

Fall 2000, Volume 10, Number 2

ISSN 1090-834X

A Brief Note on Prewar Singapore Sources Relating to Chinese Business History

NG CHIN-KEONG, CLEMENT LIEW, KENG WE KOH AND TONGBAO WEE
National University of Singapore

To date, no systematic search has been done to unearth the sources of Singapore Chinese business history shelved and hidden in public as well as private repositories found all over Singapore. The scope of this preliminary investigation covers three public repositories that have become custodians of original or microfilm copies of sources on Singapore Chinese businesses during the pre-World War II era. They are the National Archives of Singapore, the National Library and the National University of Singapore (NUS) Libraries.

The National Archives of Singapore

Chinese business history can be gleaned from the following categories of materials kept in the National Archives of Singapore: government records, private collections, oral history materials and microfilmed sources from overseas repositories.

a) Government Records

There is a great wealth of sources and traces of Chinese businesses in Singapore kept in the government records. If businessmen had to set up a business, build a shop, get municipal approval or even became British subjects, information would have been recorded in a number of government agencies. Be it the individual or the company who had to correspond or deal with government departments,

a chain of records would have been generated. And when these traces of Chinese businesses are studied across time, a story of development may emerge.

Government records of interest to the business historian include, among others, Straits Settlements Government Gazettes (acts of government—e.g. registration of companies, naturalization of individuals, incorporation of companies), Straits Settlements Blue Books (record of cooperatives, charities and societies), Straits Settlements Annual Departmental Reports, Minutes of the Proceedings of the Municipal Council (deliberation and debates regarding premises, e.g. shop buildings and factories), Building Control Division—Building Plans (details of location and ownership of properties), Straits Settlements Legislative Council Proceedings (bills on various aspects) and Straits Settlements Executive Council Minutes (matters discussed, closed door, before being tabled to the legislature).

Another relevant segment of the government records would be the Registry of Company files. These records contain the articles of associations and corporations as well as the annual lists of directors and shareholders (with their occupations, addresses and number of shares held), together with the annual balance sheets (in the case of the public companies such as banks). They are able to provide a chronological perspective on the structure of shareholding and

capitalization in the firm, as well as the role of certain individuals in these companies.

The Straits directories are also an important source of information. It is in these volumes that companies are noted and advertised. They also contain qualitative information such as location, type of business, staff, ownership, etc. As search aids, there are useful guidebooks published by the National Archives such as Index to Papers and Reports Laid before the Legislative Council of the Straits Settlements (1867-1955) and Guide to the Sources of History in Singapore. Readers could conveniently take a glance at the contents of these voluminous records.

b) Private Records on Microfilm

A collection of private documents, books, pictures and other printed or written matters donated by individuals, business companies and social associations in Singapore can be found in the National Archives. Available in this category of records are documents relating to business life, such as business letters, balance sheets, title deeds, reconveyancing agreements, promissory notes, contracts, power of attorney agreements and court case records. For example, the private papers of Eu Tong Sen, Loke Wan Tho and others reveal the business models of persons who had business networks that spanned the Nanyang and China.

It is interesting to note that Eu's networks enabled him to establish an enterprise of remittance services. During the warlord period of post-1911 China, when printed currency in some Chinese provinces had become quite useless, the remittance notes became "real" currencies. These notes were backed up by a guarantee from a reputable firm. Using this system of "promissory notes," no real money was transmitted overseas. For the firms, this was an excellent system for generating funds for their businesses.

The Eu Tong Sen Papers at the Archives cover two crucial periods in Eu's business career, namely the career of his father (Eu Kong), which provides an interesting background to his own, and Eu Tong Sen's social and business life in the 1920s, notably his relationships with the British at the height of his career, as well as during a crucial period in the economic history of Malaya. Two microfilm reels are available. The first contains materials like the minutes of meetings for the Robinson Company, on which he served as the only Chinese director between 1920 and 1925, the receipts for the construction of Eu Villa and his eldest son's education in London, and his correspondence with an English friend in London (which contained references to tin and rubber markets in Europe). More importantly, it contains the monthly balance sheets for various branches in Malaya between 1925 and 1926, at a crucial period in the tin and rubber industries of Malaya. The second reel contains

correspondence between Eu Tong Sen's father (Eu Kong) and his family in China. These letters give important insights into the dynamics of entrepreneurship in the frontier economy of Malaya in the late nineteenth century, as well as into the dynamics of succession and management in a Chinese family business during this period (Editor's note: for more on the Eu family, see page 3). Such a comprehensive, albeit incomplete, set of materials suggests the possibility that materials pertaining to other Chinese entrepreneurs remain to be "discovered" and used.

The Loke Wan Tho collection covers a long period from 1896 to 1974. Loke Wan Tho, the youngest son of the tin magnate, Loke Yew, was known for the entertainment empire that he had successfully built in the region. Among the papers in the collection are scrap books, correspondence, diaries and souvenir programs (altogether 43 files, 71 items and 14 volumes on 13 reels).

