Chinese family business networks in the making of a Malay state: Kedah and the region c. 1882-1941
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The early 1900s saw the replacement of the traditional Siamese-Malay tributary system and the implementation of a new Siamese advisor system in Kelantan, Kedah, and Perlis. Under the terms of the Anglo-Siamese arrangement, three Englishmen were appointed by the Siamese government: they were W. A. Graham to Kelantan (1903), C. G. Hart to Kedah (1905), and A. Duke to Perlis (1907). Alongside the Siamese advisor in Kedah was a British resident consul. As was already discussed, the 1904-5 financial crisis in Kedah had facilitated the establishment of the state council and the appointment of these two officials. This arrangement, which was based on a nicely judged balance of comprise and competition, suited both the British and Siamese governments. The establishment of the state council with the Siamese financial advisor suggests that its top priority should have been rationalizing the economic administration and streamlining the bureaucratic machinery. But any efforts of this sort would have involved acute competition over revenue resources between the government and the Chinese businessmen. The appointment of the resident British consul, whose mission was to protect and promote the British political and commercial interests which were mainly manifest in British Chinese, undermined the central aims of the Kedah government. The idiosyncratic relationship between the sets of governments (the British vs the Malay or Siamese) in Kedah was complicated even more by the active manoeuvres indulged in by the Chinese businessmen. Therefore, developments in Kedah were characterized by continued Chinese personal business co-operation with the Malays, but now with political reliance on the British. As Kedah was still nominally under Siamese suzerainty, the Chinese business affairs offered British political pragmatism a sound justification for its political involvement in Kedah affairs. This British alliance with the Chinese delayed the state council’s efforts to break up the Chinese revenue farming monopolies. Political power in the Malay state was now physically shared by the Malays, the Siamese (advisor), and the British (consul), and the economic power was concentrated in the hands of the Chinese. The regional power politics continued to be manipulated by the Chinese, as was ineluctably revealed in the 1908 Kulim tax riot.

To illustrate these points, in this chapter, these themes are chosen for elucidation: (1) the role of the British consul; (2) family and consul; and (3) the 1908 Kulim tax riot.

1 The Role Of The British Consul: Expanding British Influence And Chinese Business

The two stage process of the establishment of the British consulate has been discussed in the wider context of multi-ethnic politics in the region in general and of Chinese business networks in particular: the British resident councillor initially acted as consul from the late 1880s, and the subsequent promotion of a separate, resident consul was a development of the early 1900s (Chapters 2 & 4). In this section the working of the consular office will be reviewed, focusing on the transitional period of 1905-1909.

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1 For the detailed discussions, from Siamese perspective, see Tej Bunnag, The Provincial Administration of Siam 1892-1915, Kuala Lumpur: Oxford University Press, 1977; from Malay perspective, see Kobkua Suwannathat-Pian, Thai-Malay Relations, Singapore: Oxford University Press, 1988; from British perspective, in 1969 Eunice Thio mentioned she would later publish Volume 2, this publication has not yet appeared.
Kedah in fact had two governments: one was Malay, the other British. With regard to British subjects, the British consul exerted the same power as, or even more power than, the Kedah state council, represented mainly by the raja muda and the financial advisor. In January 1906, Frost, the first and only British resident consul, arrived in Kedah. The office of the British resident consul functioned like a government for Chinese businessmen who turned to him whenever they had complaints against the Kedah government. It was a small British government within the Kedah government. The difference with the British advisor system introduced in 1909 was that theoretically the British resident consul office was not part of the Kedah government.

There were two classes of Asians who applied for registration as British subjects living in Kedah during this period: persons who had lived in Kedah for many years but who, as long as the consul had his office in Penang, did not take the trouble to present themselves to him; and those persons newly arrived in Kedah. Although the first class could not produce passports or certificates of nationality, the British consul still claimed that they had a perfect right to be registered all the same. Passports for the second group were very rarely issued in the colony. They had to be obtained from Singapore, and they were reserved for persons of some standing and never to small traders or coolies. In general, passports were unusual all over the world around the turn of the nineteenth century, World War I was probably the turning point for the increase in significance of this document. For both groups, birth certificates were rarely if ever procurable. In fact, around the 1880s, registration of births in either group was the exception rather than the rule. This dearth of documentation meant the procedure that the British consul had hitherto adopted was simple. In the case of Sikhs and Tamils who were obviously British subjects the consul merely demanded the usual signed declaration of nationality. In the case of Chinese and Malays, where nationality was often doubtful, in addition to the declaration, he required an affidavit by a credible witness that the applicant had been born in British territory.

