

Reproduced from *Beyond the Myth: Indian Business Communities in Singapore*, by Jayati Bhattacharya (Singapore: Institute of Southeast Asian Studies, 2011). This version was obtained electronically direct from the publisher on condition that copyright is not infringed. No part of this publication may be reproduced without the prior permission of the Institute of Southeast Asian Studies. Individual articles are available at <<http://bookshop.iseas.edu.sg>>

# BEYOND THE MYTH

The **Institute of Southeast Asian Studies (ISEAS)** was established as an autonomous organization in 1968. It is a regional research centre dedicated to the study of socio-political, security and economic trends and developments in Southeast Asia and its wider geostrategic and economic environment. The Institute's research programmes are the Regional Economic Studies (RES, including ASEAN and APEC), Regional Strategic and Political Studies (RSPS), and Regional Social and Cultural Studies (RSCS).

**ISEAS Publishing**, an established academic press, has issued more than 2,000 books and journals. It is the largest scholarly publisher of research about Southeast Asia from within the region. ISEAS Publishing works with many other academic and trade publishers and distributors to disseminate important research and analyses from and about Southeast Asia to the rest of the world.

# BEYOND THE MYTH

INDIAN  
BUSINESS  
COMMUNITIES  
IN SINGAPORE

JAYATI BHATTACHARYA



INSTITUTE OF SOUTHEAST ASIAN STUDIES  
*Singapore*

First published in Singapore in 2011 by ISEAS Publishing  
Institute of Southeast Asian Studies  
30 Heng Mui Keng Terrace  
Pasir Panjang  
Singapore 119614

*E-mail:* [publish@iseas.edu.sg](mailto:publish@iseas.edu.sg)

*Website:* <http://bookshop.iseas.edu.sg>

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of the Institute of Southeast Asian Studies.

© 2011 Institute of Southeast Asian Studies, Singapore

*The responsibility for facts and opinions in this publication rests exclusively with the author and her interpretations do not necessarily reflect the views or the policy of the publisher or its supporters.*

---

#### ISEAS Library Cataloguing-in-Publication Data

---

Bhattacharya, Jayati.

Beyond the myth : Indian business communities in Singapore.

1. Indians (Asian people)—Singapore—Economic conditions.
2. Businesspeople—Singapore.
3. Business enterprises—Singapore.
4. Trade associations—Singapore.
- I. Title.

DS610.25 I3B57

2011

ISBN 978-981-4311-36-6 (soft cover)

ISBN 978-981-4345-27-9 (hard cover)

ISBN 978-981-4311-37-3 (E-book PDF)

---

*Cover photo (top right):* Singapore River at present. Photo taken by the author, 2011.

*Cover photo (bottom):* Singapore River, 1960s. Photo from the Kouo Shang-Wei Collection. Reproduced with kind permission from the Family of Kouo Shang-Wei and the National Library Board.

Typeset by Superskill Graphics Pte Ltd

Printed in Singapore by Mainland Press Pte Ltd

*Dedicated to My Family*



# CONTENTS

<i>List of Map, Tables and Figures</i>	ix
<i>Message by Mr R. Narayanmohan</i>	xi
<i>Foreword by Professor Tan Tai Yong</i>	xiii
<i>Message by Ambassador K. Kesavapany</i>	xvii
<i>Acknowledgements</i>	xix
<i>List of Abbreviations</i>	xxiii
Introduction	1

## PART ONE

Chapter One	Making Singapore their Homeland: The Early Indian Migrants to the Lion City	23
Chapter Two	The Post-Independence Period: Changing Dynamics and the Shift in Business Activities	91
Chapter Three	Taking Strides into the Future: Transition and Transformation of the Indian Business Communities	139

**PART TWO**

Chapter Four	Business Associations and Organizational Networks	199
Chapter Five	The Indomitable Entrepreneurs: Three Case Studies	255
	Conclusion: Surging Forward	302
<i>Appendices</i>		
	Appendix I	321
	Appendix II	326
	<i>Select Bibliography</i>	327
	<i>Index</i>	347
	<i>About the Author</i>	371