Besides the material on entrepreneurial histories and careers, the private records also contain a whole range of materials on various occupations and trades, as well as business communities, especially with respect to the different ethnic groups within the migrant communities from China. For example, minutes of meetings of clan associations, occupational guilds and trade associations from as early as 1888 to the present can be found in large quantities. The clan associations include umbrella organizations like the Hokkien Huay Kuan as well as surname clan associations and native place associations. They formed the institutional basis for the networks underlying much of Chinese business life in specific historical contexts. The records of the occupational and trade guilds contain minutes of meetings, membership and staff registers, correspondence, press clippings, rules and regulations. Among these organizations are the Singapore Tea Importers and Exporters Association (from 1928), Ngee Ann Kongsi (from 1933), Singapore Chinese Chamber of Commerce (from 1906) and the Nanyang Khek Community Guild (from 1927). These materials provide interesting insights into the institutional structure of business life in Singapore, and how, perhaps, they overlap with clan associations and other social organizations, and the issues handled by these trade associations.

c) Oral History Materials

The National Archives also contains a comprehensive collection of oral history recordings of Singapore personalities. These recorded archives cover a wide range of topics of interest to the Chinese business historian, such as "Chinatown," "Entrepreneurship" and "Occupations and Trades." Most of these were recorded in the various Chinese dialects like Hokkien, Teochew, Cantonese, Hainanese and

(continued on page 10)

Research Note: The Eu Yan Sang Medical Shop

STEPHANIE PO-YIN CHUNG Hong Kong Baptist University

Eu Yan Sang is a famous family firm in South China and Southeast Asia. The firm was founded by the Eu family of Foshan (Fushan) origin. By the 1990s, the EYS firm had become a transnational enterprise with assets of more than HK\$150 million (1 US\$ = 7.8 HK\$). Founded in Penang in 1876, the firm gradually extended its operations to Singapore, Hong Kong, and Canton. Today, the Eu family is identified entirely with traditional Chinese medicines and the EYS firm is a major manufacturer and retailer of Chinese medicines in Asia. However, archival evidence available in Hong Kong and



Fushan Pagoda, 1977.

Singapore suggests that at least before 1941, when the Japanese army started to occupy Hong Kong and British Malaya, the trading of Chinese medicines was not the core of EYS's businesses. First, the account books of EYS (more than 100 volumes dating from 1914 to 1980) in the "Hong Kong Collection" at the University of Hong Kong indicate that, in terms of trade volume and the amount of money the firm handled,

the trade in Chinese medicine represented only a minor part of the firm's business before 1949. According to these account books, the EYS firm had four major lines of businesses, namely, "remittance," "medicine," "grocery stores" and "tablet manufacturing." Second, the family correspondence and wills (about 100 pieces from 1876 to 1980) in the Public Records Office of Hong Kong, the National Archives of Singapore and the Zhongshan Library in Guangzhou, together with the company registration and shareholding records of EYS's related businesses deposited in the National Archives of Singapore, suggest that the Eus actually gained their "first bucket of gold" not in trading Chinese medicines but in tax farming and tin mining.

The Eu family is actually a business chameleon. In the past 120 years, it has adjusted its color in reaction to the changing investment environment of Southern China and Southeast Asia. The title of "Yan Sang" was first adopted in the 1870s as the "chop name" (business name) of Eu Kong (1853-1891), founder of the Eu family business, for his various investments. Eu Kong started to amass his fortune by acquiring from the British the interconnected monopoly of tin mining-tax farming (on opium, alcoholic spirits, gambling, and pawnbroking) in Perak (now in Malaysia) in the 1880s. He invested his profits to build up horizontally-integrated businesses based on retailing of as well as collecting taxes on Chinese goods sold to the miners he employed. Chinese medicine was one of the many Chinese goods that his grocery store sold to his workers. After his death in 1891, his only son, Eu Tong Sen (1877-1941) inherited his businesses and the chop name. With the abolition of the tax farming system and the falling market price of tin in the following decades, Eu Tong Sen ventured into two new businesses, rubber plantations in British Malaya and the handling of remittance between the Malaya Peninsula and Hong Kong. As the economic significance of rubber declined in the late 1920s, the center of gravity of Eu's investment gradually shifted to the remittance business based in Hong Kong. Eu Tong Sen moved his residence there in 1928. He changed the chop name "Yan Sang" to "Eu Yan Sang" at some point in the 1920s and thus the bond between the Eu family, the chop name of Yang Sang, and Chinese medicines was consolidated under the title of EYS.

EYS was an "umbrella shop" for the Eus; it was a retailer of Chinese medicines and a grocery store as well as a remittance agent. The popularity of EYS as a Chinese medicine retailer in British Malaya, Hong Kong and Guangzhou was an asset for the Eus since it attracted remittance business from among the Chinese living in the three regions. The distribution network cultivated by the EYS medical shop was quickly translated into remittance channels. The long history and reputation of the EYS as a medical shop actually enhanced the credibility of the Eus as reliable remittance agents. The commissions earned on the huge amount of remittance handled by EYS enabled the Eus to venture into modern banking and real estate. In 1920, the Eus established the Lee Wah Bank in Malaya with the capital of S\$10,000. The Eus also purchased a large amount of land (containing mines and rubber plantations) and properties

(houses and buildings for rental) in Hong Kong, Malaya and Singapore. In 1932, Eu Tong Sen Limited was registered in Singapore and became a holding company for the land and properties which totalled at least 340 pieces by 1941. When Eu Tong Sen passed away in 1941, his obituary in the major newspapers actually described him, not as a medicine retailer, but as a "huge property owner."

