Cheak arranged a loan of $17,000 for him immediately. On 24 June Lim Leng Cheak replied that he would secure the loan from Europeans and Chetties respectively. See SC, No.5, The Sultan to Lim Leng Cheak, 25 Zulkaedah 1309 (20 June 1892).} He took care of most of the sultan’s bills.\footnote{For example, on 8 September 1891, the Sultan wrote to Lim Leng Cheak that he bought the shoes, leather belts, and other items for $2,602.43 in one Penang company. The Sultan asked that company to go to Lim Leng Cheak for collecting payment. On the next day, the Sultan wrote to Lim Leng Cheak again, asking him to pay $115.48 for a shopping bill by the Kedah Government. On 15 May 1892, the Sultan wrote to Lim Leng Cheak that he had sent Wan Abdullah Haji to Penang for business. The Sultan told Lim that if Wan Abdullah Haji asked for money, Lim Leng Cheak could give him $500. See SC, No.5, The Sultan to Lim Leng Cheak, 4 Safar 1309 (8 September 1891); 5 Safar 1309 (9 September 1309); and 18 Syawal 1309 (15 May 1892).} He ran the sultan’s private steamer the "Good Luck", from hiring the captain and engineer to assuming responsibility for the repair and maintenance.\footnote{As the Sultan depended on "Good Luck" for his travel between Kedah and Penang, and even to Singapore and Bangkok for his regular official visits. Thus the issue of "Good Luck" had been routine subject for the communication between Lim Leng Cheak and the Sultan. For examples, on 16 January 1892, the Sultan wrote to Lim Leng Cheak, consulting him on the repair and costs of "Good Luck". On 24 February 1892, the Sultan wrote to Lim Leng Cheak and asked him to buy 20 ton coal, collect other goods and look for a carpenter for "Good Luck", as he was going to Tongkah (Siam) to meet Prince Damrong. On 15 November 1892, the Sultan asked Lim Leng Cheak to send the Siamese engineer to Kedah as the engineer of "Good Luck", Weel, was fired. On 26 December 1892, the Sultan wrote to Lim Leng Cheak that he had asked captain Michaeck of "Good Luck" to come to Lim Leng Cheak on the repairing issue. See SC, No.5, the Sultan to Lim Leng Cheak, 16 Jamadilakhir 1309 (16 January 1892), 26 Rejab 1309 (24 February 1892), 11 Ramadan 1309 (8 April 1892), 25 Rabiulakhir 1309 (15 November 1892), and 7 Jamadilakhir 1310 (26 December 1892).} In return, Lim Leng Cheak was granted the rice milling monopoly in the whole of Kedah for twenty years by the sultan. He obtained a large tracts of land free of land rents. Constantly bolstered by the sultan’s strong support, he had secured many Siamese loans. By acting as the state agent and manager both for Kedah’s economic administration and for the sultan’s socio-economic and political affairs, Lim Leng Cheak consolidated and expanded his family empire.

It is more than obvious that the sultan was not simply a close private friend of Lim Leng Cheak. There can be no shadow of doubt that the sultan of Kedah consciously used the latter’s energy and management skill as an influential capitalist to develop his country. In return, many a time, the sultan managed to secure loans from Bangkok for Lim Leng Cheak, for
which the sultan himself stood surety. Lim Leng Cheak once found himself in difficulties and had been asked to pay up by a bank. In his letter to Bangkok requesting a loan of $50,000 for Lim Leng Cheak, the sultan said Lim Leng Cheak "was doing business in a big way in Kedah". He was "a good man". The sultan particularly mentioned that Lim Leng Cheak’s petition to him had been endorsed by the British resident councillor. The sultan warned that Lim Leng Cheak’s business in Kedah might grind to a halt if his loan requirement was not met. To help Lim’s business in Kedah, the sultan also secured a large Siamese loan of $100,000 for the development of Kedah. The sultan even offered to draw up a statement of debt jointly in his name and that of Lim Leng Cheak. The interests of state and family found a common rallying point here.

**Political Agent for Kedah Government**

Lim Leng Cheak performed well as a political agent in the debate over the maladministration of Kedah state in 1890. The first rumbles of this were heard in 1887 when some Penang businessmen complained of the Kedah’s restrictive policy towards Indian immigration, charging the Kedah government with maladministration. In 1890, more statements regarding affairs of Kedah appeared in the SIPC. It was alleged that the Malay states under Siamese protection were maladministered. It was intimated that British subjects were ill-treated by the Kedah authorities and that the Siamese governors were eating up the country, and other like protestations. In British India, influenced by the report of SIPC, The Calcutta Statesman stated that Indian coolies, unfortunate British subjects, were being enticed away to the Dutch Settlements or Siamese Kedah on an enormous scale by criminals. The Calcutta Statesman thought that the Straits government should assume some responsibilities as far as Kedah was concerned. It urged that Straits government should make a representation on the subject. The repercussions of these reports were very serious, creating political problems with the British, and even more calamitously affecting the flow of foreign investments into Kedah. It is interesting that Lim Leng Cheak, who was a British subject and a businessman in Penang, came forward to refute these allegations.

In his letter to the editor of the PGSC in January 1890, he described that what the SIPC had reported as "a lot of ridiculous nonsense". He said there was "no foundation" whatever for most of statements it made. Lim Leng Cheak disputed the allegations by adducing the following points.

50 SC, No.5, Sultan to Siamese Consul, Penang, 22 Syawal 1308 (30 May, 1891).
51 SC, No.2, Sultan to Bangkok, 4 Rabiulawal 1309 (7 October, 1891).
52 SC, No.2, Sultan to Bangkok, 28 Jamadilakhir 1309 (28 January, 1892).
53 PGSC. 2 August 1887; 5 August 1887.
54 SIPC. 4 & 11 January, 1890.
55 PGSC. 14 January 1890.
56 PGSC. 10 January 1890.
First, he took the example of his personal business experience to argue that the Kedah government treated British subjects very well. He said "I have considerable business transactions in Kedah for many years now, and all that I can say is that I, and those employed by me, have received FAIR PLAY throughout. I have thousands of acres of land under tapioca, pepper and coffee cultivation in Kedah; and owing to the kind encouragement...from the Rajah and others, I last year put up a large rice mill at Alor Star, ...I have now over $200,000 invested in Kedah". Secondly, he considered "that British subjects in Kedah have always had far more consideration shown them than the ryots of the country". He said people should have no second thoughts about "investing in lands and mines in Kedah specially". And he believed that "in a few years time, Kedah, under its present administration, will make a tremendous stride forward, and probably, may yet compete with some of the native states under the British protection". Lastly, rejecting the claim that the Siamese governors or commissioners were "eating up the country", Lim Leng Cheak said "that is all bosh. I know this fact, that a few years ago, when H.R.H. Prince Devawongse [Damrong], ... passed through Kedah on his way to Sengorah, he insisted on the acting Rajah, Tunku Yousuff, accepting payment for the expenses...in connection with his visit to Kedah". In the end, Lim Leng Cheak remarked, "This does not look like eating up the country-does it?" .

After Lim's letter was published in the PGSC, the SIPC was not at all pleased. After devoting one or two columns of its issues to attacking Lim Leng Cheak for his temerity, it took another shot at him on more of its issues. The SIPC alleged Lim Leng Cheak "has been made a cat's-paw to plead the cause of Kedah informa pauperis". In the next long leading article, the SIPC called Lim Leng Cheak [and the sultan] "THE SIAMESE TWINS". They stated that "Mr. Lim Leng Cheak has every reason to pose himself as champion of Kedah for favours received and for favours expected". They mentioned the ways of which Lim Leng Cheak secured the rice mill monopoly in Kedah. They disclosed that during the life-time of the late sultan, many feelers had been thrown out for obtaining a concession for establishing a rice mill in Kedah, but all were turned down by the late sultan for the reason that his people would suffer under such a monopoly. Therefore it is not difficult to see why Lim Leng Cheak came forward to protest against the accusations of the SIPC, not as a ordinary businessman but as a Malay state political agent. This also shows to what extent a Chinese businessman had been connected politically to a traditional Malay state by the business.

