

# FAMILY, STATE AND REGION: THE FORMATION OF THE PENANG LIM FAMILY BUSINESS NETWORKS, 1850s–1890s\*

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The aim of this paper is to attempt to link Chinese business networks and family studies to a larger framework, considering issues of the state, region, and Southeast Asian "modernization". It will focus on a detailed case study of the Penang Lim family business networks and power relations. The Lim family business networks overlapped the arena of the Malay Sultanate of Kedah and the region centred on the

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British Settlement of Penang. 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 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.

This article includes three parts: (1) The Lim family business networks in the region; (2) business and politics between Penang and Kedah; and (3) the opium political economy 1892-94.

## 1. The Lim Family Business Networks In the Region

### Family Background

Lim Leng Cheak was one of the most important pioneering Chinese with large business concerns in Kedah. He was not an immigrant from China but a baba Chinese, the son of Lim It Kim (also called Lim It Jin), one of the earliest Chinese to come to Penang from his ancestral home town, the coastal village of Lindung, Sandu, which used to fall under Haizhen county, Zhangzhou prefecture. Lindung lies in the vicinity of Xiamen Island, now administered by the Xiamen (Amoy) city administration in Fukien province. According to Chinese historical records, this county was the earliest place from which Chinese from Xiamen (Amoy) emigrated to Southeast Asia.<sup>①</sup> The leading members of the Penang Chinese community, like the Khoo, Lim, Tan, Ong, Cheah, and Yeoh clans, came mainly from the villages in this area. Wright says Lim Leng Cheak was born in humble circumstances in Penang in

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① In December 1995, I visited Lim It Kim's village and checked his family history. It took a lot of time to find the village because of the radical changes in administrative divisions. There is little information about his family in China, in contrast to the good results of the research about Singkeh Chinese I have conducted in other villages of Guandong and Fukien Provinces.

1850. When he was old enough, Lim Leng Cheak began work as a clerk in a mercantile office in Penang. A few years later he launched his own business career by opening a general store. By careful management, he was able to save a little capital and went to northern Sumatra, where he entered into a partnership with another Chinese merchant.<sup>②</sup>

These would seem to represent the bare facts, but there is a different legend concerning his family background. It is said that Lim Leng Cheak's father made a fortune quite early. Lim It Kim came to Penang with his brothers Qing Cai, Qing Qiu, Qing Xun and Qing Zhu. Their father's name was Lim Ming Hou. But the strange thing was that Lim It Kim did not have the same character "Qing" in his given name as his other four brothers. Since it is a common practice, although not necessarily so, to name children in the traditional Chinese society with the same character as their just part of their given name in order to show their family relationship, it is believed that in Lim It Kim's case he was adopted. Another fact which casts doubt on the legend of riches is that, if Lim It Kim had made a fortune at an early stage, why were his children Lim Hui Cheak (died in 1858) and Lim Sheng Cheak (died in 1860) who died young buried in the Hokkien communal cemetery as their uncles and cousins had been, instead of in the Lim Family Cemetery at Pepper Garden in Penang? Lim It Kim died in 1873, but was buried in the Lim family cemetery. Alternatively local historian Teoh Shiaw Kuan's explanation is that it was because of their mixed Sino-Thai ancestry. It was said that Lim It Kim's wife - Lim Leng Cheak's mother - came from a Thai noble family. She was a daughter of a local Thai chieftain. Teoh argues that since Lim It Kim's wife was from a noble family, he could not have married her had he not been rich.<sup>③</sup> My research also confirms his view that Lim Leng Cheak's father had made some money. This is reflected in two of his donations. In 1856, Lim It Kim donated \$12 to the Pulau Tikus Hokkien Cemetery. In early 1863, he also contributed \$10 to the restoration of Guang Fu Temple.<sup>④</sup> At that time, the donations represented a considerable sum of money. So, we have reason to believe that Lim Leng Cheak's

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② A. Wright and H.A. Cartwright, *Twentieth Century Impressions of British Malaya: Its History, Commerce, Industry and Resources* (London: Lloyd's Greater British Publishing Company, 1908), p. 82.

③ Teoh Shiaw Kuan, "A Study of Hokkien Family Tombs in the 19th Century Penang", in *The Journal of Humanities and Social Sciences*, published annually by the Fern Toh Pau of the National Trades Union Congress of Singapore, Vol. VI (1986), pp. 85-131.

④ W. Franke & Chen Tieh Fan, *Chinese Epigraphic Materials in Malaysia*, Vol. II (University of Malaya Press, 1985), H 1.2.5 & H 1.24.5.

family was at least not poor, even if it were not very wealthy. This does not exclude the possibility that the family legend of a local Thai chieftain ancestor was created after he had become a wealthy Chinese towkay.