The evolution of the Eus' family business reflects how the broader political and economic changes in South China and Southeast Asia offered lucrative business opportunities. There were mainly three changes that the Eus took advantage of: 1) Starting in the 1870s, in order to counterbalance French and Siamese influence on the Malaya States, especially in Perak, and to secure stable tin supplies for the growing food canning industry, Britain decided to extend its control into inner Malaya (later known as the Federated Malaya States) by granting tax farming rights to Chinese immigrants and supporting these revenue farmers to set up tin mines in the newly acquired region; 2) Starting in the 1890s, the introduction of new transplanting and tapping techniques made rubber cultivation possible in Malaya. Bicycle manufacturing in Britain, and later the automobile industry in the USA, created a huge market for rubber tires; 3) the absence of either British or Chinese government control and the lack of a formal organization to handle remittance between British Malaya and Southern China before the 1930s made Chinese shops with extensive regional networks, like the EYS medical shop, ready remittance agents. Opportunity always goes with risk. The above investment opportunities also created troubles for the Eus. Buffeted by unexpected changes in the markets and the policies of the different governments, the Eus had to cope with shifting trade patterns from time to time and from region to region. The Eus had to withstand at least three major crises between 1876 and 1941: 1) the abolition of the tax farming system beginning in the 1890s; 2) the slump in tin and rubber markets in the 1920s and 1930s; and 3) the British Malayan and the Chinese governments' attempts to regulate the outflow/inflow of remittance and the fluctuation of exchange rates after the Guomingdang government introduced a new national currency in the 1930s and again in the 1940s. After the death of Eu Tong Sen in 1941, the family business was inherited by his 13 sons, all of whom had their own professions and businesses. And significantly, they were born and raised by the five different wives of Eu Tong Sen. Naturally, the shareholding pattern of the Eu Tong Sen Limited was not as centralized as it had been under Eu Tong Sen. The shares were distributed among the siblings. Mining and rubber growing became insignificant in the Eus' portfolio. The remittance business between Singapore and Malaysia remains active today. However, remittance to China was disrupted by

political changes there, and without the channel to China, the scale of the remittance business in Southeast Asia was reduced to insignificance. Therefore, Chinese medicine became the only business of the EYS medical shops in Hong Kong and the shops realized stable profits from these medicines in the post-war years. In 1955, Eu's operations in Malaysia and Singapore were converted into a limited company with the establishment of Eu Yan Sang (Singapore) Private Ltd. The properties held by the company were gradually divided among several different companies-Eu Realty (Singapore) Pte. Ltd. (1955), Empress Realty Pte. Ltd. (1973), Nam Tin Realty Pte. Ltd. (1973), and Eu Tong Sen Mines Ltd. (1954). The pattern of shareholding and decision-making was not as centralized as it had been under the patriarchy of either Eu Tong Sen or Eu Kong. This trend accelerated after the deaths of Eu Keng Chee in 1959 and of Eu Keng Wai in 1976. Keng Chee was the most influential among the siblings, especially among those who were born in Southeast Asia. Keng Wai was the most influential among those who were born in Hong Kong. In May 1996, rivalry among the surviving siblings surfaced again. A court case was filed to resolve a dispute between the two camps of brothers (those based in Hong Kong vs. those based in Singapore) over the ownership of the EYS brand name. After that dispute, both the EYS firms in Hong Kong and Singapore were sold to two different outsiders. In August 1996, several male members of the fourth generation decided to purchase the two EYS companies and unite them under a new headquarters in Singapore. The most active members of this fourth generation were Eu Yee Sang, the son of Hong Kong-based Keng Wai, and Eu Yee Ming, the son of Singapore-based Keng Mun. Thus the cooperation between the two cousins was, and still is, also a collaboration of the two branches of the Eu family in Hong Kong and Singapore.

The "ups and downs" of the Eus' family business reflects the unique investment environment of Southeast Asia and Southern China during the period from the late nineteenth century to the present. The Eus' portfolio of tax farming, tin mining, rubber plantations, banking, remittance, real estate (all operated in different parts of Southern China and Southeast Asia) constituted a safety net for the family business. Regional and sectoral diversification in investments helped the Eus to survive economic crises in the region. It also helped to reduce the risk of over-reliance on the politically secured economic privileges granted by a particular regime.

The above represents research completed as of December 1999. Comments are welcome.

(Photo courtesy Andrea McElderry)

International Workshop: Industrial Relations in East Asia

DENISE AUSTIN University of Queensland

On July 20-21, 2000, the Asian Business History Center of the University of Queensland (UQ) and the Asian Pacific Council of Griffith University (Griffith) jointly hosted an International Workshop on Industrial Relations in East Asia. The workshop focused on industrial relations in East Asian nations which have a presence on the global economic scene. Issues discussed included political intrusion, cultural influences, globalization, international discourse, working conditions, corporatism and the illegal industrial sector.

In his keynote address, Ming Chan (Stanford University) highlighted how political entanglement often defines the nature of industrial relations in East Asia. Traditionally, China's politics shaped the Hong Kong labor movement but, after World War II, the labor movement split into pro-Beijing and pro-Taipei factions. Reintegration with China since the 1980s and the subsequent de-industrialization of Hong Kong has transformed its industrial relations. A marked increase in conservative, white collar unions which have become the champions of the working class has resulted in yet another split within the Democratic Party, where these white collar unions are opposed by those who want to form a true Labor Party representing the working class. The second keynote speaker, John Ingleson (University of New South Wales) revealed that in Indonesia during the 1920s and 1930s, strong industrial relations organizations fostered nationalistic sentiment as well as a sense of solidarity and empowerment among union members. This para-political activism also developed leadership and administrative skills in members which proved advantageous after independence.