2 The Tender For The Kedah Opium Farm 1892-94

Very little, perhaps even no attention has been paid to the most important process of tendering for opium farms by students of the revenue farms, who have ignored regional politics and the interaction between the state and the farmers, particularly the role of the state in stimulating

57 PGSC, 10 January, 1890.
58 PGSC, 10 January 1890.
59 SIPC, 11 January 1890.
60 SIPC, 15 January 1890.
internal Chinese rivalry and negotiating with the neighbouring government on behalf of the farmers.\(^{61}\) This is regrettable as it is the very tender process that highlights the interesting manoeuvres of the government and Chinese farmers in their game of scoring off one another. In the case of British Malaya, as the tender of the opium farm in the Straits Settlements involved the Malay states which were theoretically beyond British control at that time, the manoeuvres seem to have been more complicated, involving the rivalry not only between the government and Chinese farmers, but also between competing governments and rival farmers.

The coincidence of the interests between the Kedah state and the Lim Leng Cheak family was clearly reflected in the Kedah opium farm question. The alliance of family and state was essentially an alliance built on opium. For the sultan the arrangement of the Penang-Kedah joint opium institution, as discussed in preceding chapter (Chapter 2, Part 2), meant a loss of government revenue and for Lim Leng Cheak the break-up of the family’s monopoly in Kedah (Kulim). So family and state were made natural allies by their common business interests. In the tender for Kedah opium farm 1892-1894, Lim Leng Cheak’s manoeuvre no doubt diminished the arrangement of Kedah-Penang opium institution which would have disadvantaged Kedah and presented the sultan with another good opportunity to counterattack Penang’s infringement of Kedah economic interests. Pertinently, Lim Leng Cheak’s particular identity in the British Penang commercial and political community provided the sultan with a solid pretext to justify his change of policy. Therefore, central to the tendering for the opium farms, the Chinese opium farmers’ manipulations were a fundamental element in shaping particular characteristics of both the opium-based political economy and British-Malay-Chinese interactions. In these overlapping complex conflicts, two main camps emerged: those of the British Straits government and the Penang opium farmer on the one hand, and the Kedah Malay government and the Kedah Chinese farmers on the other. But, in the whole game of control and counter-control, every player had his own different interests and aims involving the deployment of active strategy and flexibility, conflict and compromise. They were in fact consciously playing one against the other. The British colonial power politics and the active resistance and accommodation of the Malays, were highlighted and intensified by the manoeuvres of the competing Chinese opium farmers.

The tenders for the Kedah farms i.e. Kuala Muda, Kulim, and Bagan Samah farms, for the years 1892-94 were opened on the 15 August, 1891. In the end, the contest was whittled down to that between the Penang opium farmers and the Kulim farmer, Lim Leng Cheak. Lim Leng Cheak was already the revenue holder of several Kedah farms. He had held the Kulim opium farm for six years previous to this letting. His tender for the Kulim opium farm was the highest. The sultan of Kedah accepted. The Penang spirit and opium syndicate for 1892-1894 comprised Messrs, Chew Sin Yong, Ng Ah Thye, Chew Thean Poh, Chan Lye Kum, and two others who were not in Penang. The Penang opium farmers were also the holders in the opium farms of Kedah proper, Kuala Muda and Bagan Samah.\(^{62}\) Their tendering for the next term of the Penang farm was $71,000 a month, an excess of $ 4,000 per month, or

---


\(^{62}\) PGSC, 19 September 1891.
$48,000 per annum over the current rental. But their tender for Kedah opium farms was lower than those of other parties by $2,800 per annum. As soon as they knew their bid was lower than that of their rivals, Penang farmers wrote to Neubronner, the consul for the Siamese Malay states, soliciting that "he would, in consultation with the Hon'ble the Resident Councillor, recommend the acceptance of their tender by the Kedah government in preference to any other". Two days after they had written to Neubronner, the Penang farmers were sent for by Skinner, the Penang resident councillor. They discussed the offer they had made for the Kedah opium farms in the presence of Neubronner and Lim Leng Cheak. Skinner stated that as the Penang farmers had obtained the new lease on the Penang spirit and opium farm, he would secure the Kedah opium farms for them from the sultan at the highest offer i.e. $51,000. The Penang farmers accepted this at once, although it was higher $2,800 than their original tender.

A few days later, the managing partner in the Penang farm was sent for by Neubronner who requested his presence at his office, where he met Wan Mah, the chief minister of Kedah. Under instructions from the sultan, Wan Mah told the Penang farmer that if the Penang farmers desired to have those farms in Kedah, they should give Lim Leng Cheak a share in the Penang opium farm. But the Penang farmers refused the sultan's offer. On the 4 September, the Penang farmers wrote to the resident councillor, urging as earnestly and as strongly as they possibly could that the resident councillor should endeavour to do his utmost to secure for them the three Kedah farms of Kuala Muda, Bagan Samah and Kulim at the highest offer made for them, viz., $51,000, which he himself had suggested. Since that offer had been made, they had had several interviews on the subject with the resident councillor. However, they had not had a definite reply except the intimation that it was essential to give Lim Leng Cheak a share in the Penang farms, if they really wanted the Kedah farms. On the 14 September, the sultan of Kedah, accompanied by the Siamese consul, convened an interview with the resident councillor and the parties concerned. The resident councillor again asked if the Penang syndicate would give Lim Leng Cheak one twenty-sixth share in the Penang farm, in which case the sultan would bring pressure to bear upon Lim Leng Cheak to admit them to a share in his three farms. The suggestion made by the resident councillor must have been based on the realistic consideration of the same understanding reached between the sultan of Kedah and Lim Leng Cheak. However, the Penang farmers refused to admit that they had been present in the interview with the sultan and the resident councillor, when it was disclosed by the PGSC.

---

61 PGSC, 22 August 1891.
64 PGSC, 26 November 1891.
65 SC, No.5, The Sultan to Resident Councillor Penang, 17 Muharam 1309 (22 August 1891); PGSC, 26 November 1891.
66 PGSC, 26 November 1891.
67 PGSC, 15 September 1891.
68 PGSC, 19 September 1891.
After receiving no further communications from the Penang farmers, the sultan of Kedah then closed the bidding by accepting Lim Leng Cheak's offer for the Kulim farm. In the meantime he had also given him the Kuala Muda and Bagan Samah farms. As was the usual course in such deals, the sultan received a deposit of $7,000 from Lim Leng Cheak as token of his earnest intent. In his letter to the resident councillor on the 28 September 1891, the sultan explained, now that the Penang farmers did not choose to meet Lim Leng Cheak's requirement, it was not fair for him to ask Lim Leng Cheak to let Penang farmers have a share in the Kulim farm. The sultan said that such an arrangement would be hard on Lim Leng Cheak. 69 This was the most interesting: because Lim Leng Cheak did not tender for the other two opium farms. Another important point is that the lease of the whole Kedah opium farm to Lim Leng Cheak came when Lim ran into great capital difficulties and had asked the sultan to write to Bangkok for a loan. Nevertheless, the sultan even asked the Siamese consul in Penang how Lim Leng Cheak would feel were the Siamese loan to be less and the interest rate higher than required. 70 Here, the interests of one Chinese family and a Malay state were tightly bonded together, a commercial union cogently reflected in the above arrangement.