It was said that Lim Leng Cheak had seven wives, distributed between Kedah, Penang, Ipoh, southern Siam, and Kuala Lumpur, which might be related geographically to his business activities.<sup>⑤</sup> We have no information about most of them, except for one secondary wife, Leow Thye Hai. She died on 3 May 1938 at the age of 63, and left behind four sons and four daughters.<sup>⑥</sup> Lim Leng Cheak's chief wife was Tan Say Seang. According to the *SE*, Tan Say Seang "was something of a planter and miner in her younger days, and spent a good deal of time on her estates and mines in Kedah".<sup>⑦</sup> Tan Say Seang was a very generous Chinese lady, who was ranked number three as Hokkien top donor in Penang for more than half a century between 1850 and 1910. Her total donations amounted to \$5512, second to the leading donor who gave \$8480 in the same period.<sup>⑧</sup> There is a classic story about her kindness. It was said that she helped a poor lady by selling her own hair ornaments in order to save that lady's husband from imprisonment.<sup>⑨</sup> We should mention here that Tan Say Seang became an ardent Buddhist after the death of her husband, Lim Leng Cheak. She made pilgrimages to all the well-known Buddhist Shrines in Siam, Burma, Ceylon, and China. The beautiful pagoda in the Kotahena Temple, Ceylon, was one of her many gifts to Buddhist interests there. During her tour of Burma, the Buddhist institutions in Rangoon, Mandalay, Pegu, and other centres were also recipients of her generous gifts. Among her donations in Siam and China, the erection of a nunnery in Bangkok and the endowment of an extensive paddy fields to the Monastery at Fuzhou, the capital of Fukien province may be mentioned. In Penang itself, Tan Say Seang was entirely responsible for the building of the Perak Road Temple. She also was of the main donors for the building of the Kek Lok Si Temple at Ayer Itam. Besides these charities, Tan Say Seang also distributed rice to most of the local Malay

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⑤ Information from Mr. Teoh Shiaw Kuan, a local historian in Penang, 25 January 1997.

⑥ *SE*, 7 May 1938.

⑦ *SE*, 20 September 1930.

⑧ Mak Lau Fong, *The Dynamic of Chinese Dialect Groups in the Early Malaya* (Singapore Society of Asian Studies, 1995), p. 113.

⑨ Kuwang GuoXiang, *Bin Cheng Shan Qi* (Story from Penang) (Singapore: Xin Zhou Shi Jie Shu Zhu, 1958), p. 171. See also Lin Po Ai, *Nan Yang Ming Ren Ji Zhuan* (Who's who in Southeast Asia), Vol. I (Penang: Criterion Press, 1923), p. 33.

mosques and Siamese temples.<sup>⑩</sup>

Figure 1: Wives of Lim Leng Cheak

Leng Cheak = Tan Say Seang

= Leow Thye Hai

= Kedah woman

= Ipoh woman

= KL woman

= ?

= ?

Legend: = indicates marriage.

The Family Regional Business Network

Lim Leng Cheak's business extended tentacles from Penang to Sumatra, Kedah, Perak, Singapore, and even to Ceylon and Burma. His business involved shipping, trading, farming, milling, mining, and planting. This encompassed the pepper trade, rice and sugar milling, opium and spirit farms, and coffee, coconut and tapioca plantations. In order to obtain a clear picture of his regional networks, I shall in the following section concentrate on three aspects of his business life: (1) as a shipowner; (2) as a rice miller, tin-miner, and planter; and (3) as a revenue farmer.

(1) **As a shipowner:** Lim Leng Cheak's business network initially extended only to North Sumatra. With his business partner whose name is not available, Lim Leng Cheak was engaged in the profitable pepper trade between Sumatra and Penang. Later the partnership ran a fleet of steam-ships between the same ports. In 1879, Lim Leng Cheak took over the entire concern when his partner retired from the business. At this time, he started to assert himself as an important business lobbyist. In late 1879, a group of British and Chinese merchants, who were interested in the trade between Penang and Sumatra, joined together to lodge a complaint against the Netherlands Indies Government. They protested that privileges, which were not enjoyed by British ships, such as those belonging to "Messrs Leng Cheak & Co.", had been conceded to Dutch vessels and their cargoes in Aceh. They demanded equal rights and the same advantages as Dutch subjects. V. Krieger proposed and Lim Leng Cheak seconded that the minutes of evidence be printed for circulation together with the report.<sup>⑪</sup>

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<sup>⑩</sup> *SE*, 20 September 1930.

<sup>⑪</sup> *PGSC*, 28 November 1879.