Several speakers identified cultural influences as an important factor within the industrial sector. John Synott (Queensland University of Technology, QUT) used the example of teachers as labor activists in Korea. Throughout the twentieth century, the government invoked the cultural argument that teachers were traditionally "clergymen" and enacted legislation banning teachers from forming a union. Korean teachers went to court many times to appeal against this ruling, until, finally, after the Asian financial crisis, the government changed its legislation. David Pong (University of Delaware) discussed cultural issues in modern China where, despite miserable working conditions, there were very few disputes. Even by the turn of the twentieth century, when unionism began to grow in China, state workers in large labor industries failed to perform a vanguard activist role. Stephen Morgan (University of Melbourne) provided extensive documentation from the China National Railway to illustrate cultural influences on government railway workers in Republican China. In return for acceptance of strict discipline and loyalty to patriarchal authority, workers could expect a good wage and guaranteed employment.

John Weik (UQ) initiated the discussion about globalization of industrial relations. He explained that since post-war industrialization in Japan, the line between white and blue collar workers has become increasingly blurred and many workers have succumbed to the "Death from Overwork Syndrome" owing to the impotence of unions. He questioned whether unions in their current form will remain since the ease of factory transference may mean that single-country unions will no longer be relevant. Kaye Broadbent (Griffith) pointed out that, despite significant progress globally, the Japanese union movement has failed to represent part-time female workers who are disadvantaged by Japan's patriarchal, "multi-track" employment system. Female workers are still paid lower wages for longer hours and are also expected to be responsible for domestic work and child and aged care. Morris Low (UQ) noted that the failure of unions to protect workers from such things as overwork and gender inequality was a global problem but added that these speakers had confirmed that each country still has different issues to face.

The third keynote address was given by Anita Chan (Australian National University) and focused on the international discourse on industrial relations. Chan began by highlighting the growing media attention regarding "sweat labor" exploitation and ensuing protests against the World Trade Organization. This paradigm shift in labor discourse is welcome, but Chan maintained that industrial discourse needed to go beyond the five core labor rights—i.e. no forced labor, minium age, no discrimination, freedom of association and freedom to organize and bargain—to consider more minimal and concrete labor rights. For example, the most basic of concerns for Chinese workers are regular pay, a minimum wage, rest time and safety. While Chan welcomed the efforts of international organizations, she also advocated deeper cooperation with official trade unions to encourage a more active role in improving worker conditions.

Three presentations continued the focus on the working conditions in China. Bev Kitching (QUT) examined women workers who in the Republican era, despite heavy exploitation in the textile industry, were active in the budding union movement. After 1949, conditions for female workers improved, but unions became simply political window dressing. Under economic reforms of the 1980s and 1990s, women were once again subjected to exploitation in "sweat" factories and had few managerial career opportunities. Liew Leong (Griffith University) revealed how China's entry into the

World Trade Organization will have serious implications for the agricultural industry and state-owned enterprises. Retrenchment and labor instability are becoming very serious problems with localized protests nationwide. David Schak (Griffith) outlined his current research on Taiwanese enterprises in the Pearl River Delta Region which use the "dual-vector" system of unskilled migrant workers and skilled workers with lifetime employment. He found that working conditions in these enterprises were generally positive, although Taiwanese managers take little part in training workers. Social training was found to be necessary, however, as many mainland Chinese had never worked in a capitalist environment nor been in a disciplined situation.

The notion of corporatism and its effect on industrial relations was highlighted by several speakers. David Peetz (Griffith) and Patricia Todd (University of Western Australia) presented a joint research project on Malaysian industrial relations which have been characterized by extensive state intervention and minimal union activity. Several changes were noted in recent years, such as management placing greater emphasis on training and employees' acquisition of multiple skills. Similarly, Michele Ford (University of Wollongong) showed how traditional industrial relations in Indonesia were state-sanctioned with no freedom for workers. Labor-oriented non-government organizations did develop during the New Order era, although these corporate patronages insisted on being the voice of labor not a voice for labor. In the current political situation, formal union labor representation has increased, and thus the role of NGOs in local union organization is no longer as influential. Inclusive corporatism in Singapore was discussed by Michael Barr (QUT), who explored the tripartite relationship between government, employers and unions and brought to light the tight government control over the National Trade and Union Congress. This system of dependence was shown to have

severe limitations since unions must consciously disregard the needs of some workers, especially Malays and foreign guest workers, owing to government policy. Nevertheless, the overall system does work albeit the shortcomings will remain as long as the current political system is in place.

The final section of the workshop dealt with illegal organizations within the industrial sector. Carl Trocki (QUT) detailed the development of labor organizations among Singapore secret societies. Originally, they were under the control of opium merchants but later developed into mass workers' movements, particularly in the public service sector. Communist activities in the 1950s were very effective in organizing labor, but eventually all unofficial union activity was crushed by the state. Robert Cribb (UQ) gave a unique presentation on the condition of workers in Indonesia's very profitable military industry, which employs large numbers of people and plays a significant role in the economy. Cribb pointed out that despite the grim working conditions, recruitment remains strong owing to high unemployment in other sectors.

In summing up the value of the workshop, Colin Mackerras pointed out further research on industrial relations in East Asia has been made more pressing by recent political and economic developments. Industrial relations in East Asia have been fraught with political entanglement often linked to cultural influences. However, it is likely that the effects of globalization and international discourse on labor relations will continue to affect issues, such as working conditions, corporatism and illegal labor activities. This workshop made an important contribution toward the growing interest in global union activism while bringing a comprehensive understanding of industrial relations in East Asia. It will be featured in a special issue of the first edition of the *Journal of Australian Politics and History* in 2001.