In view of the fact that opium revenue consisted of a large part of the state revenue of both governments, a point highly relevant to the Kedah opium farm question, the interests of both governments were intimately involved. The Penang farmers argued that it was to "be regretted that the claims of one individual on private and other grounds should be allowed to interfere with the decision of a public question". 71 They threatened that "if the decision of so important a question between two governments... be made to depend upon what one government may consider necessary to urge, in favour of an individual in whom that power may be interested in private and personal grounds...both the Governments and the whole community would eventually suffer most seriously", because the government had to devise other means for introducing fresh taxes and imposts in order to meet deficit revenue of the Colony, and the poorer classes would be crushed and ruined. 72 They maintained that the sultan of Kedah "has not 'acted perfectly straightforwardly' towards this Government or the Penang Farmers in connection with the disposal of the Kedah Farms and it was not, to say the least of it, right on the part to make over the Bagan Samah and Kuala Muda Farms to Lim Leng Cheak, who had never tendered for them". 73

In his own defence, Lim Leng Cheak argued that they failed to "see the settlement of the question at issue will interest the public much, nor will it affect the amount of taxes the public will have to pay". 74 The opposite was true. He had not only "spent any profits ... in

69 SC, No. 5, the Sultan to Resident Councillor, Penang, 24 Safar 1309 (28 September, 1891).
70 SC, No. 5, Sultan to the Siamese Consul, Penang, 21 Safar 1309 (25 September, 1891).
71 PGSC, 26 November 1891.
72 PGSC, 26 September 1891.
73 PGSC, 26 November 1891.
74 PGSC, 3 October 1891.
developing the resources of the district", but also "invested largely from his private means, thus raising the sultan’s revenue from that district alone by 500 per cent". With this record he thought that the sultan of Kedah was quite right "in renting his Farms to a man who is doing all he possibly can for the advancement of the state of Kedah by investing large sums of money in various districts, at tremendous risk in the beginning; introducing steam machinery for milling rice, etc., etc.; thus giving employment to thousands of people, many of whom would otherwise have thrown in their lot with bad characters and given our police no end of trouble on the frontier". He asked how much interest the Penang farmers had had in the state of Kedah, apart from the fact that they expected to reap large gains to spend elsewhere from the profits derived from the Kedah farms? And there the matter still rested.

The Aftermath: Negotiation and Compromise

At the end of October, a few days prior to the expiry date of the term of their lease, the Penang farmers appealed to Trotter, then the acting resident councillor. They urged that another effort might also be made to obtain the two farms of Bagan Samah and Kuala Muda for them. The lease of the Kuala Muda and Bagan Samah opium farms were supposed to expire on 1 Rabiulakhir 1309 (3 November 1891). Lim Leng Cheak took them over from the former farmer, Choong Cheng Kean. Two months after Lim Leng Cheak had entered on his contract, complaints were made by the Penang farmer who claimed that chandu smuggling was rife, the drug being sent from Kuala Muda and Bagan Samah to Penang and Province Wellesley. The Penang farmers again turned to the resident councillor, Trotter, who brought the matter to the sultan. Finally Trotter prevailed upon the sultan to use his influence with Lim Leng Cheak to yield up the Bagan Samah and Kuala Muda farms. In the end the sultan yielded to the pressure of the resident councillor, who was also British consul to the Siamese Western States. As a result of long interview on 11 December, 1891, it was arranged that Lim Leng Cheak handed over these two Kedah farms to the Penang farm for a consideration of $18,000, payable in instalments of $1,500 per month. The Penang farmers accepted these terms.

Now Lim Leng Cheak was confronted by the dilemma of how to wrest the compensation of $18,000 from the Penang farmers. His strategy was that he refused to return the grant of Kedah opium farm contract before he had secured the refund. The sultan and the Siamese consul were asked to press the Penang farmer Chew Sin Yong to honour his terms. On 18 December 1891, the sultan wrote to the Siamese consul, Neubronner, asking him to rescind the contract grant from Lim Leng Cheak. In his capacity as ruler, he would issue a new grant to the Penang farmer, Chew Sin Yong after the end of December 1891. The sultan did not let the opportunity to make particular mention of the compensation of $18,000 owed by Chew Sin Yong slip. Neubronner was asked to inform Lim Leng Cheak and Chew Sin Yong that these problems had to be solved as soon as possible. The same day, the sultan wrote to resident councillor Trotter to the effect that he had already issued the grant to Lim Leng.

---

75 PGSC, 3 October 1891.
76 PGSC, 26 November 1891.
77 PGSC, 12 December 1891 & 7 July 1893.
Cheak and that Lim Leng Cheak was unwilling to return it to the sultan. The sultan shrewdly suggested that Trotter would be in a difficult position if the sultan forced Lim Leng Cheak to return the grant, because as a British subject Lim Leng Cheak would certainly turn to Trotter for help. The sultan informed Trotter that he had already asked Neubronner to rescind the grant from Lim Leng Cheak, and that he had also instructed Lim Leng Cheak to stop all sub-lease farm activities. In return, the sultan hoped that Trotter could guarantee the Penang farmers would keep their promise to pay Lim Leng Cheak the $18,000 compensation.79

Apart for the compensation, Lim Leng Cheak also submitted a request that his chandu manufactured at Kuala Muda and Bagan Samah farms could be sold to Chew Sin Yong at the going price on the Penang market, rather than be taken back to Kulim. At the repeated request of Lim Leng Cheak, the sultan wrote to Neubronner again on 24 December. The sultan asked Neubronner and Trotter to join forces to press Chew Sin Yong to meet Lim Leng Cheak’s terms, before the sultan issued the new grant to Chew Sin Yong.80 Discussion of this issue continued in the sultan’s next communication to Neubronner on 28 December. So that Kuala Muda and Bagan Samah farms could be handed over on 1 January 1892 (1 Jamadilakhir 1309), the sultan hoped that Chew Sin Yong would sign a debt bond contract for the $18,000 he owed Lim Leng Cheak.81 On 18 February 1892, the sultan was informed by Chew Sin Yong that the debt contract of $18,000, which would be paid in instalments of $1,500 per month, had been issued to Lim Leng Cheak. And Lim Leng Cheak had returned the grant to Chew Sin Yong. The sultan then asked Chew Sin Yong to hand in that grant so that he could issue a new grant to Low Lean Kwee and Choong Cheng Kean, the Kedah representatives of the Penang opium farm.82

To recapitulate, although the sultan and Lim Leng Cheak gave in to the Penang farmers and British authorities by handing over the Kuala Muda and Bagan Samah farms, the tender for 1892-1894 Kedah opium farms provides unequivocal evidence of active resistance on the part of the sultan of Kedah. Moreover, for both the sultan and Lim Leng Cheak it was also a triumph, particularly in the political sense. It postponed the incorporating of the Kedah opium farm into the hands of the one Penang syndicate. By this arrangement, Lim Leng Cheak still kept his Kulim farm for the 1892-94 term, although he argued that he had been robbed of a profit of $54,000. The coincidence of the interests between the Chinese Lim Leng Cheak family and the Malay state of Kedah drove them into a political and economic alliance, which was again thrown into sharp relief by the 1893 Kulim opium crisis, with which I shall deal with in the following part.

82 SC, No.5, the Sultan to Chew Sin Yong, 29 Rejab 1309 (27 February 1892).
The 1893 opium crisis and subsequent disturbance are linked to the preceding part of this chapter, as they were a natural development from the conflict in the tender for Kedah opium farm c.1892-94, and they are also linked to the 1888 Kulim disturbance discussed in the previous chapter (Part 5, Chapter 2). The whole affair continues to address regional implications of how the economic conflicts between two contesting states, the British and Malays, penetrated the opium farm competition between two rival Chinese syndicates, and more importantly, once again shows how Chinese family business networks in the region organized their economic and power relations. Put in another way, at the regional level, I introduce elements of the British, the Malays, and even the Siamese into the internal Chinese competition and conflict, an aspect which has been neglected by scholars like Cushman and Trocki. The 1893 opium crisis and riots do serve to strengthen Cushman and Mak’s speculations that the labour disturbances were manipulated by the towkays to further their own interests.

It would be misleading to treat historical events simply, in separate parts, rather than as a whole. As far as the 1893 disturbance is concerned, the first, brief mention of it was by C.S. Wong, who wrote that "About 600 Chinese assembled before the farm, clamouring for chandu, and when the demand was not immediately attended to, tore down the farmer’s licence signboard....This disturbance was reported in an English newspaper under the caption of 'Riots Again Imminent', indicating that riots were not uncommon in that upcountry village". This notion was followed by a Malay scholar.