Extracts from the logs of Lim Leng Cheak's steamers the "Cornelia" and the "Eleanor" in 1879 illustrate his trade in Aceh, an important port in north Sumatra, and his networks which penetrated into local society:

"...The British steamer Cornelia sailed for Olehleh on 8th August 1879--to obtain pass for 9 or 10 different open ports on the North and East Coast of Acheen for which she had cargo of 3000 bags Rice, some Piece Goods and 25 Buffaloes. There were passengers on board 44 Achinese &c. Arrived at Olehleh 9.30 p.m. 10th August. Next morning on delivery of ships papers and request for Pass for Junkaboya, Pedir, Ayer Laboe, Somalangan, Passangan, Klampang Dua, Telluk Samoi, Kertie and Edie. The Harbour Master declared these Ports under blockade and that no pass could be issued.... Captain Reid then called upon the Governor but was again referred to the Harbour Master. By the Harbour Master's attendants on 12th August after various effort to meet him, the Captain and Supercargo were ordered away. On that day the passengers were all landed for inspection..."<sup>12</sup>

Rice was very scarce and dear on the coast of Sumatra, enabling Lim Leng Cheak to make a profit of \$10,000 by selling 3,000 bags of rice on one trip. According to his own statement, on the 17 October 1879, Lim Leng Cheak's steamer the "Cornelia" sailed from Singkel (a Dutch Port on the west coast of Sumatra), bound for Troomon, Tapat, Tuan, Soosoo, Rigas, Analaboo, and Penang, with over 3000 bags of rice on board. Again owing to the Dutch blockade, the steamer was ordered to leave Analaboo at once and came back to Penang on the 23 October. It was estimated that the actual loss incurred on this voyage was over \$3,000, while the profit that he would have made on the rice would have been in the region of \$10,000.<sup>13</sup> This was confirmed by the report of Alexander Ritchie, the commander of his other steamer the "Eleanor", a British barque.<sup>14</sup>

<sup>12</sup> "Report and Minutes of Evidence taken by the Committee appointed by the Chamber of Commerce to enquire into grievances brought forward by traders between Penang and Sumatra" (The Chamber of Commerce of Penang, December 1879), p. 12; also available in CO273/108.

<sup>13</sup> "Report and Minutes of Evidence taken by the Committee appointed by the Chamber of Commerce to enquire into grievances brought forward by traders between Penang and Sumatra", pp. 12-3.

<sup>14</sup> It was reported that "The 'Eleanor' cleared from Penang on 9 November for that port [Analaboe] taking 2000 bags Rice, some Treasure and piece goods and got round to Kluang when she was obliged to put back to Olehleh through stress of weather. The Harbour Master there declared Analaboe to be blockaded and refused permission to the vessel to proceed to the West Coast... The rice was sold at Olehleh at an estimated loss with expenses incurred of \$5000 and the vessel was obliged to return in Ballast." see *ibid.*

In the 1880s, Lim Leng Cheak had at least four steamers: the "Cornelia", the "Eleanor", the "Washi", and the "Rosa". In February 1885, hoping to expand his business connection with northern Sumatra, Lim Leng Cheak and other some eight key Penang Chinese traders, including Khoo Thean Teik, the famous head of a secret society, petitioned the secretary of state for the colony, urging British government to protect the Penang trade with Aceh.<sup>⑮</sup> In November 1887, it was reported that "Great anxiety has been felt in Penang...as to the safety of the steamer Washi [of Lim Leng Cheak]". The steamer "Washi", which was commanded by Captain Ross with First Engineer Gilmour, was long overdue. It was feared that she had been detained or chartered by the Dutch authorities to convey soldiers during the Aceh War. The "Rosa" was then sent for search of the "Washi".<sup>⑯</sup> Shipping not only brought Lim Leng Cheak to rub shoulders with Western merchants and the local community in northern Sumatra, it also linked him to other important shipowners in Penang, such as the Khaw family, Lee Phee Yeow, and Chuah Yu Kay.

(2) **As a rice miller, miner and planter:** If the transition from petty clerk to an owner of general store marked the beginning of Lim Leng Cheak's business career, the business transactions in northern Sumatra laid a solid foundation for his even greater future success in Kedah. From the 1880s, Lim Leng Cheak extended his business concern from northern Sumatra in the south to Kedah in the north, where he began to diversify his investments in rice milling and tapioca planting. Lim Leng Cheak was one of the pioneer rice millers in northern Malaya. He was responsible for introducing the first rice mill in Penang under the Khie Heng Bee, in partnership with Phual Hin Leong, Chuah Yu Kay, Cheah Joo Jin, and Cheah Ewe Ghee. In Kedah, Lim Leng Cheak was on very cordial terms with the sultan, Abdul Hamid Shah. In 1888, the sultan granted him a twenty-year monopoly as an inducement, when he established a rice mill in Alor Star. The rice milling industry later proved a very prosperous business venture, as it coincided with the expansion of large-scale tin-mining, progress in plantation development, and an influx of immigrant labour.