# LIST OF MAP, TABLES AND FIGURES

Map 1.1	The Indian Enclaves and Centres of Business Activities	33
---------	--------------------------------------------------------	----

## Tables

3.1	Resident Indians in the Singapore Demography	176
3.2	Average Household Income of Indians in Singapore	176
4.1	SICCI Membership Beyond 2000	226
5.1	Some Acquisitions and Joint Ventures of Olam International	265
5.2	Some Milestones in the Growth of Chemoil	284
5.3	Profit Figures of Chemoil	289

## Figures

2.1	The Ethnic Indian Population in Singapore over the Years	96
3.1	Interdependence of Economic and Political Interests	150
3.2	Singapore-India Trade Figures	161
3.3	Comparative FDI in Singapore from Select Asian Countries	171

4.1	Changes in the Composition of SICCI Members	227
4.2	SICCI Membership and the Indian Business Entities in Singapore: A Comparison	229
5.1	Kewalram Chanrai Group	269

# MESSAGE

Dr Jayati Bhattacharya's book is a much-awaited work on the ethnic Indian business communities in Singapore. It analyses the subject comprehensively through different time periods and in different socio-political contexts. The book will make interesting reading beyond academia and the business world.

On behalf of the Singapore Indian Chamber of Commerce and Industry, I would like to congratulate Dr Bhattacharya. I wish her good luck in her future academic endeavours.

*R. Narayanmohan  
Chairman  
Singapore Indian Chamber of Commerce  
and Industry (SICCI)*



# FOREWORD

Since the pioneering work of Kernail Singh Sandhu and S. Arasaratnam, studies of Indian communities in Singapore (and Malaya/Malaysia) have grown significantly in scope and content. Even before “Diaspora Studies” became topical, a spate of scholarly and popular accounts, detailing the rich diversity and spread of overseas Indians in Southeast Asia, published in the 1970s and 1980s, has enriched our understanding of the movement to, settlement in, and socialization of Indian communities in their adopted homelands outside the Indian subcontinent. The monumental trailblazer, *Indian Communities in Southeast Asia*, edited by K.S. Sandhu and A. Mani (first published by the Institute of Southeast Asian Studies in 1993, and reprinted in 2006) marked a significant scholarly milestone in the development of the field by bringing together, in one volume, in-depth analyses of Indian communities settled in various parts of the region. This was followed in 2006 by the publication of the *Encyclopedia of Indian Diaspora*, produced by a group of scholars from the National University of Singapore, which is, to date, still probably the most comprehensive and authoritative account of the global South Asian Diaspora. Close at its heels was the sequel to the earlier book by ISEAS, *Rising India and Indian Communities in East Asia*, edited by K. Kesavapany, A. Mani and P. Ramasamy (published in 2008), which provided scholarly perceptions of the changes and

transformations of Indians in East Asia with India's economic rise. Scholars in Singapore have, in many respects, provided an intellectual lead on research on the Indian Diaspora.

Continuing in that tradition, this volume is a useful addition to the expanding literature on the Indian community in Singapore and its major contribution lies in the fact that it is perhaps the first to focus exclusively on the local Indian business community. Taking a long view of the historical association of Indian business communities with the development of Singapore, the author explains the roles played by these communities in the country's modern economic history. Since its inception as a colonial port city, Singapore has attracted business and commercial classes to its shores. Among them were Indian trading communities, which already had their own long history of engagement with this part of the world. Setting up bases in Singapore, these commercial classes grew their businesses across the Indian Ocean through intricate and expanding trading networks, based mainly on family and kinship ties. The economic and social features of the commercial communities were, in the main, defined by the spaces and contexts of these transnational networks. This particular phenomenon is explained in this volume, which traces the evolution of the Indian business community and their commercial networks through a rich narrative of human and institutional accounts. Through these narratives, we have a well-told story of the manner in which business structures and practices have evolved in the changing contexts of Singapore's development, from colony to nation-state and global city. In the stories recounted in this study, the theme of adaptation features prominently. While staying true to their commercial calling, many enterprising business individuals and families were able to leverage on new opportunities, such as the economic rise of India, to grow and diversify their business portfolios. In this regard, the stories in this volume do not focus

on the familiar themes of migration and settlement; rather, they reveal new and interesting dimensions on social change, network negotiations, organizational evolution and business strategies.