However, if placed in the wider context, the 1893 disturbance is essentially a continuation of conflict between the Kulim Chinese farmer and Kedah government opposed to the Penang opium farmers and the British authorities. This 1893 disturbance stemmed directly from the restrictions on the opium supply to the Kulim farmer, which were imposed by the Penang opium farm and supported by the British authorities. Behind the scenes, there was feverish manoeuvring between British, Malays, and Chinese farmers. All the Malay authorities, from the sultan down to the local district officer, the penghulu, the commissioner of police, aided and abetted by the Siamese consul, supported the Kulim Chinese farmer in his conflict with the Penang opium farmer and the British authorities. The newspapers in Penang and the Chinese coolies in Kulim respectively were mobilized, if not manipulated, to pressure the Penang authorities to supply more opium to Kulim. Moreover, its repercussions continued to make themselves felt both in the resulting libel case and in the political movement set in motion against Governor Smith. The opium disturbance and opium politics disclose an interesting underlying dynamic in the Chinese economic struggle and power relationships, and

---


84 For example, Cushman claims "The so-called 'coolies riots' had more to do with the manipulation of subaltern members of the secret societies...". Empirically, she states "I have not focused on Mak’s 'labourers', who formed the mass membership of the secret societies, because I believe [bold added] they were, in many instances, pawns in the hands of their more powerful 'protectors'. See Cushman 1989, p.3, 11; Mak Lau Fong, 1981, p.46.

in the complex interplay between the British, the Malays, and the Chinese. The Lim family networks again stood at the centre of the opium disturbance and politics. There is plenty of scope to argue that the 1893 opium disturbance was not the resistance of one single Chinese opium farmer standing alone, but the opposition of a large institution. In the final analysis, all the interests - the Kedah government, the Siamese consul, the Penang business community both European and Chinese, the press, and the coolies - were effectively mobilized by the manipulation of an individual Chinese Kulim farmer, Lim Leng Cheak.

The Sultan and the Kulim Opium Crisis

Following the letting of the 1892-94 Penang-Kedah opium farms, as referred to earlier, the Kedah opium farms in Kuala Muda and Bagan Samah were handed over to Choong Cheng Kean, the representative of the Penang opium farm in Kedah, while Lim Leng Cheak still held onto the Kulim opium farm. Having secured the lease, the Penang opium farmers started to impose restriction on the opium supply to Kulim. The Penang opium farmers requested that opium should be supplied to the Kulim farmer at a quota of one chest per eight hundred persons. Hence the crux of the matter was how many Chinese there were in Kulim. This figure would then provide the basis on which the Penang farm would supply more opium to the Kulim farm. Three censuses were conducted in Kulim during the first half 1893, quite apart from any such exercises instigated by the Penang farmers.

As early as 6 December 1892, resident councillor Skinner asked the sultan to conduct a census in the district so that it could be determined how many chests of opium would be supplied. As it happened, Skinner had already conducted a census in Kulim before the sultan was even informed. The sultan was very cautious, asking Skinner whether the census would be conducted once only or several times. On the same day, the sultan addressed a letter to the Siamese consul bringing up this very matter. Expressing his dissatisfaction with Skinner's action, the sultan asked Neubronner whether both of them could secure support from the Siamese government to allow Kedah to import opium through the Siamese territory, rather than through the British settlement of Penang.66 On 20 December 1892, the sultan was informed by Skinner that there were 4,000 adult Chinese in Kulim according to their census and hence Kulim should be supplied with five chests per month. After consulting the Kulim farmer Lim Leng Cheak the sultan replied that currently they needed six chest monthly in Kulim. Having made his case, the sultan requested Skinner to allow Kulim at least a six-chest quota. The sultan was adamant that there would certainly be more Chinese than the Penang farmer's tally, if another census were held.67 When the sultan's census was published, it showed that there were about 7,000 adult males in Kulim, rather than 4,000. On the counterattack, the Penang opium farmers questioned its authenticity. Spurred on by these suspicions, on 10 April 1893, the Penang resident Councillor wrote to the sultan, asking him to specify the census, breaking it down in terms of the racial origin and accurate numbers for each settlement in Kulim. While claiming that there were not many Malays in Kulim (at most 300 or 400 odd), the sultan offered to order a second census.68 In May, at the request of the

66 SC, No.5, The Sultan to the Resident Councillor Penang, 23 Jamadilawal 1310 (12 December 1892); The Sultan to the Siamese Consul, 23 Jamadilawal 1310 (12 December 1892).
67 SC, No.5, The Sultan to the Resident Councillor Penang, 8 Jamadilakhir 1310 (27 December 1892).
68 SC, No.5, The Sultan to the Resident Councillor Penang, 28 Ramadan 1310 (14 April 1893).
Penang opium farmers, the British authorities in Penang exerted a much stricter policy of restriction on the Kulim opium farmer. Following Governor Smith's visit to Penang in early May, an order was given to the effect that opium exports to Kulim were to be limited to three chests per month. On 8 May, before the sultan left for Bangkok, Skinner personally informed the sultan of the new policy of restriction by word of mouth. The sultan accordingly wrote to Governor Smith, complaining of this unfair policy of restriction so biased to the detriment of Kulim. The sultan argued that the report of the second census in Kulim had been forwarded to Skinner through Neubronner, and the result showed that there were over eight thousand adult people in Kulim, of whom 7,343 were Chinese. Therefore a three-chest per month quota was by no means enough. The sultan hoped that this problem could be discussed after he returned from Bangkok.89

In June, the situation in Kulim worsened since Penang had imposed the three-chest opium quota restriction in May. Many urgent reports from Kulim describing the opium crisis and intimating an imminent Chinese coolie disturbance reached the ears of the sultan and of the British authorities in Penang. On 3 June, Tunku Mohammed Saad, the district officer in Kulim, reported to Tunku Yacob that many coolies had become embroiled in fights and refused to work because the opium supply was insufficient. Tunku Yacob immediately wrote to Neubronner on the same day, asking him to negotiate urgently with the Penang farmer, Chew Sin Yong, and the resident councillor, Skinner. Neubronner was requested to procure one or two more chests of opium to be exported to Kulim as a stop-gap before the sultan came back from Bangkok. Tunku Yacob told Neubronner that he could also address Skinner directly whenever necessary.90 While on the way back from Bangkok, the sultan stopped in Singapore and discussed the Kulim opium supply with Governor Smith. The sultan argued that as all illegal opium shops on the Kulim side had already been cracked down on before he went to Bangkok, there was no need to continue the policy of restriction. The sultan also warned the governor that the possibility of a large-scale Chinese coolie riot in Kulim could not be ruled out if the situation were to remain unchanged.