(3) **As a revenue farmer:** Lim Leng Cheak was one of the important revenue farmers attached to a dominant Penang interest group which monopolized the Singapore Opium Farms in the 1880s. This group had great interests in mining,

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⑮ CO 273/133, Memorial from Merchants and Traders in Penang for Trade with Acheen, 27 February 1885.

⑯ PGSC, 11 November 1887.

planting, shipping, and revenue farming. It was led by the prominent Baba Chinese, Koh Seang Tat, whose family had been influential since the founding of Penang, other important members being Lee Phee Yeow, Ong Beng Teik, Khoo Thean Teik, and of course the Khaw family. It is impossible to document the whole list of revenue farms run by Lim Leng Cheak. However, through a case illustration taken from the southern border town of Kulim in Kedah, it is possible to trace a picture of Lim Leng Cheak's business career in this field.

Most of Lim Leng Cheak's revenue farms in Kedah were concentrated in the Kulim district. The formation of Lim Leng Cheak's business ring in Kulim involved secret society headmen, revenue farmers, and Chinese kapitans, from both Kulim and Penang. This combination of partnerships suggests a pattern whereby a wealthy towkay from outside the state managed to secure effective local leadership to promote his business interests. The Kulim Chinese kapitan in the period under study was Chiu Ah Cheoh, also named Chiu Cheoh Yuen. Chiu Ah Cheoh was a Cantonese, from the Tai-shan district. It is not known exactly when he came to Kulim. His arrival probably coincided with the opening up of Kulim's virgin forests. He was a carpenter by training, whose professional knowledge was useful in opening up the Kulim jungle and subsequently in building houses. In 1880, he founded a temple called Lu Pan Ku Miao, or the Old Temple of Lu Pan, the patron-saint of Chinese carpenters and the building trade. This temple was recorded as "Kongsi China" by the Kedah authorities, which suggested that it also functioned the headquarters of a Triad Society, and that Chiu Ah Cheoh was one of its leaders.<sup>17</sup> Chiu Ah Cheoh was also closely involved in the opium, spirit, tin, and pawnbroking farms in Kulim, which comprised the main source of revenue for the Kedah Government. Chiu Ah Cheoh was the agent of the Penang Chinese towkays Lim Leng Cheak and his partner, Ong Beng Teik. In 1889, some Chinese from Siam approached the sultan of Kedah, offering to tender for the Kulim farms. But the sultan declined their offer. The sultan said for many years he had granted the Kulim opium, spirit, and tin farms to Chiu Ah Cheoh for an annual rent of \$18,000. The sultan mentioned that Chiu Ah Cheoh, the agent of the Penang towkay Ong Beng Teik, had invested about \$100,000 in tin-mining and plantations. The sultan went on to explain that Chiu Ah Cheoh had already written to him, asking for an extension of the Kulim farms. The sultan told the Siamese Chinese that had he

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<sup>17</sup> C.S. Wong, *A Gallery of Chinese Kapitans* (Singapore: Ministry of Culture, 1963), pp. 56-7. See also Cheng Siak Kim, *Kedah 2000 Tahun* (Alor Star, Kedah: Sidang Pengarang Perpustakaan, 1990), pp. 470-1.



granted the Kulim farm to them, Chiu Ah Cheoh would have suffered a great loss. Hence the sultan had decided to grant these Kulim Farms to Chiu Ah Cheoh for another three years (see following list).<sup>18</sup>

Table 1: A List Of Captain Chiu Ah Cheoh's Farms in Kedah 1889-1891

Name of Farmer	Name of Farm	Annual Rent (\$)
Chiu Ah Cheoh	Opium Farm Kulim	28,600
Chiu Ah Cheoh	Tin Farm Kulim	10,200
Chiu Ah Cheoh	Spirit Farm kulim	2,600
Chiu Ah Cheoh	Pawnbroking Kulim	1,440
Chiu Ah Cheoh	Timber Farm Kulim	400
Chiu Ah Cheoh	Opium Farm Krian	4,600

Source: *SC*, No.2.

There is no doubt that Lim Leng Cheak, Ong Beng Teik, and Chiu Ah Cheoh controlled most of the Kulim revenue farms in the 1880s and early 1890s. Who was Ong Beng Teik? Unfortunately it has proved impossible to find any personal details about him. Ong Beng Teik must have been one of the most prominent Chinese towkays in Penang during the late nineteenth century, and was probably related as either a brother or a cousin to Ong Boon Teik, a leading Penang merchant who was deeply involved in the secret society and Malay politics in Perak in 1870s.<sup>19</sup> As a representative of the Ong Clan, Ong Beng Teik was a trustee of the Hokkien Cemetery between 1886-1892.<sup>20</sup> He was also one of directors of the famous Penang Khean Guan Insurance Co.<sup>21</sup> Indubitably Ong Beng Teik was the partner of Lim Leng Cheak; they joined together to manager the Kulim Opium Farm in the 1880s. Because of linking up with Lim Leng Cheak, he also joined Koh Seang Tat in making a

<sup>18</sup> *SC*, No.2, Sultan to Siamese Cuku, 28 Muharam 1306 (4 October 1888).