Writing business history is never a simple enterprise. The writer who needs to ground the account on sources and data will be frustrated by the inevitable dearth of useful sources in the public domain. Understandably, family businesses tend to guard their privacy, and will not readily divulge trade practices and business strategies for public scrutiny. This current study has obviously encountered some of these difficulties. Still, the writer should be commended for presenting a useful and interesting narrative, combining the histories of individuals, families and organizations in place of a “dry as bones” data-dominated economic history. Set in the contexts of Singapore’s socio-economic development, this is a story of many parts: it is part social history; part business history; and part history of Singapore.

*Tan Tai Yong*  
*Professor of History*  
*National University of Singapore*



# MESSAGE

In mid-2007, Dr Jayati Bhattacharya had approached me with this research proposal. It looked like a difficult proposition in view of the limited available sources on the subject. Gradually, as she began exploring different avenues for source materials, we had further discussions and the proposition looked feasible. What has been achieved is an analysis of the broad history of Indian business communities in Singapore spanning roughly over a century and a half. The book is the coordination and contextualization of the thoughts and ideas of the participating businessmen and entrepreneurs who have lived through different phases of Singapore's modern history. It is to Dr Bhattacharya's credit that she has ventured into an area that none had done so in the past. A book-length study of this kind has not been attempted before.

In recent decades, especially with the dawn of the new century, Singapore-India relations have attained new heights with an intensity of bilateral exchanges on the political, economic and social fronts. Against this background, a study of the different aspects of the multi-dimensional facets of Singapore-India relations could not have been more opportune. The signing of the Comprehensive Economic Cooperation Agreement (CECA) has further catapulted the volume of bilateral trade.

If Indian liberalization programmes in the 1990s has ushered immense opportunities of development for Indians, both on their home ground as well as abroad, Singapore has ably managed to attract a large pool of professional and entrepreneurial talent to enhance its status as a knowledge-based economy. Singapore has also served as a base for Indian companies to expand their venture into the Asia-Pacific region. As such, the complementary policy initiatives of both the states have been advantageous to business communities on both sides and have catalyzed and contributed to the “rising Asia” phenomenon. These changing paradigms of thought and action have been addressed in this research work. This book could pave the way for further research on lesser-known aspects of such linkages and connectivities in Southeast Asia.

ISEAS is happy to support this work by a young scholar from India now settled in Singapore with her family.

*K. Kesavapany*  
*Director*  
*Institute of Southeast Asian Studies*  
*Singapore*

# ACKNOWLEDGEMENTS

This research work has been a difficult and demanding journey, but, a fruitful and fulfilling one. There are innumerable people who have supported and helped me, directly and indirectly, to achieve this task. I express my heartfelt thanks to all of them and my sincere apologies for not being able to mention all the names individually.

I owe my deepest gratitude to ISEAS Director, Ambassador K. Kesavapany, without whose support and confidence, the book would not have seen the light of the day. He had given me the opportunity of joining ISEAS as a Visiting Research Fellow to work on this project and has been a constant source of encouragement throughout this academic journey. I shall remain ever thankful to the Institute and to Ambassador Kesavapany for nurturing my academic pursuits. I would also like to thank the Singapore Indian Chamber of Commerce and Industry (SICCI) for financially supporting this project and many of its members for sharing their time and valuable information. I would especially like to thank Mr Predeep Menon, former CEO and Executive Director of SICCI, for his patience and endurance during our various interactions and long meetings, and for sharing his insights into the Indian business community in Singapore. The present Chairman of SICCI, Mr Narayanmohan, has also helped me by sharing his long years of entrepreneurial experiences in Singapore and giving important inputs.