Although two census results proved that the Penang farmer's census was incorrect, diplomatically, the sultan asked the governor to send an English officer to conduct a third census in conjunction with the Kedah government. The sultan also informed Skinner of his offer.91 On 19 June following demands from Penang, the Kedah government again informed Skinner that an order had been issued to the Kulim district officer to prohibit any illegal opium dealings on his side of the Kulim border.92 On 24 June, the sultan again approached Governor Smith about the Kulim opium crisis. The sultan mentioned that the monthly rent of Kulim opium farm was $2,383.33, but the actual monthly proceeds were only $1,680 from the sale of three chests of opium. The Kulim opium farmer, Lim Leng Cheak, had hence incurred a loss of $703.33 per month since May. The sultan also reminded the governor that

89 SC, No.5, The Sultan to the Resident Councillor Penang and Governor in Singapore, 22 Syawal 1310 (8 may 1893).
90 SC, No.5, Tunku Yacob to the Siamese Consul, 19 Zulkaedah 1310 (3 June 1893).
91 SC, No.5, The Sultan to Skinner, 4 Zulhijjah 1310 (18 June 1893).
92 SC, No.5, Tunku Yacob to the Resident Councillor Penang, 5 Zulhijjah 1310 (19 June 1893).
so far Skinner had not reacted to his offer of conducting a joint third census. In order to relieve the mounting pressure of the opium crisis, the sultan asked the governor to urge resident councillor Skinner to conduct a third census as soon as possible. On 30 June, the sultan again requested Skinner to undertake an early third census to ease the exigency of the situation. Failure to do so it would have a disastrous effect on both Penang and Kedah, he warned. According to report from Tunku Saad and Lim Leng Cheak, the sultan pointed out, all opium (including that stored) in Kulim had been used up, consequently brawls had been rife among the coolies, and many had taken to their heels and left Kulim. On 10 July, on the instructions of Governor Smith, Skinner eventually agreed to conduct joint third census on 13 July. Skinner asked the sultan to order the Kulim district officer, Tunku Saad, to discuss this issue with the Bukit Mertajam district officer in Province Wellesley, Brockman. The exact result of this census is no longer known, but it was reported that the number of Chinese coolies amounted to between 5,600 to 5,700, while the census was still in progress. Malays, Siamese, Chinese women and Chinese children were not included. There was still no end in sight to the opium crisis.

The Malay Local Authorities, the Penang Press, the Chinese Coolies And the Kulim Opium Disturbance

So far the frequent interplay behind the scenes at the top level with regard to the Kulim opium crisis between the sultan of Kedah, the resident councillor in Penang, and the governor in Singapore, have held the limelight. At that stage, every effort had been made by the sultan to procure an extra opium supply for the Kulim Chinese opium farmer. At this point the focus is shifted to the other interesting manipulations assayed by the local Malay regime in Kulim district, revealed in the Penang press, and exposed by the Chinese coolie disturbance. It was B.E. Mitchell, the Kulim commissioner, A.D. Neubronner, the Siamese consul, Archibald Kennedy, the editor of the PGSC, who first sounded public alarm bells about the nature of the riots that were going on in Kulim. Like the sultan, they joined together in alliance with Lim Leng Cheak and kept up a steady stream of messages to the public and the British Penang authorities, intimating that the Kulim opium crisis was urgent and a Chinese coolie disturbance was on the way! Two interesting points are especially cogent here. First, all these persons who represented the sultan and the Kulim Chinese farm in public were British born and bred and secondly, what was made known to the public through these people was, to a great extent, what the sultan had often already told the governor in Singapore and the resident councillor in Penang. Many arguments, and even whole sentences, were very similar to those in the sultan’s correspondence. The difference was that, as British they could dare to criticize the British Straits government publicly. This gives cause to suspect that their performance was deliberately orchestrated by "directors" behind the scene: the sultan, the Kulim farmer, Lim Leng Cheak, and others.

93 SC, No.5, The Sultan to the Governor in Singapore, 21 Zulhijjah 1310 (24 June 1893).
94 SC, No.5, The Sultan to the Resident Councillor Penang, 16 Zulhijjah 1310 (30 June 1893).
95 SC, No.5, Raja Muda to the Resident Councillor Penang, 27 Zulhijjah 1310 (11 July 1893).
96 PGSC, 8 August 1893.
Emerging from the shadows in which it had been brewing since July, the Kulim opium crisis had become the subject of public discussion. The most popular paper in Penang, the PGSC, obviously stood by the Kulim opium farmer, Lim Leng Cheak, and the sultan taking position against the other parties, namely the Penang opium farmers and the British Straits government. In its issue of 4 July, the PGSC strongly criticized the opium farm system in the Straits Settlements and Protected Native States as "an abominable and disgraceful" system. It warned of the possible serious consequences of imposing a three-chest restriction policy on the Kulim farm. It commented "Any one who knows Chinese labourers knows that opium is a part of their food,...If they cannot get opium they will riot, leave their work, and desert the country; and this is what the conduct of the opium farmers of Penang, backed up by the Singapore Government, will surely bring about in the territory of our good friend and neighbour the sultan of Kedah". On 7 July, the PGSC published a long article in its first edition. It referred back to the history of the case, digging up facts about the last leasing and the politics of the opium farm (term 1892-94), the figures of the consumption of opium by the Kulim farm over the last six years (1888-1893 see table below), and the three censuses. It concluded its argument by saying that "if the import of opium into Kulim is to be restricted; the British subjects who have invested their money in mining, agricultural, or manufacturing enterprises will be heavy losers; the port of Penang will lose so much trade; our friend and neighbour H.H. the sultan of Kedah will suffer in his revenue; and the spirit of free trade... will be interfered with. One cannot help asking why a British Governor thus disregards the principles of good faith and international courtesy to imitate the policy of petty West African Kings?"

This criticism of the issue continued on 7 August with comments to the effect that "...There is nothing to be gained by concealing the fact that he has neither treated Kedah nor its suzerain Siam with justice or courtesy; and such a course of conduct as he has adopted is not very dissimilar to that of France on a large scale. It is altogether unworthy of an English Governor".

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Chest/per month</th>
</tr>
</thead>
<tbody>
<tr>
<td>1888</td>
<td>59</td>
<td>5</td>
</tr>
<tr>
<td>1889</td>
<td>56</td>
<td>4.7</td>
</tr>
<tr>
<td>1890</td>
<td>42</td>
<td>3.5</td>
</tr>
<tr>
<td>1891</td>
<td>60</td>
<td>5</td>
</tr>
<tr>
<td>1892</td>
<td>61</td>
<td>5</td>
</tr>
<tr>
<td>1893 Jan.</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>1893 Feb.</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>1893 Mar.</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>1893 Apr.</td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>

The local Malay authorities in Kulim kept sounding the alarm about the opium crisis and the threat of imminent riots. On the evening of 26 July, Mitchell, the commissioner of police in

97 PGSC, 4 July 1893.
98 PGSC, 7 July 1893.
99 PGSC, 7 August 1893.
Kulim, arrived in Penang in the company of Khoo Teng Lye, the Kulim resident agent of Lim Leng Cheak. Under instructions from Tunku Mohammed Saad, Mitchell reported to the Siamese consul, Neubronner, that there were only thirty tihils of chandu left in the Kulim farm. He stated, if no opium was received in time for the next day’s consumption, there would be riots among the coolies in the mines and on the plantations. Neubronner at once wrote to resident councillor Skinner reporting this urgent situation, which had brought by Mitchell and Khoo Teng Lye to him post haste. In the meantime, Neubronner requested them to explain the state of affairs to Skinner personally by word of mouth. Skinner at once instructed the Penang farmer to permit the export of one chest. It was said that owing to the urgency of the case, Mitchell and Khoo Teng Lye borrowed ten balls of opium first even before the one chest was transported to Kulim, taking them back to Kulim as personal luggage on the same evening. Despite these somewhat ineffectual efforts, a few days later, the Chinese coolie disturbance so long predicted finally broke out. On the afternoon of 4 August, a crowd of about six hundred Chinese assembled before the Kulim farm, clamouring to buy chandu. It was reported that only on the arrival of a chest of opium at about 6 p.m. did the crowd disperse. The farm’s licence plate was removed by the coolies and thrown down near the police station. This was reported a few days later by The Singapore Free Press (henceforth abbreviated as the SFP), as mentioned earlier.