According to Frost, before 1906 there were about 1,600 registered British subjects in Kedah. This did not include many others "who have never taken the trouble to go to Penang and register". Frost's later report said that the total number for the year 1906 was 1,194. And there were many other British subjects whose principal place of residence was Kedah (Tamils and Malays) but who had never registered at all. After 1905, it was clearly stipulated that on payment of a small fee British subjects would be registered at the British consul's office under the following regulations: 1) all British subjects must be registered every year, and unless so registered they could not claim the consul's protection; 2) unless he so wished, a British subject could not be sued in the Kedah courts. Conversely, if he desired to take action against a Kedah subject, he had to do so in the Kedah court. If he had not get justice there, he could complain to the consul who would investigate his case; 3) no British subject could be arrested without a warrant from the consul; 4) the estate of a British subject had to be

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2 I am very grateful to Otto van den Muijzenburg for pointing this out to me.
3 HCO 513/1906, "Registration of British Subjects in Saiburi and Puket".
4 FO 422/60, Paget to Edward Grey, 16 February 1906.
5 FO 422/61, Consul Frost to Beckett, 2 January 1907.
administered by the consul, and anyone desiring to get letters of administration to the estate of a British subject could apply to the consul.\(^6\)

In order to promote the business of their subjects, the British frequently intervened in the internal affairs of Kedah. In land concessions, tax or duty reduction, and jurisdiction, or other matters of that ilk, British subjects enjoyed preferential treatment and privileges in Kedah and southern Siam. As early as the 1840s, a Tunku from Kedah was tried in Penang on a charge of piracy for capturing a couple of boats belonging to British subjects. Although he was honourably acquitted, he was banished to India for several years.\(^7\) An even worse example of the British challenging of native authority occurred in 1907, a Chinese named Kong Tek Seong complained to the British consul Frost that his private conveyance had been seized by the Siamese officials at Tongkah, in lieu of tax arrears. Frost wrote in his diary: "Phra Phisarn admitted that this was the case and promised to have the conveyance returned to him. Did not know he was a B.S.".\(^8\) In order to prevent the rulers of the Siamese Malay States from granting any concessions to subjects of a third power, the 1897 Anglo-Siamese Secret Agreement provided that "no special privilege or advantage, either as regards land or trade can be granted, ceded, or let, by Siam in those States, ... without the written consent of His Majesty's Government \(^9\). Therefore, the Siamese government issued a similar order to the Kedah sultan. But the local colonial officials knew nothing about it and were afraid that it would make it impossible for any British or other subject in Penang to undertake mining or planting ventures. F.A. Swettenham wrote to the Colonial Office asking it to contact the Foreign Office for guidance. In the end, it was decided that the treaty was there to protect British interests.

There is no doubt that British subjects and their business were protected by the extra-territorial jurisdiction in the region. Should a non-British subject Chinese contest the right of any British subject Chinese, Consul Frost usually had two lists he could consult: one of Chinese registered with his consulate; the other was a list of Chinese registered with the Kedah authorities. In all cases concerning British subjects, it had been the practice for the Kedah court to send all the evidence and a draft decision to the resident councillor in Penang, who acted as a consul at that time. The consul then either approved the judgement of the Kedah court or suggested any alteration which he thought fitting. Most of these cases were commercial, mainly land disputes.\(^10\) In 1906, the Kedah state council was occupied drafting a new Land Act. One important point for foreigners was that the land-holder had to waive all his extra-territorial rights with regard to the land, and agree to be subject to the land laws of Kedah. It was stipulated in the new Kedah land law of 1906 that "All persons other than subjects of Siam, upon applying for land, or upon purchasing land, must sign a contract that they will conform to all orders and regulations which the Government may make in respect of such land. The

\(^6\) SE, 18 July 1906.

\(^7\) PGSC, 27 August 1906.

\(^8\) HCO 449/1907, British Consul, Kedah: Diary and List of Registered Complaints for March 1907.

\(^9\) FO 422/56, Foreign Office to Colonial Office, 13 February 1902.

\(^10\) FO 422/60, Paget to Edward Grey, 16 February 1906.
terms of such contract shall be similar to the provisions of this Enactment".¹¹ Even Frost thought they were "good laws and suitable to the country".¹² But the Foreign Office pointed out that this surrender of his right to extra-territorial jurisdiction by any British subject only become effective with the consent of His Majesty’s government and in pursuance of an Agreement between Britain and Siam.¹³ The Foreign Office instructed His Majesty’s Minister in Bangkok to "ignore the Enactment until His Majesty’s Legation have been furnished officially with the text by the Siamese".¹⁴ According to the new land law of 1906, the Kedah government decided to raise all rents on land, even those acquired before the Act was passed. In February 1908, certain estate owners at Kulim, Straits-born planters of Bukit Mertajam in Province Wellesley, complained to Frost that the Kedah government had broken the contract by raising the land rent from 25 cents to 50 cents per relong. Even Frost himself thought that 25 cents per relong "is an absurdly small rent".¹⁵ He did not consider "that to pay 50 cents or four times that amount would be any hardship to them". Whatever his own reservations, Frost still approached Tunku Mahmud, the president of the Kedah state council, on behalf of these estate owners in Kulim! Frost’s explanation for his action was that he could not stand the Kedah government’s faithless behaviour in "raising revenue at the expense of uninfluential Riats or foreign traders".¹⁶

The British resident consul was ready to protect the British subjects at any time, no matter whether their requests were reasonable or not. Under these circumstances, it was not difficult to explain why Penang Chinese had obtained from Kedah all sorts of concessions, such as rent free estates, on the produce of which they paid no export duty.¹⁷ Penang Chinese planters in Kulim in particular had hitherto been practically exempt from all taxation of any sort.¹⁸ A typical example was the case of Lim Eow Hong. He was a wealthy Penang Chinese, the eldest son of Lim Leng Cheak, as indicated earlier. He owned large tracts of land in Kedah on which arrears in land rent had accrued for eleven years (prior to 1906). The total amount he should now pay had accumulated to $56,000. On 15 June 1906, Lim Eow Hong came to Frost for help, but even Frost thought Lim Eow Hong "had better pay up".¹⁹ Nothing if not persistent, after a lapse of five months, on 7 November, Lim Eow Hong came to Frost again. Frost went with him to the office of the raja muda and financial advisor Hart in the afternoon. In the end, the Kedah government agreed to waive a certain claim to interest and allowed him