I owe my gratitude to all the members of the Indian business community who spared their most scarce resource, that is time, to enlighten me with their point of views on various aspects related to this research, without which this project could not have been completed. I would like to specially mention Mr Inderjeet Singh, Member of Parliament in Singapore and an established entrepreneur; Mr N.G. Chanrai, Director of Kewalram Group of Companies; Mr Sunny Vergese, CEO of Olam International Ltd. and Chairman of IE Singapore; Mr Vijay Iyengar, Director of Agrocorp and former Chairman of SICCI; Mr T. Chandroo, Director of MMI International; Mr Rajakumar Chandra, owner of JSFS in Little India and President of LISHA; Mr G. Shanmugam, owner of Gayatri Restaurant and President of IRA(S); Mr Haider Sithawalla, Director of KSP Group of Companies and Non-Resident High Commissioner to Mauritius and Zimbabwe; Mr J.M. Jumabhoy, former President of SICCI and retired entrepreneur, who in spite of his frail health, talked to me for a considerable length of time; and Mr George Abraham of GA Group Pte. Ltd. and former CEO of SICCI, for sharing their thoughts which enriched my research. Mrs Vivian Chandran, wife of late Robert Chandran, the founder of Chemoil had been very kind to send her comments and feedback after reading my case study on the organization. I am very thankful to her for that. My sincere thanks to Mr V. Vasudevan, Director of Delta Exports Pte. Ltd., who by his narratives introduced me to the Indian business scenario for the last few decades and helped me to formulate fresh perspectives in research at the very outset, and Mr Chhatru Vaswani for not only spending time with me for prolonged discussions and providing research materials on the Sindhi business community, but also translating many of the early Sindhi documents in English for my research.

The Indian High Commission in Singapore has been very supportive in providing me with various documents and allowing me to use its library. The conversations with HE Dr S. Jaishankar, former High Commissioner of India to Singapore, and Mr Rajesh Sachdeva, former Deputy High Commissioner of India to Singapore and Dr K.N. Raghavan, First Secretary (Commercial) have been extremely useful in influencing various aspects of this research. The staff at the National Archives of Singapore, the Asian Civilizations Museum (ACM) and the National Library Board (NLB) have been most cooperative in providing various documents, manuscripts and photographs which have gone into the making of this book. Special mention needs to be made of Dr Gauri Krishnan, Deputy Director, ACM, for her help and support. For the translations from various Tamil sources, Ms Valli Meyappan, currently a student at Nanyang Technological University, has ably assisted me as well as in transcribing interviews and other oral history sources.

My colleagues at ISEAS have been my relentless source of inspiration and strength. Dr Vijay Sakuja, former Senior Visiting Research Fellow at ISEAS, patiently bore the brunt of the initial sounding board of my ideas. Professor A. Mani, Dr Geoff Wade and Mr Asad-ul Iqbal Latif helped by proofreading and giving their comments of the different sections of the manuscript. I am also thankful to Dr Tansen Sen, Head of the Nalanda-Sriwijaya Centre at ISEAS, for his support and initiative in publishing the book in India as well. My heartfelt thanks to Mr Mustafa Izzuddin for sharing his inputs on the Bohra community and to Dr Jayani Bonnerjee for reading my manuscript. I also thank Ms Rinkoo Bhowmik for helping me with suggestions on the book cover. My colleagues at the Administration Unit and the ISEAS Library deserve special mention for their ever-willing-to-help gestures. A very special

thanks to Mrs Triena Ong, Head of ISEAS Publications Unit, for her prompt, precise and professional way of handling the necessary details of publication, and to Ms Sheryl Sin, my copy editor, for her timely suggestions.