The Chinese Business History Research Group, publisher of CBH.

will meet in Parlor B at the AAS National Meeting in Chicago Saturday, March 24, 2001 from 1:00 p.m. until 2:30 p.m.

Featuring discussion of effective use of the new CBH website and other topics of interest to members

For more information, see the AAS web site at http://www.aasianst.org/ or the CBH web site at

http://www.einaudi.cornell.edu/eastasia/publications/cbh/home.htm

The Qiaoxiang Ties Program

LEO DOUW University of Amsterdam

Why were cultural claims so important when overseas Chinese capital entered China during the 1980s and 1990s? How did assumptions of cultural affinity work in relations between mainland Chinese employees and foreign managers in Chinese transnational enterprises, and between those enterprises and Chinese officialdom? How important is it for



The reception area of The Reebok Shoe Manufacturing Company, Ltd., a Taiwan-invested company in Zhongshan, Pearl River Delta Region, Guangdong Province.

Chinese transnational enterprises to leave their supposedly Chinese characteristics behind in the struggle for survival in the world market? These are some of the questions addressed by the research program on Qiaoxiang¹ Ties of the International Institute for Asian Studies² (IIAS, Leiden and Amsterdam, The Netherlands; full title of the program: International Social Organization in East and Southeast Asia: Qiaoxiang Ties during the Twentieth Century). The program took off in 1996 and organized three international workshops on these topics, in the Netherlands and Hong Kong. It produced a large number of edited books, articles in academic journals, and book chapters (see the program's Final Report at its website³); two volumes produced from the workshops constitute its most important output.4 Looking at the discussions by Christopher A. Reed and Elisabeth Köll in the previous issues of this bulletin, it seems clear that the study of Chinese transnational entrepreneurship and enterprises may definitely widen the scope of Chinese business history as an academic discipline.

Our problem required the involvement of a broad spectrum of social science approaches. The Qiaoxiang Ties program indeed was joined by political scientists, anthropologists, historians and sociologists. This enabled us to elaborately discuss the interaction between business and society as well as the dynamics of social groups within enterprises over the entire twentieth century.

The first volume (Douw, Huang, and Godley 1999) looks at how claims of cultural affinity made by officials in China and ethnic Chinese business people elsewhere served to facilitate negotiations between both parties on the establishment of business enterprises in South China. One of the central objects of study for our program was the formation of links with the hometown in South China by business people who had once been sojourners from that area, or who were sojourners' descendants. Rather than claim or disclaim that these people share a Chinese identity among themselves and with the people in their hometowns, it appears to be more relevant to realize the context in which these claims figure. The most important are, first, that Chinese overseas usually share a background of political marginalization in their residential countries; second, that a considerable number of them have achieved sufficient wealth and business knowledge to be prominent as economic actors internationally; and third, that the "home country," China, was lagging in economic development during all of the past century. The recognition of a mutual interest in the development of China's economy, since the closing decades of the nineteenth century, led to the establishment of institutions in China and abroad which were geared towards stimulating trade and investment in China by overseas Chinese business people. This effort was symbolically founded on the sojourners' dream of returning home once their fortune had been made. The organizations subscribing to this "sojourner discourse" have consisted mainly of the voluntary Chinese associations abroad and the extensive semi-official state apparatus of overseas Chinese affairs that was built up in China for the specific purpose of conducting this type of economic diplomacy. The chapters by Liu Hong, Elisabeth Sinn, and Joseph Cheng and Ngok King-lun provide elaborate descriptions of their institutional fabrics from the early twentieth century onwards.

The mechanisms involved are nicely illustrated by the dealings, in the early twentieth century, of the Siyi community of business people in Hong Kong, first with the Qing state and then with Sun Yat-sen's government in

Guangzhou. Because of its deviant historical trajectory, the Siyi people, from the Siyi region in Guangdong province, had become a marginal group among their fellow ethnic Chinese residents in Hong Kong, but they worked their way up by performing the roles assigned to them as Chinese overseas sojourners. The case casts doubt on the importance of the distinction between being of Chinese or non-Chinese origins, but it also illustrates how important differences in wealth, power and status were among those who confessed to have their roots in one Chinese culture. Weak



The front of SMC Industries Ltd., a Hong Kong-invested iron plates processing factory in the Huangpu Economic Development District. Guangzhou, Guangdong Province.

governments, such as Sun Yat-sen's in Guangzhou, could easily be dominated by assertive emigrant groups, which turned the situation to their own profit by intruding on the state apparatus and usurping its financial decision-making machinery. During the rest of the twentieth century, the Chinese state was vastly more powerful, but the deals about establishing business in China were negotiated from similarly incongruent positions between business people and officials. This says something important about the character and efficiency of business networks, so central to the study of ethnic Chinese entrepreneurial activity.

In short, the assumption of cultural affinity among people of Chinese descent was a conscious construction set up to create a favorable political environment for the negotiation of foreign investment back in China. This is not to say that cultural constructions should not be socially grounded in order to be effective in the longer run and serve as a basis for institution building. Kuah Khun Eng in her contribution on a Singapore lineage from Anxi in Fujian province shows how an upright religious sentiment is important in the re-establishment of links with the home town, even though those links may be manipulated or used

in a more straightforwardly instrumental way by business people and government officials. Also, assumptions and claims of cultural affinity on many occasions inhibit economic development. Numerous interviews with business people from Hong Kong and Taiwan operating businesses in South China, presented in a chapter by Isabel Thireau and Hua Linshan, make it clear that there are constraints in the operation of business enterprises alongside the opportunities created by the sojourner discourse. Employees and subcontractors recruited from the hometown district and among family and kin may be much more demanding and unreliable than persons who are recruited in less particularistic ways.