<sup>19</sup> Khoo Kay Kim, *The Western Malay States 1850-1873: The Effect of Commercial Development on Malay Politics* (Kuala Lumpur: Oxford University Press, 1972), pp. 204-5, 209, 210-1, 222.

<sup>20</sup> Seiji Imahore, *Ma Lai Ya Hua Ren She Hwei* (Chinese Society in Malaya), Chinese Edition translated by Liu Ge Yin, No.22 (King Street, Penang, 1974), pp. 53, 66, 163.

<sup>21</sup> *PGSC*, 5 July 1889.

successful tender for the Singapore opium farm 1889-1891.<sup>22</sup> My field investigation has also confirmed the fact that the secret society, Chinese kapitan and revenue farmer interacted to shape the profile of politics and economy in Kulim.<sup>23</sup> This was particularly reflected in the establishment of the earliest temple at Bukit Mertajam of Province Wellesley. The Chinese temple in Bukit Mertajam, called Xuan Tian Miao, was founded in 1886 by Chinese from both Kulim and Penang. The list of the donors shows that the first three were Huang Chen Qing (\$465), the Kulim Opium Syndicate Lim Leng Cheak & Ong Beng Teik (\$400), and Low Chew (\$100). Following these were Chiu Cheoh Yuen (\$30, i.e. Chinese Captain Chiu Ah Cheoh) and others. Huang Chen Qing might have been the most influential Huichew in Penang, which was reflected in his donation to the re-construction of the Penang Huichew Association in 1869.<sup>24</sup> Lim Leng Cheak and Ong Beng Teik were revenue farmers from Penang. Chiu Ah Cheoh was Kulim Chinese Captain. Low Chew was also a Huichew, the head of the triad society in Kulim. Among the total of about 265 people on the list, around sixty-five people are marked by the same character "He", which meant "the triad society".

#### 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.<sup>25</sup> About half of the coolies were

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<sup>22</sup> *PGSC*, 7 September 1888.

<sup>23</sup> On 26 January 1997, the researcher visited the earliest Chinese temple at Bukit Mertajam under the guide of Mr Tan Kim Hong, a local historian in Penang. Information on Lim Leng Cheak's linkage is to be found on the stone inscriptions in the temple.

<sup>24</sup> Huang Chen Qing' donation was the top one (\$260). See also Seiji Imahore, *Ma Lai Ya Hua Ren She Hui*, p. 92, Note 19.

<sup>25</sup> *Legco*, 1891, 101 Evid.

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".<sup>26</sup> 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".<sup>27</sup> However Lim Leng Cheak thought "The labour supply [was] too small".<sup>28</sup> 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.<sup>29</sup> 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.<sup>30</sup> Lim Leng Cheak had a large number of 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.<sup>31</sup>

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

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<sup>26</sup> *Legco*, 1891, 103 Evid.

<sup>27</sup> *Legco*, 1891, Evid. 104.

<sup>28</sup> *Legco*, 1891, Evid. 104.

<sup>29</sup> *SIPC*, 23 July 1892.

<sup>30</sup> *SIPC*, 1 October 1892.

<sup>31</sup> 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 *HCO2536/1915*, Land Tax due to the Government on Large Holdings.

Sumatra.<sup>②</sup> 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.<sup>③</sup> In July 1892, the steamer "Cornelia" was sold by Lim Leng Cheak & Co. to Messrs. Koh Guan & Co. for \$22,000.<sup>④</sup> 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.<sup>⑤</sup> So, after this deal there were two prominent Chinese shipowners in Penang, namely Lim Leng Cheak and Chuah Yu Kay.<sup>⑥</sup> It should be noted that all the captains of these Chinese steamers were

② Legco, 1892, pp. c488-c.489.

③ A. Wright and H.A. Cartwright, *Twentieth Century Impressions of British Malaya: Its History, Commerce, Industry and Resources*, p. 820.

④ *SIPC*, 20 July 1892. So, it must be wrong that both Cushman and Phuwadol mentioned that "Cornelia" was brought soon after 1889. See Cushman, *Family and State: The Formation of a Sina-Thai Tin-mining Dynasty, 1797-1932* (Singapore: Oxford University Press, 1991), p. 60.