On a more personal note, I owe my special thanks to my mentor and teacher, Professor T.K. Roy Choudhury, who has always encouraged and guided me in my quest for knowledge and research, and instilled in me the confidence to surge forward. Above all, I will forever remain indebted to my family for their forbearance and constant support. My husband, Mr Prasenjit Bhattacharya, has been my biggest source of motivation. In spite of his hectic schedules and vigorous travelling for his corporate job, his timely suggestions and critiques were of invaluable help. I have also derived strength from my daughter, Noushka, who has patiently sacrificed many irreversible “mother-daughter moments” for my research work. I will ever be indebted to her for her understanding and composure, little expected from her kindergarten years. I hope that she grows up to believe that her sacrifices were all for a good cause.

I also wish to thank the anonymous reviewers, whose suggestions have helped me improve the manuscript. However, I am solely responsible for any errors and mistakes that might remain.

*Jayati Bhattacharya*

# LIST OF ABBREVIATIONS

AIT	Approved International Trader
ASEAN	Association of Southeast Asian Nations
CECA	Comprehensive Economic Cooperation Agreement
CII	Confederation of Indian Industries
CUP	Cambridge University Press
EDB	Economic Development Board
EDC	Enterprise Development Centre
FASS	Faculty of Arts and Social Sciences
FDI	Foreign Direct Investment
FICCI	Federation of Indian Chambers of Commerce and Industry
FTA	Free Trade Agreement
GIBS	Global Indian Business Summit
GLC	Government Linked Company
HEB	Hindu Endowments Board
IBF	Indian Business Forum
ICT	Information and Communication Technology
IDA	Infocomm Development Authority of Singapore
IE	International Enterprise
IMA	Indian Merchants Association
INSEAD	Institut Européen d'Administration des Affaires (European Institute for Business Administration)
IPCS	Institute of Peace and Conflict Studies, New Delhi

---

IRAS	Indian Restaurant Association of Singapore
ISAS	Institute of South Asian Studies
ISEAS	Institute of Southeast Asian Studies
IT	Information Technology
JSFS	Jothi Stores and Flower Shop
JSG	Joint Study Group
LIRA	Little India Restaurants Association
LISHA	Little India Shopkeepers and Heritage Association
MOIA	Ministry of Overseas Indian Affairs, New Delhi
MOU	Memorandum of Understanding
MRA	Mutual Recognition Agreement
NAS	National Archives of Singapore
NLB	National Library Board
NRI	Non-Resident Indian
NUS	National University of Singapore
OUP	Oxford University Press
PBD	Pravasi Bharatiya Divas
PIO	People of Indian Origin
PNYI	Professional Network of Young Indians
QFB	Qualifying Full Bank
RAS	Restaurant Association of Singapore
RIS	Research and Information System for the Non- Aligned and other Developing Countries, New Delhi
SAAG	South Asia Analysis Group
SASP	South Asian Studies Programme
SBF	Singapore Business Federation
SCCCI	Singapore Chinese Chamber of Commerce and Industry
SEB	Small Enterprises Bureau
SFCCI	Singapore Federation of Chambers of Commerce and Industry
SIBA	Singapore Indian Business Association

---

SICC	Singapore International Chamber of Commerce
SICCI	Singapore Indian Chamber of Commerce and Industry
SIEA	Singapore Indian Entrepreneur Awards
SMCCI	Singapore Malaysian Chamber of Commerce and Industry
SME	Small and Medium Enterprises
STB	Singapore Tourism Board
TDB	Trade Development Board
URA	Urban Redevelopment Authority
VLCC	Very Large Crude Carrier
WGT	Working Group on Trade
WIN	Women's India Network