¹² FO 422/60, Frost To Beckett, 15 August 1906.
¹³ FO 422/61, Edward Grey to Beckett, 4 December 1906.
¹⁴ FO 422/61, Edward Grey to Paget, 3 April 1907.
¹⁵ HCO 504/1908, British Consul, Kedah: Diary for February 1908 and List of Registered Complaints.
¹⁶ HCO 1664/1908, British Consul, Kedah: Diary and List of Registered Complaints for October 1908.
¹⁷ HCO 1042/1906, British Consul, Kedah: Diary and List of Registered Complaints for July 1906.
¹⁸ HCO 812/1908, British Consul, Kedah: Diary and List of Registered Complaints for April 1908.
¹⁹ HCO 844/1904, British Consul, Kedah: Diary and List of Registered Complaints for June 1906.
to pay up at the lower rate. He was to pay only $42,000 instead of $56,000. Another example of British pressure occurred in 1907. The Kedah government attempted to impose an extra tax of half a cent on poultry in addition to the export duty, the sum was to cover medical inspection. Twelve Kedah Chinese traders (British subjects) complained to Frost and the Kedah government was forced to rescind it.

There is yet another interesting story. On 3 January 1906, a Chinese businessman, Tan Kim Su, complained to Frost that a warrant had been issued against him in the Kuala Muda district. He asked Frost whether it was a government warrant or one issued at the instance of private individual. On inquiry, Frost found that Tan Kim Su had been arrested at the instigation of the Kedah Chinese kapitan named Giok Chi, accused of being involved in a secret society. Giok Chi was employed by the Kedah government to find out about the secret societies which were very active at Kuala Muda and had caused trouble in Penang. On 28 January, Tan Kim Su complained to Frost that he and two of his men had been arrested by the Kedah authorities on the orders of the Kapitan China. On 22 February 1906, Tan Kim Su’s case was tried in the consular court. The Kapitan China telegraphed that he was ill and never put in an appearance. The evidence against Tan Kim Su was a book, which according to Frost looked like a forgery. Frost was strongly of the opinion that it was a put-up case. Tan Kim Su was subsequently discharged by Frost. Tan Kim Su in his turn now claimed compensation. As result of this case, Frost happily reported, “A great number [of] Chinese shop keepers came and registered as subjects”. Two Chinese, named Tan Hong and Kang Keng, who had registered in the British consulate, were even found to be Siamese subjects.

In November 1906, it was the same Tan Kim Su who complained again to Frost that he had been charged duty at Kuala Muda on tin-ore from his Rahman Mines on which he had already paid duty in Rahman. Frost again asked the Kedah government to let his ore be exempt at Kuala Muda. These cases chosen at random show how the British promoted their trade and commerce in the region, under what circumstances the Penang Chinese conducted their businesses in Kedah, and why they formed close regional business networks.

2 Family and Consul: Disputes Over Revenue Farms

The family continued to dominate the ethnic interaction of Chinese and British, and that between the Chinese and Malays, as the Kedah economic administration continued to be controlled by a few prominent Chinese families. In Chapters 3 and 4, there was a discussion of the Lim family’s alliance with the sultan forming a united front to challenge the British economic institution of the opium farm. This alliance strategy showed great flexibility and a.

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20 HCO 1554/1906, British Consul, Kedah: Diary and List of Registered Complaints for November 1906.

21 HCO 449/1907, British Consul, Kedah: Diary and List of Registered Complaints for March 1907.

22 FO 422/60, The Diary by M. Frost, Consul in Kedah, 3 & 28 January 1906; see also HCO 182/1906, British Consul Kedah: Diary for December 1905 & January 1906.


24 HCO 1554/1906, British Consul Kedah: Diary and List of Registered Complaints for November 1906.
fair dose of opportunism. Despite their ties with the sultan, like other prominent Chinese families, the Lim family also turned to the British whenever they had complaints against the Malay government.

The western Siamese Malay states were still one of the main territories of the Lim family’s dominant business activities. For example, on the 13 June 1906, the tenders for the various farms in Situl were opened in the presence of the governor of Situl, the Siamese consul, Neubronner, and the financial advisor, Hart. Goh Boon Keng had secured the principal farms for a term of four years at the prices noted below:

1 Spirit and opium farm... $75,100 per annum
2 Pawnbroking, gambling, and duty on paddy and rice farms... $31,200 per annum
3 Salt duty farm... $3080 per annum

The Situl people were only able to secure the remaining small farms such as those for buffaloes and hides, gambier, tobacco, and Chinese tobacco. There are very good reasons to believe that these three main farms were still actually done under the Lim Leng Cheak family, i.e. Leng Cheak & Co. On the Penang jury list in the same year, 1906, it was noted that Goh Boon Keng was from Leng Cheak & Co. Goh Boon Keng also offered the highest tender for the Perlis opium farm in March 1907. Goh’s tender was $23,600 per annum, while the other two from Choong Cheng Kean and Khan Say were $21,840 p.a and $21,000 p.a. respectively. In conjunction with his brother-in-law, Lim Eow Hong, Goh Boon Keng was also a partner in the Penang opium and spirit syndicate 1907-1909. Thereafter, any mention of his activities in the Penang business community is rare; this may have coincided with his break from the Lim Leng Cheak family business. Goh Boon Keng died suddenly in February 1925.