⑤ *SFP*, 11 October 1893.

⑥ According to Wright, Chuah Yu Kay died in 1894 for a tragic occurrence. He was stabbed by an enemy of his at his office of the Kong Hock Steamship Company. See A. Wright and H.A. Cartwright, *Twentieth Century Impressions of British Malaya: Its History, Commerce, Industry and Resources*, 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.

Europeans as far as is known.<sup>37</sup> 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.<sup>38</sup> Captain Ross died in 1897, when his steamer was attacked by Acehese pirates.<sup>39</sup>

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".<sup>40</sup> 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

<sup>37</sup> The List of Captains in the steamers with British Flag (take 1894 as example)

Steamer	Tonnage	Captain	Route	Agent
Langkat	187	Lewis	Penang-Deli	Chuah Yu Kay
Washi	265	Ross	Penang-Edie	Lim Leng Cheak
Rosa	266	Jeremiah	Penang-Teluk Anson	Lim Leng Cheak
Mary Austin	149	Robinson	Penang-Teluk Anson	Chuah Yu Kay
Deli	88	Duff	Penang-Klang	Chuah Yu Kay
Taw Tong	105	Vaz	Penang-Teluk Anson	Chuah Yu Kay
Betsy	?	Myles	Penang-Teluk Anson	Chuah Yu Kay
R.Halewynd	80	Rozario	Penang-Asahan	Chuah Yu Kay
Avagyeec	247	Hastrup	Penang-Deli	Chuah Yu Kay

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

<sup>38</sup> *PGSC*, 29 November 1894.

<sup>39</sup> *PGSC*, 13 December 1897.

<sup>40</sup> *PGSC*, 13 December 1897.

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".<sup>④</sup>

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. 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.<sup>⑤</sup> 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.

## 2. Business and Politics Between Penang and Kedah

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.<sup>⑥</sup> 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

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④ PGSC, 30 May 1893.

⑤ Legco, 1893, p. c176.

⑥ Khoo Kay Kim, *The Western Malay States 1850-1873: The Effect of Commercial Development on Malay Politics*.

Penang (1893) by the Chinese government.<sup>44</sup> 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.<sup>45</sup> By focusing specifically on the Khaw family, 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.<sup>46</sup> 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.<sup>47</sup> 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.<sup>48</sup> 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.<sup>49</sup>

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

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<sup>44</sup> Michael Godley, *The Mandarin-capitalists from Nanyang: Overseas Chinese Enterprise in the Modernization of China, 1893-1911* (Cambridge: Cambridge University Press, 1981).

<sup>45</sup> Skinner, *Chinese Society in Thailand: An Analytical History* (Ithaca: Cornell University Press, 1957), pp. 149-52.

<sup>46</sup> Cushman, *Family and State: The Formation of a Sina-Thai Tin-mining Dynasty, 1797-1932*.

<sup>47</sup> Khoo Kay Kim, *The Western Malay States 1850-1873: The Effect of Commercial Development on Malay Politics*, pp. 87, 216-7.

<sup>48</sup> C.D. Cowan, *Nineteenth Century Malaya: The Origin of British Political Control* (London: Oxford University Press, 1961), p. 57; Song Ong Siang, *One Hundred Years' History of the Chinese in Singapore* (Singapore: University Malaya Press, 1967), p. 92.

<sup>49</sup> Khoo Kay Kim, *The Western Malay States 1850-1873: The Effect of Commercial Development on Malay Politics*, p. 209.

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.

### 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 was Siamese governors for many generations makes them a special case.<sup>50</sup> 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.<sup>51</sup> 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

<sup>50</sup> Cushman, *Family and State: The Formation of a Sina-Thai Tin-mining Dynasty, 1792-1932*.

<sup>51</sup> James R. Rush, *Opium to Java: Revenue Farming and Chinese Enterprise in Colonial Indonesia, 1860-1910* (Ithaca: Cornell University Press, 1990), pp. 108-35.



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 Mertajam, 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.<sup>52</sup> Except for the only Chinese, Lim Leng Cheak, all the others were influential European power-brokers.<sup>53</sup> 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.<sup>54</sup> 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.

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<sup>52</sup> *PGSC*, 26 July 1889.

<sup>53</sup> \* J. C. Budd, of Chartered Bank Of India, Australia and China, Chairman of the Penang Chamber of Commerce in 1888.

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

\* A. G. Wright, of Scandiland, Buttery & Co., Chairman of Chamber 1892-93.

\* J. Gibson, of Sandiland, Buttery & Co., Chairman of Chamber 1894-97.

\* R. Morstadt, of Schmidt, Kustermann, Committee Member of Chamber 1895.

Source: see Chuleepom 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.