On 8 August, the PGSC again stepped up pressure and warned that "The Farm [Kulim] will be out of opium again tomorrow, when it is feared that further riots will take place. More Sikhs and police are asked for to guard the farm". However, Brockman, district officer of Bukit Mertajam, who was at Kulim on the day of 6 August, said that there were NO riots imminent. Brockman’s report was confirmed by Gibbes, cadet in the same district, who was at Kulim on the 8th. Pushed into a tight corner, in defence of its statement, in its coming issue the PGSC published the translation of Malay letters from both the Kulim sergeant of police, Ibrahim, and the district officer, Tunku Mohammed Sahat [Saad]. Both local Malay officers indicated that there was a shortage of opium in Kulim. They thought that there would probably "be disturbances...among the miners and gardeners". On the 14th, in the face of the conflicting statements from officials in both states, the PGSC continued to comment that the British officers’ statement were dubious, in the sense that they were not continuously resident at Kulim, nor were they responsible in any way for law and order in Kulim and had not had any experience of the large bodies of Chinese coolies there. It argued that "The premonitory signs of a riot are not always assemblages which visitors...will readily take notice of. Indeed the first signs are generally evident only to people knowing each Kongsi house, and consist of a cessation of work and the coolies remaining within their Kongsi houses". This was in stark contrast to Tunku Mohammed Saad who knew his district very well and had experience of the 1888 Kulim riots. Therefore, the PGSC suggested, Tunku Saad’s fear of

100 PGSC. 27 July 1893.
101 PGSC. 5 August 1893.
102 PGSC. 8 August 1893.
103 PGSC. 10 August 1893.
further rioting was quite natural.\textsuperscript{104} In fact, the PGSC observed that Chinese coolies were effectively under the control of Chinese towkays. Hence, the repeated emphasis on imminence of Chinese coolie riots in Kulim seemed to assume a greater significance, which will be dealt with later.

The following event again suggested that the opium crisis was far from over in Kulim. Wan Ahmat of Kulim, assistant to Tunku Mohammed Saad, came to Penang on the 16th. Bearing a letter from Tunku Mohammed Saad, Wan Ahmat stated that there was very little chandu left in the farm and asked for an immediate supply of extra opium. In the meantime, it was said that Kulim opium farmer, Lim Leng Cheak, had also received a telegram from Mitchell of Kulim, to the effect that the farm there had been forced to close owing to there being no more chandu to sell. Mitchell asked that a supply of opium be sent on the 17th without delay. Lim Leng Cheak then urgently asked the Penang farm to supply him with 100 tahils of chandu. But the Penang farmers said they must consider the matter first before taking any action. As the resident councillor was out of town and not available for consultation at the moment. Nothing could be done to relieve the exigency of the Kulim farm. Needless to say, the PGSC again criticized this policy.\textsuperscript{105} News on the issue seemed to peter out, as attention now turned to the libel case instigated by the Kulim farmer, Lim Leng Cheak, which formed the next stage in the Kulim opium crisis and political saga which will be dissected in the following section.

\textbf{The Libel Case And Kulim Opium Disturbance}

The libel case was paradoxically both a product and a continuation of the Kulim opium crisis and disturbance. By focusing on it, I would like to shed more light on Kulim opium politics. Viewed from another perspective, it discloses many of the covert manoeuvres deployed by the Kulim farmer, Lim Leng Cheak, and the continuing dynamics of economic competition and power relations in the region.

During the Kulim opium crisis in mid-August 1893, an action was brought by Lim Leng Cheak against Francois Charles Berger, the proprietor of the SIPC. The amount of damages claimed by Lim Leng Cheak was $5,000.\textsuperscript{106} The alleged libel was contained in an article that appeared in F.C. Berger’s newspaper, the SIPC, in the issue of 12 August 1893. In that article, the SIPC disclosed two important points about the Kulim opium disturbance. The first was that Lim Leng Cheak had been engaged in extensive chandu smuggling from Kulim to Penang and Province Wellesley since he had secured the Kulim farm, and by these means had been making profits, which were illicit. It continued by pointing out that the current general outcry arose from the fact that Lim Leng Cheak’s illicit profits had begun to dwindle owing to the enforced curtailment of the contraband trade. Secondly and even more importantly, it stated that Lim Leng Cheak had given his Kulim farm employees orders to foment riots which actually erupted into real violence and that even more gravely he embarked upon a general course of agitation against the Straits government. Under his management the Kulim farm had become "an entrepot for contraband, and a hotbed for agitation, disturbance and riots [...]".

\textsuperscript{104} PGSC, 14 August 1893.

\textsuperscript{105} PGSC, 17 August 1893.

\textsuperscript{106} PGSC, 19 August 1893.
is high time, in our opinion, that a stop should be put to this Chinese gentleman’s doings, and that he should be told, in polite but stern language, that we won’t have any of it, and that he will be held responsible for any breach of the peace that may occur in Kulim at his instigation."^{107}

To clarify the implications of the affair, it would be helpful to refer to the background to the publishing of the so-called libellous article in the SIPC on 12 August 1893. Above the fact that the PGSC published several statements with reference to restrictions upon the trade in opium for use in Kulim by the Settlement of Penang was touched upon. Afterwards, two lengthy letters, obviously from the other party in the conflict, the Penang opium farm, were delivered with a request for publication in the PGSC. These letters were signed "a lover of truth" and were full of assertions contradicting the statements in the PGSC. They were also "full of impertinences" about the PGSC.^{108} The PGSC refused to publish them and made a statement that it was editorial policy only to take notice of responsible letters signed by the Penang farm manager, either Chen Lye Kum or Chew Sin Yong.^{109} Both of these letters then appeared in Berger’s newspaper, the SIPC, in an article signed "One who knows". Berger claimed, the letters were handed to him personally by the Penang opium farm manager, Chew Sin Yong. Although they were signed "One who knows", a brief note was enclosed signed by Oong Siah Wong, sub-manager of the Penang farmer, to the effect that "I guarantee and am responsible for all the statements appearing in the letter". This was the background against which how the editorial comment of 12 August was published by the SIPC.^{110}

The libel case was heard in Penang on 14 December 1893. The defendant, Berger, pleaded that the facts of matter stated in that article were true in substance and in fact, eventually upon Berger’s counsel’s efforts, agreement was reached that Berger should publish an apology in his newspaper and pay Lim Leng Cheak $50 damages. One interesting point should be indicated. Upon the case being called, Berger’s counsel, Murrison Allan, applied for a postponement of the hearing, in order to procure the attendance of certain Kulim and Kedah officials and officials from Province Wellesley, to confirm the fact of the opium smuggling and instigation to riot. This application was opposed by Lim Leng Cheak, and the Court declined to grant it.^{111} Berger published a so-called apology in the issue of 16 December. However, the libel case was again brought to the attention of the Supreme Court on the morning of 19 December 1893. As Lim Leng Cheak’s counsels, Messrs Ross and Van Someren, claimed that the apology was really no apology at all, but an aggravation of the libel. It was suggested that Berger should publish an amended apology. But Berger stated he preferred to apply for a new trial to justify the truth of alleged libellous statements. Lim Leng Cheak’s counsel, Ross, consented on condition that the costs of the trials were paid, with

---

107 SIPC, 12 August 1893. The whole text of the article is also available in PGSC, 21 September 1894; and in SIPC, 6 October 1894.

108 PGSC, 22 September 1894.

109 PGSC, 31 July 1893.

110 PGSC, 22 September 1894.

111 PGSC, 15 December 1893.
which Berger said he would comply forthwith. Again interestingly, it was reported that Judge Gatty said to Berger that he hoped Berger understood what he was doing, as if he failed, the consequences would be serious for him, as indubitably the amount of the damages would be increased.112

It took almost a year before this case came to trial before the Supreme Court in September 1894. The judgement handed down by Mr. Justice Law held that the article in the SIPC was libellous: it did "make grave charges against the plaintiff [Lim Leng Cheak]". The Court concluded that the plaintiff, Lim Leng Cheak, should recover a sum of $100 damages. Related to our discourse on the nature of the Kulim opium riots, it is important to note in Mr. Justice Law's judgement he held that Berger had produced no evidence to show any complicity on Lim Leng Cheak's part either in the opium smuggling or in the instigation to riot. However, Mr. Justice Law also thought that Lim Leng Cheak had failed to prove satisfactorily that the Kulim farm had not become an entrepot for contraband, or to establish the cause of the riots.113 On 21 September, Berger was sent to gaol for one year, charged with debt exacerbated by the costs of the libel case with Lim Leng Cheak.114 The costs of the libel case amounted to $4,860!115