Like his father, Lim Leng Cheak, Lim Eow Hong had been used by the British and Kedah Malay authorities as a good example of healthy development in the state. For example, in the first annual report of Kedah, it was stated "The town of Kulim is the centre of the tin mining industry in Kedah as well as a centre for large Chinese tapioca estates... Some excellent estates remain, notably that of Mr Lim Eow Hong situated some four or five miles from the town". This period saw Lim Eow Hong’s wide involvement in the main Chinese business interests in Penang, the FMS, and Siamese states. In the most popular man competition in the SS and the FMS, sponsored by the SE in 1908, the 30 year-old Lim Eow Hong (with 40,927 votes) came second to 48 year-old Foo Choo Choon (with 56,219 votes), the tin king of Malaya. In the early stages, Lim Eow Hong had in fact stolen a match on Foo Choo Choon.

25 SE, 14 June 1906.
26 Legco, 1906, p. c301.
27 SE, 14 March 1907; PSP, 15 March 1907.
28 Even in 1911, Goh Boon Keng still played an important role in the liquidation of the Penang Khean Guan Insurance Co.. Cheah Choo Yew, Yeow Ooi Gaik, Khaw Joo Tok, and Goh Boon Keng were appointed Liquidators for the company. See SE, 13 April 1911.
29 KAR, September 1906-February 1908, p.5
As it was reported that "Mr Lim Eow Hong, who ran Mr Foo Choo Choon second in the Public Fancy, is a wealthy miller and shipowner and, though a young man...earned the respect and esteem of all who ever came in contact with him. Besides his vast interests in Penang he has extensive business dealings with the Federated Malay States and the Siamese Western Provinces, and it is no exaggeration to say that his friends and supporters are as numerous in these countries as in Penang." Lim Eow Hong’s significant influence can be seen in the fact that the British consul Frost went to Penang to consult Lim Eow Hong first, when there was a Chinese anti-taxation disturbance in Kulim in 1908.

Table 5.1: The Family Directorship in the Main Business Groups of Penang 1907-1910

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<thead>
<tr>
<th>Name of Business</th>
<th>Family Director</th>
<th>Other Directors</th>
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<tbody>
<tr>
<td>Penang Opium &amp; Liquor Farm</td>
<td>Goh Boon Keng</td>
<td>Lim Kek Chuan</td>
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<td></td>
<td>Lim Eow Hong</td>
<td>Yeow Ooi Gark</td>
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<td>Ho Tiang Wan</td>
<td>Cheah Tattoo</td>
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<td>Cheah Kid Geok</td>
<td>Chew Cheow Teong</td>
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<td>Cheah Chen Eok</td>
<td>Lim Mah Chye</td>
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<td>Yeo Boon Chit</td>
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<td>Leong Fee</td>
<td>Lim Soo Chee</td>
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<td>Chan Kang Choon</td>
<td>Ong Hung chong</td>
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<td>Thio Tiu Siat</td>
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<tr>
<td>Eastern Shipping Co.</td>
<td>Lim Eow Hong</td>
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<td>Khaw Joo Tok</td>
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<td>Khaw Joo Chee</td>
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<td>Yeoh Seng Lee</td>
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<td>Lim Soo Chee</td>
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<td>Cheah Choo Yew</td>
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<td>Yeo Cheng Seng</td>
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<td>Choong Cheng Kean Lee Teng See</td>
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<td>Goh Teik Chee</td>
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<td>Quah Beng Kee</td>
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<td>H. Jessen</td>
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<td>Penang Khean Guan Insurance</td>
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<td>Yeow Guan Sock</td>
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<td>Great Eastern Insurance</td>
<td>Lim Eow Hong</td>
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<td>Quah Beng Kee</td>
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Source: Wright, 1908; Pongsapath, 1990; Cushman, 1991; Singapore and Straits Directory, different issues. The directorships might be changed with time.

In the previous section of this chapter, the role of the British consul in the protection of the British subjects in Kedah, particularly concerning the land rent dispute between Lim Eow

30 SE, 21 April 1908.

31 HCO 932/1908, British Consul, Kedah: Diary and List of Registered Complaints in May 1908.
Hong and the Kedah government, was the main subject of discussion. At this point it is appropriate to mention the British role in Lim Eow Hong’s dispute with the Kedah government over the Kota Star gaming farm and Kulim spirit farm. These two farms were let to Lim Eow Hong for six years in advance. The agreement had been signed many years before. The sultan had promised Lim Eow Hong the lease of these farms when the present holders’ titles expired in 1910 and 1911 respectively. The terms were that Lim Eow Hong should lend a sum of money to the Kedah government. But the cash was not paid for some reason or other, and the late raja muda accepted a pro-note in exchange. When the note fell due in 1908, Lim Eow Hong did not pay straightaway, and the Kedah government informed Lim Eow Hong that they had cancelled the farm contracts. Lim Eow Hong then paid the money with the interest on the arrears, but the Kedah government still insisted on cancelling the contract. On 2 June 1908, Lim Eow Hong complained to Frost. In his diary, Frost wrote that at that moment he had not had an "opportunity of seeing the financial adviser yet, but [think] there would appear to be something in the claim". 32 In August 1908, Lim Eow Hong again appealed to Frost. With the intervention of Frost, the Kedah government finally climbed down after consulting its lawyer. 33 But the matter was not settled yet, as the Kedah government notified Lim Eow Hong that the contracts would be very much modified, which was greatly to Lim Eow Hong’s disadvantage, and that no compensation would be offered. On 24 and 26 September, Lim Eow Hong went to see Frost again about the dispute with the Kedah government. Frost held that "The Kedah Government attempted to break faith very badly with the farmers and will certainly have to climb down in the end". 34 In October, this issue continued to be the subject of communications between Frost and the British minister in Bangkok. Frost insisted that the Kedah government should be absolutely bound to "Either to fulfil their contract entered [into] by the sultan, or else to compensate the prospective farmer...I can only hope that the government will reconsider their present intentions". 35 There the issue rested until the British took over Kedah in 1909, which will be examined in the following chapter.