<sup>54</sup> *SFP*, 31 December 1889. But the Siamese and Kedah Malay Government seemed not enthusiastic with this scheme. This original scheme was thus dead. In 1895, another scheme was brought forward to open up Kulim district by constructing a railway line. It was proposed to start from Prai, close to the Docks and the Prai Sugar Estate, run direct to Bukit Mertajam, a distance of 6 miles. Then a branch would be laid to Kulim about another 6 miles further. The branch to Kulim would touch Lim Leng Cheak's coffee and tapioca estate. See *Straits Maritime Journal & General News*, 25 January 1895. However, the Kulim railway had not been carried out until 1915, a few years after the British took over Kedah from the Siam in 1909.

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.<sup>55</sup> 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.<sup>56</sup> 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, which asked the commissioners for 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

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<sup>55</sup> *Legco*, 1892, p. c455.

<sup>56</sup> *SC*, No.5, The Sultan to Lim Leng Cheak, 17 Rabiulakhir 1310 (7 November 1982).

because I am willing to represent you". It is significant that on the same day a copy of this letter was published in the *SIPC*, and Huttenbach declared that were he renominated this would be against his will.<sup>57</sup>

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 Mohomed Ariff, a wealthy Penang Malay businessman.<sup>58</sup> The *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".<sup>59</sup> 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.<sup>60</sup>

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.<sup>61</sup> 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 administering the 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

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<sup>57</sup> *SIPC*, 21 December 1892.

<sup>58</sup> *PGSC*, 30 December 1892.

<sup>59</sup> *PGSC*, 3 January 1893.

<sup>60</sup> *PGSC*, 11 January 1893.

<sup>61</sup> *PGSC*, 10 August 1893.

mostly of prominent Europeans. Among the Stewards were only two Chinese. One was Khoo Guat Cheng,<sup>②</sup> 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".<sup>③</sup> As a manager, state treasurer, and capitalist to

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② 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.

③ Khoo Khay Jin, "Revenue Farming, Commercialization and the Growth of the Centralized State in Kedah", paper presented at conference on "Revenue Farming and Southeast Asian Transition", ANU, Australia, 30 June-2 July 1988, p. 14.

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,<sup>64</sup> fruit,<sup>65</sup> as well as coffee cups, napkins and tablecloths,<sup>66</sup> and a rifle, to mention just a few purchases.<sup>67</sup> He escorted the Siamese official missions from Bangkok.<sup>68</sup> He sometimes attended the horse-races on behalf of the sultan.<sup>69</sup> He acted as the middleman for the sultan and royal family when they wanted to secure the chetty or European loans in Penang.<sup>70</sup> He took care of most of the sultan's bills.<sup>71</sup> He ran the sultan's private steamer the "Good Luck", from hiring the captain and engineer to assuming responsibility for the repair and maintenance.<sup>72</sup> 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

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<sup>64</sup> *SC*, No.3, the Sultan to Lim Leng Cheak, 25 Syakban 1307 (15 April 1890).

<sup>65</sup> 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).

<sup>66</sup> *SC*, No.5, the Sultan to Lim Leng Cheak, 10 Rabiulakhir 1309 (12 November 1891).

<sup>67</sup> 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).

<sup>68</sup> *PGSC*, 10 January 1890.

<sup>69</sup> 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).

<sup>70</sup> 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).

<sup>71</sup> 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 \$1159.48 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).

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.<sup>73</sup> 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.<sup>74</sup> 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.<sup>75</sup> 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

<sup>72</sup> 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 Michael 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).

<sup>73</sup> *SC*, No.5, Sultan to Siamese Consul, Penang, 22 Syawal 1308 (30 May, 1891).

<sup>74</sup> *SC*, No.2, Sultan to Bangkok, 4 Rabiulawal 1309 (7 October, 1891).

<sup>75</sup> *SC*, No.2, Sultan to Bangkok, 28 Jamadilakhir 1309 (28 January, 1892).

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.<sup>⑦⑥</sup> 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.<sup>⑦⑦</sup> 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.<sup>⑦⑧</sup> 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.<sup>⑦⑨</sup> Lim Leng Cheak disputed the allegations by adducing the following points.

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".<sup>⑧⑩</sup> Secondly, he considered "that British subjects in Kedah have always had far more consideration shown them

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⑦⑥ *PGSC*, 2 August 1887; 5 August 1887.

⑦⑦ *SIPC*, 4 & 11 January, 1890.

⑦⑧ *PGSC*, 14 January 1890.

⑦⑨ *PGSC*, 10 January 1890.

⑧⑩ *PGSC*, 10 January, 1890.

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, 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 Youssuff, 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?"<sup>①</sup>

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".<sup>②</sup> 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.<sup>③</sup> 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.

### 3. The Opium Political Economy 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

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① *PGSC*, 10 January 1890.