# INTRODUCTION

Conventional historiography has had a tendency of associating the migration patterns of Indians to considerations of amelioration of their livelihood standards that was facilitated by the mechanisms of a hegemonic colonial economy and administration. Traditionally, attention has been generally focused on that largest segment of the minority ethnic groups of the region, a large social component of which comprised of migrant labour. Contrary to popular belief, large scale transnational flows of capital, goods and people were often well-organized into efficient systems of networks through different phases in history. In spite of intra-community differences in matters of castes or religion, these transnational connections were carefully bound by kinship ties and community networks that facilitated their global outreach much before the colonists had appeared on the scene.<sup>1</sup> Colonial intervention prompted them to reorganize and negotiate their business activities emerging out of opportunities and conveniences in the macroeconomic structure of colonial hegemony. Right from ancient times, Asia was in the throes of globalization that was demonstrated through the extensive trading systems within Asia, that is, China, Southeast Asia and India that extended as far as the trading systems of the Persian Gulf and the Mediterranean territories. Asian states expeditiously demonstrated their capacity and capability to harness the benefits of globalization prior to the arrival of the

colonial rulers. In that context, it would be helpful to remember that even in the nineteenth century Asia contributed around one-third of the global economy.<sup>2</sup>

That the Indian business communities are a minority amongst a minority in the demographic structure of Southeast Asia cannot be contested, but their importance, both economically and socially, requires attention and consideration of greater analysis and research. For the people of the Indian subcontinent, the interregional spatial mobility had not been an introduction of the colonists — the traders, merchants, pilgrims and mariners were, in the words of Sugata Bose, tied to the world of the Indian Ocean “by webs of economic and cultural relationships” ... with “flexible internal and external boundaries”.<sup>3</sup> This book makes an effort to draw a linear narrative of the ethnic Indian business community through the generations, particularly since the coming of Raffles to the island, dealing with its heterogeneities and complexities in matters linguistic, economic and cultural, and attempts to situate them in the larger framework of the multicultural background in the Singapore milieu.

The study of annals and movements of business communities is a digression from the conventional paradigms of sociological and anthropological narratives of the diaspora, though also closely associated with the peoples’ movements in multifarious trajectories. It encompasses a broad organizational terrain of vertical and lateral networks<sup>4</sup> that serves as forms of incorporation and integration in the host country and their relationship with the complexities of economic networks. Almost all voluntary mobilities could be related to better economic opportunities and is articulated through the flows of people, capital and, now, knowledge. The traditional paradigm of the exchanges of labour and capital has been shifted to the contemporary transnational global networks connecting the home country with economic

exchanges like remittances, commercial networks, investments or philanthropic sponsorships. In the circulation of population, money, goods and information, players have changed and global world of capital has shifted through generations.

## I

Ancient Indian history is replete with numerous examples of explorers, traders and pilgrims between India and different parts of the world, almost since the age of Emperor Augustus in Rome (around 30 BC) when maritime trade flourished between Rome and India. The discovery of the Monsoons in AD 40<sup>5</sup> had encouraged and increased traffic of maritime commerce and political activities both in the Red Sea and the western coast of India as well as the Southeast Asia and the eastern coast. Ships sailed from the port of Tamralipti (a coastal area in modern West Bengal, India) to Suvarnabhumi (the land of gold; the Sanskrit name for modern Sumatra) through the Andaman Sea through the Ten Degree Channel in the winters to arrive in the west coast of Malaya.<sup>6</sup> From there they sailed through the Straits of Malacca to lower Sumatra and Borneo. The items of trade included silk, textiles, spices, jewels, medicinal drugs, incense, china and glass, which were carried further westwards to the Arabian and Greek merchants. This is not to reiterate the geopolitical theory of the subcontinent's hegemony from "Aden to Southeast Asia" in comparison to the later period of colonial suzerainty in a similar domain, used as a point of reference by some scholars to draw a similarity in ancient India<sup>7</sup> with the British supremacy in the Indian Ocean. It might, however, be regarded as rather a broader aspect of cultural influences and interactions culminating from continuous trade exchanges for generations with the Southeast Asian states. There had been sporadic political engagements, but

the impact had been far more long-lasting and deep-rooted than any political invasions. Even in political dimensions, Indian rulers have, in certain cases carried out a policy of vassal states, granting autonomous power to the conquered both within the territorial borders of the subcontinent and elsewhere. The paradigm of comparative analysis between the much more politically belligerent and economically aggressive colonial rule with the approach of Indian influence rests on unsteady grounds.