3 The 1908 Kulim Riot: Chinese Power Expression and Regional Power Politics

From a comparative perspective, as shown in the Chapters 2 and 3, if the 1888 riots were mainly an expression of Chinese internal conflicts but with a wider economic and regional background, and the 1893 disturbance was opium conflict instigated by the Kulim farmer in collusion with the Kedah authorities against the Penang farmers and British authorities, then the 1908 uproar was most decidedly anti-taxation and directed against the Kedah government. Taking the long view and scrutinizing the episodes as a series, all these disturbances gives an in-depth historical and thematic perspective of Chinese economic resistance and power in the transition prior to the imposition of British colonial rule in Kedah in 1909. All of them, although they occurred in Kedah, had been greatly influenced from Penang. In 1908, on the

32 HCO 932/1908, British Consul, Kedah: Diary and List of the Registered Complaints in May 1908.


34 HCO 1517/1908, British Consul, Kedah: Diary and List of Registered Complaints for September 1908.

In a wider Southeast Asian context, the 1908 disturbance was not an exception to Southeast Asian history. In Thailand, as Skinner shows, notwithstanding the existence of classic versions of Chinese disturbances as internal conflicts or Bang politics, there were also several Chinese rebellions, four in fact, against the government in 1824, 1842, 1845, and 1848. Although each was imbued with the classic element of the secret societies, all these rebellions were directed against tyrannical local regimes.36 Nor was the motive of anti-taxation protests unknown. The 1848 rebellion, the most serious Chinese rebellion in Siamese history, was aimed to militate against the government’s imposition of a new, augmented tax on sugar refineries.37 It is interesting to note that another Chinese anti-taxation disturbance, the 1910 Bangkok Chinese strike, was very similar to the Kulim 1908 anti-tax disturbance in terms of organizational means and underlying mentality. It was a Chinese general strike, all business came to a standstill for three days, and there was also the involvement of the secret societies.38 In the Philippines, the "Claims of excessive and inequitable taxation were among the most important complaints of the Philippine Chinese" in the nineteenth century.39 In West Sumatra, according to Young, a new taxation law on business, other sources of income, and the slaughter of animals introduced by the Dutch led to a widespread anti-tax rebellion among Islamic peasants in 1908.40 On the same theme, in another Malay state, Trengganu, Sutherland reveals that in 1928 the Ulu peasants rose up to create a "disturbance" in resistance


37 The first one in Lower Siam lasted three weeks before it was quelled, leading to 300 deaths and 200 more imprisonments. The second lasted one month and 10,000 Chinese were killed (or 2,000 according to the most conservative estimate). See Skinner, 1957, pp.143-44.

38 The disturbance was caused by the introduction of a new tax law in 1910. For many years Chinese in Siam had been paying a poll-tax at the rate of 1.5 baht a year, while the Siamese had paid 50 baht a year. The new law required that a poll-tax under which the Chinese had to pay 6 baht should be applied to all residents in Siam irrespective of race. Skinner argues it was a strike, while Purcell maintains it was a serious riot. However it is described, about 400 Chinese were arrested in the disturbance. See, Skinner, ibid., 1957, pp.162-64; Victor Purcell, The Chinese in Southeast Asia, London: Oxford University Press, second edition, 1965, pp.119-20.

39 Edgar Wickberg, The Chinese in Philippine Life 1850-1898, Yale University Press, 1965, p.163. Because of the low level of Chinese population, the building up of the strength of Spanish military forces, and the long experience of Anti-Chinese sentiments in previous centuries, Philippine Chinese turned to legal means of protection by defending themselves in the Spanish courts and appealing to China for consular protection in the 1880s, rather than resorting to violence. For documentary discussion of taxation problem, see Wickberg, 1965, Chapter 6, pp. 146-169.

40 For the most comprehensive detailed discussion, see Ken Young, Islamic Peasants and the State: The 1908 Anti-Tax Rebellion in West Sumatra, Monograph 40, Yale Southeast Asia Studies, 1994. There were also tax grievances by the Chinese in the Netherlands East Indies in the same period. See Lea E. Williams, Overseas Chinese Nationalism: The Genesis of the Pan-Chinese Movement in Indonesia 1900-1916, Glencoe, 1960, pp.27-28, cited from Yen Ching-huang, 1985, p.160, note 102.
to a new extra tax burden posed by the British. In all these cases, the rebellions were suppressed by the government and taxes were forcibly implemented. But in the 1908 Kulim disturbance, the Kedah government was forced to withdraw the new tax and give in to the Chinese request. How and why was there such different result?