The second volume (Douw, Huang, and Ip, forthcoming) investigates the social and economic fabrics of Chinese transnational enterprises. It discusses two major questions: (1) What role does cultural affinity play in ethnic Chinese and non-Chinese transnational enterprises operating in mainland China and in other Chinese cultural milieus? (2) As strategies responding to globalization, corporatization and the recent Asian crisis, what adaptations have Chinese businesses made to family control and business networks to survive and retain their success? The first question is treated by looking at the cultural assumptions underlying labor relations in Chinese transnational enterprises. Cen Huang's study of enterprises in Fujian and Guangdong provinces easts further doubt upon the efficacy of assumptions of cultural affinity between overseas Chinese managers and



Front of the impressive Municipal Hall of Zhongshan with a unit of the People's Liberation Army parading in front.

their mainland Chinese personnel: they easily cause misunderstanding, disappointment and conflict among both parties. Two chapters, one by Irmtraud Munder and one by Renate Krieg and Kerstin Nagels, on Sino-German business ventures in China and Taiwan, make it clear that Western assumptions about the viability of human resource management may not yet work in China's emergent market economy. It is concluded that there still is a strong preference in China for clear hierarchical command structures, even though, especially in mainland China, employees increasingly value being heard in decision-making by their superiors. Also, in different parts of China, there are big differences in employees' and managers' expectations concerning the requirements of teamwork and leadership qualities. Exposure to Western contact, such as has existed in Taiwan, does not of necessity lead to a higher degree of Westernization of work attitudes.

Of particular importance in looking at the cultural grounding of institutions are the contributions by Dai Yifeng, Zhuang Guotu, and Song Ping, all from the PRC, on



The Municipal Hall in Zhongshan, in the Pearl River Delta Region, Guangdong Province.

donation and investment behavior among overseas Chinese investors operating in South China. Contrary to previous assumptions popular among academics and politicians in the PRC about patriotic values underlying that behavior, these chapters acknowledge that in the past as well as at present, the profit motive is at least equally important. Zhuang's finding that, in Xiamen since 1978, the amount of donations by individual foreign entrepreneurs increasingly corresponds to the amount of their investments suggests that donation behavior comes close to routine tax operations.

In looking at the economic fabric of Chinese transnational enterprises, the remaining chapters cast further doubt upon the importance of the Chinese characteristics of these firms. Nocl Tracy, David Ip, and Constance Lever-Tracy do claim that the supposedly Chinese characteristics of Chinese transnational enterprises in

Southcast Asia, Hong Kong and Taiwan, namely their flexibility, invisibility and family control, may have been assets in their struggle for survival through the recent Asian crisis. Most of the other contributions, however, contain disclaimers on this issue. For example, the chapters by Stephanie Chung and Henry Yeung that follow the Singapore- and Hong Kong-based Eu Yan Sang business firm in its development from the late nineteenth century onwards argue for the adaptability of Eu Yan Sang's organization to changing economic and political circumstances.

In conclusion, the study of Chinese transnational entrepreneurship and enterprises makes an important contribution to Chinese business history, and to a broadening of its scope by visiting the other social sciences.

Endnotes

- 1. Qiao translates as "sojourners" or "temporary migrant," and xiang designates the "hometown" in China. When used in official discourse on Chinese residing abroad, the term implies a return to China, either in person, but more importantly symbolically, namely by donating and/or investing in China, in the hometown or elsewhere.
- 2. The IIAS (International Institute for Asian Studies), established in 1993, is an institute for post-doctoral research on Asia in the social sciences and the humanities at the Royal Netherlands Academy for the Arts and the Sciences. It has its main office at the University of Leiden and a branch office at the University of Amsterdam; it publishes the IIAS Newsletter. The Newsletter may be obtained by addressing the IIAS with a request for subscription, which is free of charge if one avails of the appropriate qualifications. To subscribe, complete and print out the questionnaire at http://www.iias.nl/iiasn/questionnaire.html. Disregard sections that do not apply. Send the completed and signed questionnaire to: IIAS, P.O. Box 9515, 2300 RA Leiden, The Netherlands, Fax number: +31-71-527 41 62.
- 3. The Final Report of the program is on its website: http://IIAS.Leidenuniv.nl/IIAS/Research/qiaoxiang/
- 4. Leo Douw, Cen Huang, and Michael R. Godley, eds., Qiaoxiang Ties: Interdisciplinary Approaches to 'Cultural Capitalism' in South China, London: Kegan Paul International, 1999; Leo Douw, Cen Huang, and David Ip, Rethinking Transnational Chinese Enterprises: Cultural Affinity and Business Strategies, London: Curzon Press, forthcoming in 2001.

(Photos courtesy of the author)

Chinese Business History Sources in Singapore

Continued from page 2

Khek. English transcripts for some interviews are also available. Accounts of Tan Kah Kee, the Aw Brothers, Loke Wan Tho, etc., given by associates of these personalities, can be found in the Oral History Collection.

d) Chinese Consular Records on Microfilm

The National Archives of Singapore, in collaboration with the First Historical Archives in Beijing and the Second Historical Archives in Nanjing, have jointly undertaken the publication and microfilming of the archival materials relating to the Chinese consular activities and reports in Singapore and Southeast Asia.