The history of the case suggests that Berger was simply a victim caught up in the opium politics between the Kulim opium farm and the Penang opium farm. But behind the libel case lurked a number of other murky details which suggest to what extent that the Kulim opium farmer, Lim Leng Cheak, and his alliance influenced the politics of the Penang local authorities. The following interesting points were exposed by the SIPC in the aftermath. It was said that resident councillor Skinner had been subpoenaed with his permission to prove Berger's case; and Skinner had given his promise to produce the necessary documents in his possession for that purpose. But as the case was coming up for hearing, Skinner changed his mind and did not attend in the end. How did Skinner come to change his mind? the SIPC would risk no more than to state, "It is impossible for us to say, nor would it be quite safe for us to do so if we could". Second, Mitchell, Neubronner, and A. Kennedy were the first to sound the alarm about the nature of the Kulim riots. They were also subpoenaed to give their evidence by the SIPC. But neither of them was called in support of Berger. Third, the libellous article in the SIPC was based on letters handed in by the Penang opium farmers with a written undertaking signed by Oong Siah Wong, the sub-manager of the Penang farm. According to the SIPC, the letter gave "a great deal more commendatory than the article itself". But strangely, the action was taken against the SIPC, rather than the writer or writers of the letters referred to. Fourth, even more strangely, the SIPC fought for the Penang opium farm, but when the Penang farmer, Chew Sin Yong, was called to give his evidence, he flatly refused to take the stand. The SIPC therefore even had to subpoena him, but Chew Sin Yong

112 PGSC, 19 December 1893.
113 For the text of the judgement, see PGSC, 21 September 1894; also available in ST, 25 September 1894.
114 PGSC, 22 September 1894.
115 The total costs are as follows: 1) $2,200, for the trial before Justice Gatty; 2) $500, for the plaintiff's solicitors's on the rehearing; 3) $1,060, for retainers and professional services; 4) $1,000, for professional service that already paid by Lim Leng Cheak; and 5) $100, amount awarded as damages. Source: PGSC, 13 September 1894.
was never put into the box! The SIPC mentioned one new development, namely a few days before the case came up for hearing, the Penang farmers reconciled themselves with the Kulim farmer, Lim Leng Cheak, and entered into an arrangement with him to secure the lease of both farms for the next three years! Last but not least, according to Berger, Lim Leng Cheak told him that he did not feel either libelled or aggrieved by the incriminating article, but had been forced to take action in the matter by some friends who wished to ruin the SIPC and revenge themselves upon its editor for the part he played in opposing their agitation for Home Rule for Penang. Again, it seems there was a very strong and prominent interest group or alliance behind Lim Leng Cheak, and this will be the subject of the next section.

The Penang Petition in 1893 and the Kulim Opium Crisis

Coincidental with the 1893 Kulim opium crisis, a political movement had been gaining momentum in Penang and this is very relevant to our discourse. The governor, Cecil Clementi Smith, was due to retire in October 1893. Not pleased by this prospect, in the meantime, he had forwarded three memorials to London from the colony, requesting that his governor's term of office be extended. This tactic was initiated by the Singapore Chinese merchants led by Tan Jiak Kim rallying in support to the interests of the opium farmers. In the essence of whether or not Governor Smith should be retained for another term, the Penang farmers and the Kulim farmer, Lim Leng Cheak, sat on opposite sides of the fence. This conflict between the two parties, to an extent, developed into a conflict between China-born Chinese traders (represented by the Penang opium farmers) and Straits-born Penang Chinese traders (represented by Lee Phee Yeow, Koh Seang Tat, Lim Leng Cheak, and their ilk.). At the beginning of 1893, Tan Jiak Kim also wrote to Lee Phee Yeow, one of the biggest Chinese capitalists and traders in the Straits, asking him to prepare a similar petition in Penang. But Lee Phee Yeow refused and replied to the effect that as His Excellency had received a promotion, it would not be right to make any effort to detain him here. The letter was in fact addressed to eight influential Chinese, namely Cheah Tek Soon, Cheah Chen Eok, Chew Sin Yong, Chan Lye Khum, Kho Bu Ann, Lee Phee Yeow, Koh Seang Tat, and Khaw Sim Kim. So, the Penang farmers Chew Sin Yong and Chan Lye Khum called a meeting at the Chinese Town Hall to discuss the petition. The upshot was that a petition was sent requesting the incumbent governor be retained and this was backed chiefly by the China-born Chinese traders and the partners in the opium and spirit farms and others with interests in them. All eight influential Chinese attended the meeting at the Chinese Town Hall. Five of them signed the petition, the remaining three chose not to. The five signatories were government contractors: Cheah Tek Soon and Cheah Chen Eok’s names, the Singapore opium farmers, stood at the head of the list. Chew Sin Yong and Chan Lye Khum were the Penang opium farmers. The fifth signatory, Kho Bu Ann, had a share in the Province Wellesley farm. Therefore it was essentially an opium and spirit farmers’ petition. This is also confirmed by

116 SIPC, 13 October 1894.

117 CO 273/186/57, "Petition from Chinese in Singapore".

118 PGSC, 1 March 1893.

119 PGSC, 24 February 1893.

120 CO 273/186, "Petition of Chinese in Penang".
the fact that the signatures numbered 300, and in Penang and Province Wellesley there were more than 100 opium shops.\textsuperscript{121} Probably under these circumstances, when Governor Smith visited Penang in May, some months after the opium farmers petitioned for his extension, in order to return the support of the Penang farm, he ordered trade restrictions on opium in Kulim.\textsuperscript{122}

Refusing to be used as a doormat, Lim Leng Cheak, whose Kulim farm had been injured by the government’s limitation on opium imports into his district, played a prominent part in setting up a counter-petition. Just at this time, the meeting in the Chinese Town Hall and the agitation about the Penang grievances were taking place. Lee Phee Yeow and Koh Seang Tat took up this popular outcry to drum up support for this second or counter-petition to the first. For this, The Daily Advertiser in Singapore, wrote : "It was well known that such a move was being made (the petition of 3,591). In fact the promoters of the first petition were asked to withdraw it, and threatened with reprisals if they did not.... The threat was made by one of the leading Europeans of Penang". Nor was the PGSC happy with it.\textsuperscript{123} There were more than 3,000 signatures, among them 300 signatures in English. Out of the fifty-four principal firms of Penang traders in the Singapore and Straits Directory, seventeen signatures or 31.48\% were on the counter-petition. Lee Phee Yeow and Lim Leng Cheak were the only two shipowners.\textsuperscript{124} It should be remembered that Lee Phee Yeow, Koh Seang Tat, Ong Boon Teik, Ong Beng Teik, and Lim Leng Cheak belonged to the same interest group. All of them were very important business power-brokers in the Penang Chinese community between 1870s and 1890s, representing the Hokkien section. Lee Phee Yeow was a manager of Chong Moh & Co., the largest shipping firm in Penang at that time. While Koh Seang Tat was the descendant of the first Penang Chinese Kapitän, Koh Lay Huan. He became the municipal commissioner in 1888. His influence could be measured by the 1888 libel case, in which he showed he could defy even the power of the acting resident councillor, W.E. Maxwell, by manipulating one local newspaper, The Penang Herald. Lee Phee Yeow and Lim Leng Cheak were also closely involved in that manoeuvre.\textsuperscript{125} And if this is related to the nomination of Koh Seang Tat as the municipal commissioner by Lim Leng Cheak in December 1892, it is not necessary to seek far to find the closely interlocked connections between these "big men". Lee Phee Yeow was also deeply involved in Kedah affairs. In July 1895, at the invitation of the sultan of Kedah, a number of Europeans were entertained by the raja muda, Wan Mat (the prime minister) and the others of rank on the sultan’s steamer the "Good Luck". Separate

\textsuperscript{121} PGSC, 24 February 1893.