Well-established trade routes, both through the land and the sea formed the major source of connectivity for economic, political and cultural exchanges for the Indian subcontinent throughout the world. Added to it was the political patronage and expansion from different regions and times. In the North, the Kushanas had a formidable influence in many parts of China that had helped to build extensive trade networks. Besides, the famous Silk route took back trade linkages to two millennia. The Cholas of South India had promoted a flourishing maritime trade with the Malaya archipelago<sup>8</sup> and thus encouraged economic and cultural exchanges. Their political pursuits took them as far as Sri Vijaya (modern day Indonesia) and beyond. The existence of merchant guilds and several edicts and inscriptions in South India depicting rules and norms laid down for foreign merchants<sup>9</sup> directly reveal the extent of trading facilities and practices enjoyed by the foreign merchants. The spread of Hinduism and Buddhism in ancient India to Southeast and East Asia and its consequent acculturation also played a significant role in the Indian influence over a large part of Asia. With a wide network of well-established trade routes, both by land and sea, it seems that the interaction and trading activities had never ceased, but the dimensions became different. With the onset of colonization from seventeenth and eighteenth century onwards, the nature and style of indigenous rules and norms gave way to a more imposed and westernized structural

framework of operations. “Indian” and “Indianness” in the Asian perspective, suddenly changed its meaning to cater to the trends of modern colonization and imperialism.

In the circulation of populations across the Indian Ocean, there were constant efforts at integration and consolidation which resulted in unique manifestations, both in the economic and cultural dimensions. In the present context of the Indian business diaspora in Singapore, the complexities and overlapping interests of different groups of traders and businessmen form an interesting study in terms of the various aspects of these trading bodies, their methods of operation and their trade links, both within and outside Singapore and also their mobility and progress, both in terms of business and social status. This work is an attempt to bring forth certain aspects of the Indian linkages to Southeast Asia, particularly Singapore, deconstructing the acclimatized notion of earlier Indian presence, more simplistically put in the conventional history of Singapore solely as either convicts or indentured labour. As it has been generally believed, “Wherever the system exists, there the Indians are only known as coolies, no matter what their position might be.”<sup>10</sup> While the presence of Indian labourers was an undeniable truth, it need not obliterate the constant presence in Singapore and other parts of Southeast Asia of traders and merchants from different regions of India. The symbolic story of Narayana Pillai (refer to Chapter 1 for further details) starts with the arrival of Raffles into the island nation. The establishment and development of a trading port here by the British undoubtedly facilitated the activities of the Indian merchants and traders, but this was only a part and process of continuity established long before in the region. Referring to the Indian Ocean economy involving the Indian and the Chinese participation in trade and finance, Rajat Kanta Ray, in one of his essays, argues that it formed “a distinct

international system that never lost its identity in the larger dominant world system of the West.”<sup>11</sup> The existence of this indigenous system of networks and business operation is further exemplified in Claude Markovits’ work on the Sindhi merchant community.<sup>12</sup> Scholars like Rajeswary Ampalavanar Brown has also had considerable researches on Indian participation in the Asian business networks as well, both of them emphasizing on the indigenous connections and commercial links that was well synchronized and efficient.<sup>13</sup>

The present research forms an initial attempt to situate Indian business communities in Singapore in the course of their negotiation with the political, economic and social forces at different periods of time in the island nation, and thus makes an effort to contest the “myth” in the context of the composition of the Indian diaspora. It makes a modest beginning in terms of addressing the vast scope of scholarship that exists in the relatively unexploited terrain in the study of diasporic Indian business communities beyond the conventional constructed notions of the demographic structure in the gradual growth and development of the communities in different parts of Southeast Asia. There have been only a few researches which are devoted to the study of the Asian systems of trade networks through the lenses of a less Euro-centric vision. Takeshi Hamashita has rightly argued that the formation and functioning of the Asian trade networks had been propelled by forces emerging from within Asia and not essentially “formed” by the impact of Western hegemony, but rather “organized” and developed by them to an extent.<sup>14</sup> Chandra Jayawardena, while making a survey of the migratory Indians contends that the “development of colonial economies also created several commercial and petty industrial opportunities at those points where the Western capitalist economy articulated with the indigenous rural economy.”<sup>15</sup> Both the Indians and the