A joint publication with the First Historical Archives, which is entitled *Qing dai zhongguo yu dongnanya guanxi dang'an shiliao huibian* (A collection of archival materials pertaining to the relations between Qing China and the various countries in Southeast Asia) appeared in 1998. The volume has collected a total of 521 documents. A number of them contain reports on general conditions of Chinese businesses in the Nanyang.

Part of the Second Historical Archives collection that has been microfilmed contains records documenting the donations made by the numerous businesses and companies in the Nanyang to aid China's various war efforts. The records are mostly correspondence between these enterprises and the Secretariat of the Nationalist Government inquiring if their donations had been received. Some enterprises made regular donations and the amount ranged from a few hundred to thousands of dollars.

In addition, the Chinese Consulates in Penang, Kuala Lumpur and Singapore filed regular reports on the trade and commerce activities of these places from 1928 to 1935. Reorganizations and elections of the Chinese Chamber of Commerce committees in these places between 1927 to 1941 were also reported. Other materials contain reports on the rubber trade, the tin industry, sugar plantations and other agricultural activities, revenue farming (opium, alcohol, etc.), the construction business and so on in the region.

The National and NUS Libraries

The National Library also boasts of an extensive microfilm and documentary collection, especially with regard to newspapers, literature, journals and directories covering not only Singapore but also Malaya (the Federated and Unfederated Malay States before 1941) and the Netherlands East Indies in the nineteenth and early twentieth century,

many of which would be of especial interest to the business historian. The earliest copies of the *Who's Who in Singapore* (from 1918) can only be found in the National Library.

Most of the National Library's archival holdings can also be found in the National University of Singapore Library, namely in the Singapore/Malaysian Collection and the Southeast Asian Collection in the Chinese library. The following are some examples: The Straits Almanac, Straits Settlements Directory, Singapore-Malaya Directory, Fraser's Directory Who's Who in Malaya, (listing of businesses and advertisements can be found in the above publications), Listings of Companies Catalogue, Business Directories, the presses (e.g. the English-language Singapore Free Press and Chinese-language Lat Pau), and The List of Lee Kong Chian Documents, OCBC. (Lee Kong Chian had the reputation of being the Chinese "rubber king" in Southeast Asia. The collection is kept by the Overseas Chinese Banking corporation. Two microfilm reels which contain 76 files of minutes of meetings, correspondence, press clippings and publications for 1955-1967 are also available in the National Archives).

The Commercial Directories and Commercial and Industrial Year Books, kept at NUS, provide listings of addresses and contacts for various businesses in Singapore, including insurance, remittance, textile, furniture, lorry, buses, Chinese medicine, and food ingredients. Also contained in these sources are names of the committee members for some trade associations/guilds, e.g. Chinese Medicine Import and Export Guild. Such publications were usually heavily subsidized by advertisements. The advertisements themselves are a rich source of information. Some also contain reviews on the state of economy and report on the performance of various industries.

Among the Colonial Office Records on microfilm, which were acquired by the NUS Library from the Public Records Office in London, is CO 273: Straits Settlements, Original Correspondence, 1838-1946. The later part of the series contains the Monthly Review of Chinese Affairs for the years 1931-1939 which was compiled originally by the Secretary of Chinese Affairs. It provides brief reports on the commercial and trading activities of the Chinese communities, Chinese remittance shops, the rubber industry, taxation on Chinese goods, industrial and commercial conference, etc. There are also reports on the activities of Chinese Chamber of Commerce (CCC) which includes general matters, registration, involvement in raising relief funds for China and review of rules for the Singapore CCC, as well as others in the region (e.g. Malacca, Negri Sembilan, Peiping, Perak, Shanghai).

This CO collection also contains reports on the activities of some companies, trade associations and labor unions in

Singapore and in neighboring countries. Trade associations include the China Merchants Steam Navigation Company, Chinese Rubber Dealers' Association, Aik Ho Rubber Factory, Tan Kah Kee and Company Limited, Singapore Shoemakers Mutual Aid Society, Nestle Milk Company, Rice Merchants' Guild, Hua Kiow Steamship Company (Muar), Goldsmiths' Guild (Penang), Printers' Guild (Penang), and Rice Dealers' Associations (Selangor). Reports on proprietary clubs like the Ee Hoe Club and Chinese Weekly Entertainment Club can be found in the CO 273. When consulting this large collection, readers may find the *Index to British Colonial Office Files Pertaining to British Malaya*, 1838-1946 (Kuala Limpur: Arkib Negara Malaysia, 1990), compiled by Paul H. Kratoska, a handy reference.

Sources on the Singapore Chinese Chamber of Commerce kept at NUS include the Commercial Monthly, March 1922 and January 1923. (There are also postwar sources on SCCC like annual reports, 1953-1998 and members' directory, 1969-1993). They provide information on the development of the Chamber, the profile and business involvement of the committee members, updates and reviews of business and economy conditions of the time.

In the NUS Chinese Library, there are about 400 souvenir magazines published by the various Chinese clan associations

and business organizations commemorating their anniversaries. Biographies of businessmen/merchants in these publications contain information about the family background of the businessmen, the development of their businesses and their involvement with the society at large.

Final Remarks

The sources on Chinese Business history in Singapore are certainly not lacking. There are still potentially rich sources that are kept by the private companies and individuals waiting to be unearthed. Shipping firms, banks and mercantile houses are among such examples. There is clearly a need for an archival project to uncover and list these sources in order to make them more accessible and to form a more holistic picture of Chinese businesses in Singapore's history. When left untouched and unprocessed, these sources will eventually either disappear or become forgotten with the passage of time.