② *SIPC*, 11 January 1890.

③ *SIPC*, 15 January 1890.



ignored regional politics and the interaction between the state and the farmers, particularly the role of the state in stimulating internal Chinese rivalry and negotiating with the neighbouring government on behalf of the farmers.<sup>84</sup> 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 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

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<sup>84</sup> Cheng U Wen, "Opium in the Straits Settlements, 1867-1910", *JSEAH* (Journal of Southeast Asian History), 2 March 1961, pp. 52-75; Wong Lin Ken, "The Revenue Farms of Prince of Wales Island, 1805-30", *JSSS* (Journal of the South Seas Society), Vol. XIX, part I, 1964, pp. 79-82; John Butcher, "The Demise of the Revenue Farm System in the Federated Malay States", *Modern Asian Studies*, 1983, 17, pp. 387-412; Carl A. Trocki, *Opium and Empire: Chinese Society in Colonial Singapore, 1880-1910* (Ithaca: Cornell University Press, 1990); J. Butcher & H. Dicks eds, *The Rise and Fall of Revenue Farming* (New York: ST Martin's Press, 1993); Khoo Khay Jin, "Revenue Farming and State Centralization in Nineteenth-Century Kedah", in Butcher & Dick eds, *The Rise and Fall of Revenue Farming*, pp. 125-41.

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.<sup>⑤</sup> Their tendering for the next term of the Penang farm was \$71,000 a month, an excess of \$ 4,000 per month, or \$48,000 per annum over the current rental.<sup>⑥</sup> 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".<sup>⑦</sup> 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.

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⑤ *PGSC*, 19 September 1891.

⑥ *PGSC*, 22 August 1891.

⑦ *PGSC*, 26 November 1891.

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.<sup>88</sup> 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.<sup>89</sup> 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.<sup>90</sup> 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*.<sup>91</sup>

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

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<sup>88</sup> *SC*, No.5, The Sultan to Resident Councillor Penang, 17 Muharam 1309 (22 August 1891); *PGSC*, 26 November 1891.

<sup>89</sup> *PGSC*, 26 November 1891.

<sup>90</sup> *PGSC*, 15 September 1891.

<sup>91</sup> *PGSC*, 19 September 1891.

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.<sup>⑫</sup> 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.<sup>⑬</sup> 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".<sup>⑭</sup> 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.<sup>⑮</sup> 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".<sup>⑯</sup>

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

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⑫ *SC*, No. 5, the Sultan to Resident Councillor, Penang, 24 Safar 1309 (28 September, 1891).

⑬ *SC*, No. 5, Sultan to the Siamese Consul, Penang, 21 Safar 1309 (25 September, 1891).

⑭ *PGSC*, 26 November 1891.

⑮ *PGSC*, 26 September 1891.

⑯ *PGSC*, 26 November 1891.

amount of taxes the public will have to pay".<sup>77</sup> The opposite was true. He had not only "spent any profits ...in 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".<sup>78</sup> 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.<sup>79</sup> 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 farmers 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

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<sup>77</sup> *PGSC*, 3 October 1891.

<sup>78</sup> *PGSC*, 3 October 1891.

<sup>79</sup> *PGSC*, 26 November 1891.

Penang farmers accepted these terms.<sup>109</sup>

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.<sup>110</sup> The same day, the sultan wrote to resident councillor Trotter to the effect that he had already issued the grant to Lim Leng 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.<sup>111</sup>

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.<sup>112</sup> 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

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<sup>109</sup> *PGSC*, 12 December 1891 & 7 July 1893.

<sup>110</sup> *SC*, No.5, The Sultan to Siamese Consul, 17 Jamadilawal 1309 (18 December 1891).

<sup>112</sup> *SC*, No.5, The Sultan to Resident Councillor Penang, 17 Jamadilawal 1309 (18 December 1891).

<sup>113</sup> *SC*, No.5, The Sultan to Siamese Consul, 23 Jamadilawal 1309 (24 December 1891).

sultan hoped that Chew Sin Yong would sign a debt bond contract for the \$18,000 he owed Lim Leng Cheak.<sup>109</sup> 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.<sup>110</sup>

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 have dealt with in another part.<sup>111</sup>

### 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,

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<sup>109</sup> *SC*, No.5, The Sultan to Siamese Consul, 27 Jamadilawal 1309 (28 December 1891).

<sup>110</sup> *SC*, No.5, the Sultan to Chew Sin Yong, 29 Rejab 1309 (27 February 1892).

<sup>111</sup> Wu Xiao An, *Chinese Family Business Networks in the Making of a Malay State: Kedah and the Region, 1882-1941*, PhD dissertation, University of Amsterdam, 1999, pp. 98-100.

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.