\textsuperscript{122} About Ceci Clementi Smith, see Cheng Siok Hwa, "Sir Cecil Clementi Smith as Colonial Secretary and Governor of the Straits Settlements, 1878-1885, 1887-1893", JSSS, Volume 28, Parts 1 & 2, December 1973, pp.34-71.

\textsuperscript{123} PGSC, 11 March 1893.


\textsuperscript{125} For details, see PGSC, 30 November 1888, and 4 December 1888.
invitations were sent to the Chinese, among them Lee Phee Yeow, Lim Leng Cheak, and Cheah Tek Soon.\footnote{126}

It was the same interlocked business interest group that provided the Kulim Chinese farmer, Lim Leng Cheak, with his solid power base. This specific conflict was also related to wider attempt in British Malaya to control Chinese secret societies, in the wake of the Societies Ordinance promulgated in 1890 at the instigation of Governor Smith. It does not lie within the scope of the discussion to try to discover to what extent the Penang petition movement made an impact on the early end to Smith's term of office in August 1893. But this incident shows to what extent that these Chinese business lobbies were closely involved in local politics and economy.

The Opium Allies and Their Motives

The 1893 Kulim opium crisis, disturbances, and politics have now all been subjected to scrutiny. On the part of the Kulim farmer, Lim Leng Cheak, it has been possible to witness the interesting interplay between the following four groups of actors: (1) the Kedah Malay authorities, including the sultan and members of the royal family, the Kulim district officer, the police commissioner, and the Siamese consul; (2) the PGSC and other elements of the European community in Penang; (3) Lim Leng Cheak's business and political alliance in the Penang Chinese community; (4) and the Kulim Chinese coolies. This passes over the covert interaction between the Kulim Chinese Kapitän and other actors, on the evidence of whom it can be convincingly argued they took part for the same business interests. In the Kulim opium crisis, the whole Malay state of Kedah, including the Kulim local authorities, the Penang press machinery and other political resources, the Kulim Chinese coolies, and others, had been mobilized by the Kulim Chinese farmer, Lim Leng Cheak, although they may not have been helpless pawns without their own aims and reasons as well. Its political effects even extended to an anti-Governor Smith political campaign. This alliance transcended both state territories and ethnic boundaries, embracing Chinese, British, and Malays, both in Kedah and in Penang. If the Kulim farmer Lim Leng Cheak is placed in the above hierarchy in order to get a better idea of his roles in the local economy and politics, the obvious result is that, to an impressive extent, a Chinese businessman was deeply embedded in the local society and state, involving different ethnic communities in the same political and economic interests.

Top priority for the Kedah Malay authorities was that, if there was no opium, the monthly rents from the farmer would fall, producing big cuts in revenue. For example, on 16 and 17 August 1893, Lim Leng Cheak wrote to the sultan, asking a payment of the opium rents be deferred in view of the current crisis. The sultan replied that he understood Lim's difficult situation and had written to Skinner requesting further negotiations, but he was not happy with any deferment of the payment. The sultan threatened that he would distrain Lim Leng Cheak's tapioca and tin, not allowing them to be exported out of Kulim.\footnote{127}

The pro-Lim position adopted by the PGSC in the opium crisis cannot be explained simply by the free press principles it claimed to espouse. Its proprietor James Young Kennedy, who

\footnote{126}{PGSC, 6 July 1895.}

\footnote{127}{SC, No.5, the Sultan to Lim Leng Cheak, 10 Safar 1311 (22 August 1893).}
was also a member of the Legislative Council, had close connections with Koh Seang Tat, the leading figure in Lim Leng Cheak’s interest group. In Koh Seang Tat’s 1888 action against the acting resident councillor, W.E Maxwell, Kennedy had supported Koh Seang Tat and joined him in defaming Maxwell. Kennedy was not the only important European linked to the Koh Seang Tat, Lee Phee Yeow, and Lim Leng Cheak alliance. Prominent among its supporters were municipal commissioner Huttenbach and the famous legal counsel, D. Logan. Evidence indicates that some eminent figures in the European community in Penang, through Chinese middlemen such as Lim Leng Cheak, were closely involved in the Kedah affairs financially. They lent money to the sultan through Chinese businessmen, or may have had hidden shareholdings in the Chinese business interests in Kedah. For example, in December 1891, through the agency of Choong Cheng Kean the sultan asked the Siamese consul to help to repay his debt of $9,000 to Logan. Again in reply to Lim Leng Cheak’s letter of 24 June 1892, the sultan asked Lim Leng Cheak to borrow $17,000 for the his trip to Bangkok, $10,000 from D. Logan at an interest rate of 12%, the remaining $7,000 from the Chetties. Therefore, it is not difficult to infer that for the sake of defending their economic and political interests, there were also Europeans arrayed behind the Kulim farmer, Lim Leng Cheak.

Turning to the plight of the Chinese coolies, to them opium was like a basic food for daily consumption. They could not work or indeed survive without opium. But more importantly, for Lim Leng Cheak and his alliance, the stratagem was "If there was no opium, there would be coolie riots". They understood this was the last thing which the British Straits government wanted. Therefore Chinese coolies became one important pawn to be moved into play against the Penang opium restriction policy. Moreover, the Kulim opium disturbances also show how Chinese coolies were committed to and consequently controlled by their towkays. Of course they worked for their towkays, but they were also prepared to follow them when necessary. Apart from economic or labour relations, there were effective social and organizational ties which bound these two poles together into one alliance. Like the overlapping identity of their towkays as kapitans, businessmen, secret society heads, clan or communal leaders, it suggests that these Chinese labourers also had overlapping identities as coolies, secret society members, and the like. This opposition is confirmed in the later 1908 Kulim anti-taxation movement (see Chapter 5, Part 3).

After the 1892-94 Kedah opium farm dispute and the subsequent Kulim opium crisis, the Kedah farm was entirely at the mercy of the Penang farm. When the Kedah opium farm was put up for auction in February 1894, there were no tenders, as people were not certain of how much opium they could get from Penang. After 1895, it was arranged that the whole Kedah opium farm (excluding Langkawi) would be placed under the Penang opium syndicate.

---

128 SC, No.5, the Sultan to the Siamese Consul, 17 Jamadilawal 1309 (18 December 1891).

129 SC, No.5, the Sultan to Lim Leng Cheak, no date indicated.

130 PGSC, 28 February 1894, 12 July 1894.
Summary

Focusing on the machinations around the leasing of the 1892-94 opium farm, it has been possible to discuss how the Chinese-Malay political and economic alliance shaped regional political and economic competition. The study has shown that as the Chinese revenue farmers controlled the dominant economic resources of both British and Malay governments, the contest over the opium farms between Chinese farmers developed into competition between the two governments. Behind each group of Chinese farmers stood the British and Malay governments respectively, the official bodies with whom the Chinese farmers first had to settle their revenue contracts, creating an alliance against their common rivals. Based on the terms of the contract, each government provided their Chinese farmers with legitimacy in these opium politics. On behalf of their respective competing farmers, each government dealt with the other, having previously obtained their contractor’s understanding. Capital shaped the alliance, crossing political and ethnic boundaries. Since both the competing Chinese farmers came from the same Penang political and commercial community, both could mobilize their own resources from British factions, while they allied respectively with different ethnic states. In Lim Leng Cheak’s case, perhaps one of the most ironic point is that the power base for his (Chinese) family and (Malay) state alliance against the British was in the Penang British community itself. By standing in between two communities, both Penang (British) and Kedah (Malay), the Lim family could secure power resources from both sides to justify their own interests, using the press machine to address the public in the name of defending the interests of a weak Malay state at the mercy of the powerful British Penang authorities. Hence it gave people the sense and themselves the encouragement that they were standing up for justice, rather than just for their own private interests. This was the same strategy that the British had followed at an earlier date with regard to the British consulate and opium farm issues. Family, state, and region crosscut and coincided with the frontiers of ethnicity, politics, and economy, shaping alliances based on business, contracts, strategy, and opportunism.