The cases of Sumatra and Trengganu show two similar striking features: that firstly, the top-level colonial political conflict was expressed through economic resistance by the peasants; and secondly, the rebellions in turn precipitated a radical restructuring of the socio-economic order and political relations between the local elite and the colonial state. While in case of Kulim, there was a recurring pattern discussed in previous chapters: the vertical Chinese-Malay (government) confrontation was complicated and weighted in favour of the Chinese by the horizontal inter-state competition. Unlike Sumatra and Trengganu, the British colonial state was a spectator at the events in Kulim, not a direct part of the conflict. And the Chinese were also highly mobile, not being constitutional subjects of the Kedah government. Despite their supposedly peripheral status, the British watched the situation very closely. Their political, media and other social resources could be readily used by the Chinese because of the close links of the latter and their British subject status. Colonial power worked through manipulating the parallel, but unequal, political and economic relations between the British and Malays. In the 1908 Kulim tax disturbance, the Chinese manipulated these regional power relations between the British and Malays, not to mention the status of Kedah under the Siamese. It goes without saying that this was also reinforced by continued Chinese economic domination in this period which was still prior to the large influx of Western capital. The disturbance suggests how the dimensions of the ethnicized states were manifested in regional interaction and power politics. There is no doubt that the Chinese in Kulim took advantage of this regional power play to further their own economic purposes as has been shown in previous chapters and will continue to be shown in the following.

The Background
The trouble in Kulim arose from the decision taken by the Kedah government to establish a new customs farm to collect 3% import and export duties in Kulim. The step was taken in order to raise revenue. The government announced that the new customs duty had been farmed out for $4,400 per annum to a Hokkien Chinese in Alor Star named Lim Chee Chay, and was to be levied from the 3 May. Taking first things first, the direct cause of the trouble seems to have been that the farmer Lim Chee Chay appeared to have been personally distasteful to the planters who were mostly Teochews. To add insult to injury, no tenders had been called for the farm before it was let out to Lim Chee Chay for $4,400 per annum.

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42 HCO 812/1908, British Consul, Kedah: Diary and List of Registered Complaints for April 1908.
Therefore the people in Kulim considered themselves aggrieved, because they themselves would have been willing to pay three times that amount, and said that even then there would have been a good profit for the farmer.\(^{43}\)

Leaving aside this personal, internal Chinese aspect of the matter, it is important to look at the wider economic background to the issue. The time seemed to be inopportune for the introduction of a new customs duty, as trade was generally slack. Since the beginning of 1908, the price of tin had fallen alarmingly. Most tin-miners were badly affected. It was reported that, apprised of the problem, the Siamese government in Tongkah had accordingly reduced the duty on tin by 15%.\(^{44}\) Prices, not only of tin but also of most other products, were very low. Many shopkeepers in Kulim had been doing badly of late. Many were in debt to Chetties in Bukit Mertajam and Penang as well as in arrears with rent payments. So they were not slow to join the boycott and left the town with a good excuse.\(^{45}\)

The third reason was historical. The Chinese in Kulim had a long tradition of resisting any attempt by the Kedah government to impose taxes. Therefore the inhabitants of Kulim had been practically exempt from most taxation of any sort. A 3% duty was not excessive and it had always been exacted in north Kedah. In order to understand the 1908 taxation disturbance better, it will be helpful to refer to similar resistance to taxation in the past. As early as in May 1900, the Kedah government had issued notices to the effect that all produce grown in the state would be subject to a tax of 3% on export, and a licence would have to be obtained by the exporters at Kulim before any produce could be traded. As a result, on 17 May 1900, about 400 Chinese squatters assembled at Kulim to express their grievance against the new tax. They asked the Kedah commissioner of police to halt the implementation of the new tax pending the results of an appeal to the raja muda. On the 20 May, the petitioners, who by then numbered 800, presented their memorial to the commissioner for transmission to the raja muda. In the petition, they entered into the details of the reasons why the tax should be withdrawn, such as hardship and the loss it would incur, and the waste of time and labour involved in obtaining a licence and so on and so forth. It should be noted that they also warned that were they not heeded the squatters would emigrate, and that trouble, serious trouble, could be expected, should the Kedah government persist in its policy. It is interesting that the petition also listed some Malay gardeners. At the same time, about 1,000 miners also laid a complaint about the higher rate of tax being levied on tin.\(^{46}\) The appeal of small Chinese and Malay gardeners gave the Kedah government cause to stop and think, so that it reconsidered and eventually abandoned the duty altogether. However, a moderate 10% duty on tin was maintained, on the understanding that the same would be imposed throughout all the Siamese Malay States.\(^{47}\)

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\(^{43}\) PGSC, 8 May 1908.

\(^{44}\) PSP, 25 March 1908.

\(^{45}\) HCO 932/1908, British Consul, Kedah: Diary and List of Registered Complaints in May 1908.

\(^{46}\) PGSC, 25 May 1900.