N.B. For a preliminary Internet search of sources, see:

National Archives of Singapore: http://www.a2o.com.sg/ National Library of Singapore:

http://vistaweb.nlb.gov.sg:80/index.html

NUS Central Library: http://linc.nus.edu.sg/search~/

Contributors

DENISE AUSTIN is an associate of the Chinese Business History Centre at the University of Queensland. She has spoken at conferences in Brisbane, Sydney and Melbourne on Chinese Christians in Australia and published articles in the China Quarterly, Chinese Business History, and the International Institute for Asian Studies (IIAS) Newsletter. She is currently undertaking postgraduate research on the contributions of Chinese Christian businessmen to charity in modern China.

STEPHANIE PO-YIN CHUNG is Assistant Professor of History at Hong Kong Baptist University. Her book (with Esther Chu) Family and Business: Eu Yang Sang Company and the Eus' Family Letters will be published this year in Chinese by the Hong Kong University of Science and Technology. Other forthcoming publications in Chinese are A History of the Hong Kong Chinese General Chamber of Commerce, with Chow Kai-wing and Wong Man-kong (Hong Kong Commercial Press) and A Centennial History of the Hong Kong Movie Industry (Hong Kong, Joint Publishing). In English, she has published Chinese Business Groups in Hong Kong and Political Changes in South China, 1900-25, London: Macmillan, 1998. E-mail: S53096@hkbu.edu.hk

LEO Douw is a lecturer in modern Asian history at the Faculty of Social and Behavioural Sciences, University of Amsterdam. His research is concerned with the modern history of Chinese economic thought and with Chinese transnational entrepreneurship during the twentieth century. Aside from the publications introduced in his article, his publications include with Dai Yifeng, West Fujian, Land and Migration, 1910s-1940s, Xiamen University Press, 2000;

Diasporas and Transnational Institution-Building: Some Research Questions, in Cen Huang, Zhuang Guotu and Tanaka Kyoko, eds., New Perspectives on Chinese Diaspora and China, IIAS/Fujian People's Press, 2000, pp. 4-28.

KENG WE KOH is a Masters' degree candidate in sociology and writing his thesis on the entrepreneurial career of Eu Tong Sen (1877-1941).

CLEMENT LIEW has recently completed his M.A. degree in history with the thesis on "Rooting a Church in an Immigrant Society: The Chinese Catholic Community of Singapore" and is now working as an archival research consultant.

CHIN-KEONG NG is Professor of History at the National University of Singapore. His research interests include maritime history of southeastern China and Chinese diaspora. He has published *Trade and Society: The Amoy Network on the China Coast 1683-1735* (Singapore: Singapore University Press, 1983) and is currently working on a monograph on Fujian in the mid-nineteenth century. His most recent publications include "Maritime Frontiers, Territorial Expansion and *Hai-fang* (Coastal Defence) during the Late Ming and High Qing", in R. Ptak, ed., *Borders and Frontiers of Imperial China*, Weisbaden: Harrassowitz Verlag, 1997, pp. 211-57 and "Challenge and Persistence: Chinese Junk Trade Around 1850", in *Chinese Area Studies Series* 10 (August 1998, Tokyo), pp. 1-17.

Tongbao Wee is a Masters' degree candidate in history, working on Chinese education in Singapore in the 1920s and 1930s.

Chinese Business History

is a bulletin of the Chinese Business History Research Group, an affiliate of the Association for Asian Studies, and is published by the Cornell University East Asia Program. It seeks to develop a more comprehensive understanding of Chinese business and economic history and related areas. We welcome submission of research notes, 'thought' pieces, information on research materials and conference reports.

Manuscripts should be no more than 1200 words. Contact Andrea McElderry

Editor-Chinese Business History
History Department, University of Louisville
Louisville, KY 40292 USA

phone: 1-502-852-6817; fax: 1-502-852-0770 e-mail: <andrea.mcelderry@louisville.edu>

Associate Editors: Robert Gardella, U.S. Merchant Marine Academy; Ch'i-kong Lai, University of Queensland; Elisabeth Köll, Case Western Reserve University; Brett Sheehan, University of Wisconsin at Madison

Managing Editor: Karen K. Smith; Business Manager: Brian Ostrowski — Cornell East Asia Program, Ithaca, NY USA

Calligraphy by Yin Kit Chan, Louisville and New York. Masthead image from *Qingming shanghetu* (Spring Festival on the River), nineteenth century; Gift of Drs. Lee and Connie Koppelman, courtesy of the Herbert F. Johnson Museum of Art, Cornell University



Chinese Business History Cornell University East Asia Program 140 Uris Hall Ithaca, NY 14853-7601 USA

In the Spring 2001 issue

MARK FRAZIER on the State and Labor Management in Republican and Socialist China.

LISA KEISTER on the formation of Chinese business networks.

TOMOKO SHIROYAMA on the Hong Kong conference on Chinese Chambers of Commerce.

Subscriptions

Chinese Business History
Cornell University East Asia Program
140 Uris Hall, Ithaca, NY 14853 USA
phone: 1-607-255-6222; fax: 1-607-255-1388
e-mail: <chbh@cornell.edu>

U.S. \$10 for two issues per year

Makes checks payable to Chinese Business History, or order on the Internet at http://www.einaudi.cornell.edu/eastasia/ publications/cbh/CBHBulletin.htm Mastercard and Visa accepted.

Visit the new CBH Web Site at:

http://www.einaudi.cornell.edu/eastasia/publications/cbh/home.htm