\(^{47}\) PGSC, 6 June 1900. Likewise, in Sumatra the Dutch attempted to impose a new tax law in 1897, but gave it up in the face of strong peasant resistance. See Ken Young, 1994, pp.49-53.
surprise that the 1908 attempt to impose higher taxation erupted into a disturbance. Matters were even more complicated as the disturbance in Kulim was also not without the imprint of the secret societies. According to Frost, the British consul, it was said that the Kulim planters formed a secret society with its headquarters at Bukit Mertajam and they had long had everything their own way in Kulim. This is about as far as the evidence goes. How far the secret societies were involved in the disturbance is difficult to document because of lack of sources.

The Outbreak

On 2 April 1908, the news that the Kedah government had just instituted a new duty of 3% on all imports into the Kulim district became public knowledge for the first time. The Criterion Press Ltd in Penang, controlled by the Chinese business community, made this known in its English newspaper the SE and Chinese newspaper PSP respectively. Both papers simultaneously warned the government to be prepared for trouble when the duty was enforced. They disclosed that the assumption that trouble was in the offing was indicated by the fact that many families were being sent away from Kulim to safety in the British territory of Bukit Mertajam and that the gaming farms at Tinjong, Mahan Butan, Sungei Suluang and the like were being raided by gangs of robbers.

In the next issue, the SE published a long leading article which suggested that the Kedah government should rescind the new tax. It again warned the Kedah government that they would be responsible for the possible adverse effects, not just in terms of trouble in Kulim, but also affecting the inward flow of capital and driving out labourers. It argued that for the sake of the development of its country, for the present the Kedah government could not afford to do without its Chinese labour and capital.

It is interesting to note that events turned out exactly the way the SE and the PSP forecast. At the end of April, as the time for the enforcement of the new tax was approaching, a crowd of between 300 and 400 Chinese coolies waited on the Malay district officer and demanded to know what the government intended to do about the matter. It was reported that the district officer replied that he would communicate with the central authorities and despatched his assistant district officer to Alor Star for instructions. Possibly, but not absolutely certainly, as a result sixteen more Sikh policemen, led by the commissioner of land, Tuan Syed Mansur, left Alor Star for Kulim on the 28 April. Meanwhile, a boycott was declared in the whole town of Kulim from the enforcement of the new duty on 3 May. Anonymous notices were posted up around the town, threatening vengeance against the farmer should he dare to collect the duties and against any person who should submit to them. Suitably intimidated, almost all shopkeepers had closed their shops and fled to Bukit Mertajam. It was said that over forty shops were closed and in the whole town only three or four shops remained open.

48 HCO 812/1908, British Consul, Kedah: Diary and List of Registered Complaints for April 1908. Also HCO 932/1908, British Consul, Kedah: Diary and List of Registered Complaints for May 1908.

49 SE, 2 April 1908; PSP, 2 April 1908.

50 SE, 3 April 1908; PSP, 4 April 1908.

51 PGSC, 5 April 1908.

52 PSP, 4 May 1908; SE, 15 May 1908.
in Kulim was practically at a standstill. The customs farmer was unable to procure a house from which to carry out his business, as nobody in Kulim was willing or dared to rent one to him. It was said that both the farmer, Lim Chee Chay, and the Kapitän China, were hidden in the house of the district officer with a body of policemen posted outside to protect them from the fury of the populace.\footnote{SE, 6 May 1908; PSP, 6 May 1908.}

The Kedah government was shocked by the trouble in Kulim. The Siamese advisor, Hart, the president of state council, Tunku Mahmud, and the Kapitän China of Alor Star, bolstered by a number of Kedah Sikh policemen, came to Kulim to investigate matters. On 6 May, the British consul, Frost, also travelled to Kulim. There were now about 100 Sikh police in Kulim under a European police officer, Speers. Two choices now lay before the Kedah government: one was to use buckshot to enforce the collection of the duty; the other was to withdraw the farm and to give in to the Chinese. Looking back on ideas on how to deal with the Kulim Chinese taxation disturbance, it was interesting to note that two opposite views were developed in the two main Penang newspapers the PGSC and the SE.\footnote{The first Chinese newspaper in Penang was the PSP, which was founded in 1895. It paid more attention to Chinese home affairs. Some eight years later an English newspaper, the SE, was established in 1903. The SE became the main voice for Chinese interests in Kedah. It was in this context that the PGSC had since changed its favourite stance towards Chinese interests in Kedah, probably in response to the changing political climate and the management of the newspaper (D.A. M.Brown was the general manager then).}

The PGSC had been advising the Kedah government to take a strong line. On the 5 May, after the passive resistance began, the PGSC argued that "Now that the law has been defied, the Kedah government has no alternative but to maintain a firm attitude".\footnote{PGSC, 5 & 8 May 1908.} While the SE argued that this firm policy could work with savages who "cannot retaliate effectually", but when imposed on Chinese shopkeepers and coolie mine workers, the SE again warned that it would only have disastrous results for Kedah. It suggested that the Kedah government should at once rescind or at least postpone the new duty.\footnote{SE, 6 May 1908.} If the government were prepared to rescind the new duty, it was said that the Kulim Chinese towkays had offered to pay the government a year's rent. This money would be raised by subscriptions among themselves.\footnote{SE, 7 May 1908.} After negotiations, the Kedah government decided to suspend the new customs duty at Kulim. With this decision, the one week of trouble in Kulim was over.

The Implications

The 1908 Kulim disturbance revealed tactics of both passive and active resistance by the Kulim Chinese in their efforts to thwart the enforcement of the new customs duty by the Kedah government. Passive, in the sense that a boycott was instituted, and that repeated warnings of trouble, disturbances, or even revolt were voiced, or threatened with lurid exaggeration. But none of these subversive plots were ever put into practice and there was no direct confrontational show of violence towards the government. Active, in the sense that the anti-taxation movement was well-organized and deliberately planned, with clear aims, a
flexible strategy, and alternative manoeuvres. As before, it bore testimony to the joint complicity of Chinese towkays, coolie labour, the local press, and the secret societies.

My claim suggests that the disturbance was not altogether spontaneous, but could have been engineered by ringleaders and Chinese towkays. This was generally confirmed by the British consul, Frost, the Siamese advisor, Hart, and the PGSC. These Chinese towkays not only contrived to impose their stratagems on the Penang press, but also manipulated Chinese coolie labour to serve their own interests. The whole course of the disturbance bore witness to Chinese towkays’ finely honed political skill. This in turn implies that these Chinese towkays in fact exerted an effective, although informal, control over the economy as well as politics in Kulim from behind the scene. It is not important whether their will was expressed in the form of secret societies, in the form of the so-called "popular justice" (petitions, boycotts and the like), or in the form of "a sort of revolt". The point is that it seemed that these Chinese towkays could always find a way to push and justify their interests. If their overlapping identities as both towkays and secret society headmen gave these Chinese elites handy access to finance, manpower, and organization, then, taken in conjunction with the regional linkage with the British political and business community in Penang, these same overlapping identities also gave them both a legal and effective means of executing their mobilization, and a huge amount of political room in which to manoeuvre. It is important to remember that their intentions were voiced through the Penang press, that they could shift easily between Kulim and the neighbouring British territory, Bukit Mertajam, and that they also had close social connections with Bukit Mertajam through secret societies and other ties.

As in the 1888 and 1893 disturbances in Kulim, Chinese coolie labour was mobilized, both to justify the anti-taxation disturbance and to press the Kedah authorities to compromise. The coolie labourers seemed to listen readily to their towkays. It was reported that the Chinese mining coolies said that they had already reached a co-operation agreement with the planters. They would rise in revolt immediately they had received the order from their towkays. They said that it would not matter even if there were 500 Sikh police, if the revolt were launched. But the point was that, according to the Siamese advisor Hart, "Not a single one of the coolies...understood what the tax meant".

The Kedah authorities, although they had been aware that the disturbance was engineered by the Chinese towkays, still settled down to negotiate with the latter, and ultimately withdrew the duty. It would be far too simplistic to say that the Kedah government was weak in ceding to the Chinese in Kulim. It was simply being realistic, no doubt because for the present Kedah badly needed Chinese labour and capital for its economic development. The government could not afford to lose these through beating its breast and showing its strength. Nor was it completely subdued. In order to save face, the Kedah government warned the people in Kulim that if any further opposition was engineered, it would take strong measures to enforce the law, pertinently letting it be known it would act against the ringleaders and not the coolies.

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58 PSP, 12 May 1908.
59 SE, 15 May 1908.
60 PGSC, 14 May 1908.
In the final analysis it is impossible to pass over the unique roles played by the commissioner of police, Ben Mitchell. When he retired in 1910 after twenty-one years’ service, he recalled that when there were disturbances, the fault did not always lie with the miners, the ball could also be placed in the court of the Kedah government. After eulogizing his own part in acting as mediator between the Kedah government and the Chinese, and the advice he tendered when asked by the Chinese, he disclosed that he had often gone to the leading Chinese Tan Ah Choy and Tan Ah Wong for advice. This had always been given most freely, and that he always had received every assistance from the Chinese. On the occasion of his retirement, he was honoured with a procession and presentations by the Chinese merchants and the opium and spirit farmer in Kulim and Lunas.⁶¹

Given the finely balanced situation, it is no coincidence that such economic disturbances were strongly influenced by the political background in the region. It is no wonder either that the 1908 anti-taxation movement was a final chapter in this colonial power game. After Kedah’s transfer to the British in 1909, Kulim was relegated to being a backwater politically as well as economically. Thereafter no more Chinese trouble was heard of again in Kulim; and its economic position was overshadowed by the imminent rise of Sungei Patani, a new town in central Kedah, completely in the grip of rubber-planting fever.

Summary
By focusing on the short-term function of the British resident consular office, it has been possible to discuss how the consul represented Chinese interests to the Malay government, and how the Chinese channelled their complaints against the Malay state through it. It implies that in the international and regional context of British-Malay-Siamese power politics, the British could be both used and depended on by the Chinese to protect the latter against the Malay government. Considering the role that the consul played in the revenue farming system particularly, the British actually stood unconditionally by the Chinese farmers in obtaining the reversal of the Kedah government decision. This was achieved against the background of the ongoing decline in the revenue farming system, because of the political consideration that the Chinese were British subjects, while Kedah was off the British political map (namely being under Siamese suzerainty). This attitude also shaped Chinese power play in the 1908 tax disturbance. Ironically, after 1909 it was again the British who tried to cancel the Chinese revenue monopolies (see the following Chapter 6, Parts 2 & 3). All this gives reason to believe that against this regional background multi-ethnic encounters provided political resources for one ethnicity to play against another. Put in other way, unlike the domestic ethnic politics in the modern nation-state, historical ethnic power relations here were mainly channelled through the international and regional political competition.

⁶¹ SE, 18 October, 23 & 29 November 1910.