Chinese commercial migrants had been able to tap these lucrative opportunities successfully and “provided the entrepreneurs who settled in the nooks and crannies of the colonial economies”.<sup>16</sup>

Set in the paradigm of continuity and connectivity of the South Asian trade network with Southeast Asia and the world, this research work looks at the colonial and the post-independent phase in Singapore, recognizing the long-lasting presence of the Indians in the commercial world and the metamorphosis that it underwent at subsequent stages of nation-building and globalization. The chosen form of multiculturalism in the post-colonial phase, as in Singapore, promoted, as Clammer suggests, a “blending of differences and co-existence of alternatives within the same spatial contexts”.<sup>17</sup> The Indian business communities then faced the challenges of restructuring themselves in the national framework of industrialization and technical innovations. It might be interesting to note how with all distinct and quite complex characteristics of the different ethnic bodies, they could apparently position themselves, parallel with other groups, within the larger framework of the Singaporean system.<sup>18</sup> The policy initiatives and the integrative approach of the Singaporean Government helped maintain the diasporic networks and retention of cultural roots, and at the same time fitting well with the multi-ethnicity propagated since the post-independence years. The present discussion on Indian business communities have, however, often been situated in the larger social and political context of the Indian communities to help provide a more comprehensive understanding of their changing rhetoric in geopolitical and sociocultural dimensions.

With the new waves of globalization, condensed geopolitical boundaries and increasing influence of consumer capitalism, there have been further challenges of negotiations in the circulatory movements of a mobile diaspora within Asia and beyond. The

rise of post-colonial deconstruction and post-modern trends in Asian historiography and contemporary transnationalism has been notions that are well-accepted and deal with the mobile groups of people across fluid boundaries facilitated by the high technological innovations. Steven Vertovec has thus defined the present phenomenon:

Transnationalism describes a condition in which, despite great distances and notwithstanding the presence of international borders (and all the laws, regulations and national narratives they present), certain kinds of relationships have been globally intensified and now take place paradoxically in a planet — spanning yet common — however virtual — arena of activity.<sup>19</sup>

Similar notions on issues of migration and territorial spaces associated with it have been in resonance with Robin Cohen who has pointed out that “transnational bonds no longer have to be cemented by migration or by exclusive territorial claims.”<sup>20</sup> The concepts of “shared imagination” and common consciousness of the diasporic overtures have been complemented by global economic networks, the transnational corporations (TNCs) and the multinational corporations (MNCs) resulting in the new cultural dynamism.

The twenty-first century phenomenon, surfacing from the post-Cold War days, attempts to disseminate and diffuse commercial linkages beyond geographical boundaries with the emergence of the “knowledge economy”.<sup>21</sup> The bulk of economic productivity and wealth in contemporary times has been generated by knowledge, which has transcended beyond political boundaries to capture the expansive world market and integrate production through means of global networks, almost defying “state surveillance”.<sup>22</sup> Rather, the national policy initiatives of different emerging economies have been modified

to circumvent this development and have encouraged a greater global integration. The Indian diaspora has come to be an active participant in this global phenomenon, which coincides well with the “Rise of Asia” and transmigrational mobility in the interplay of Asian market forces. This has generated a new growth trajectory in the plethora of commercial activities, which has little resemblance to the traditional position of the community in Singapore as well as in the rest of Southeast Asia. Building on the threads of historical connectivity and shifting through the various phases of market functions in Asian history, the growth trajectory of the Indian communities has gone much beyond the conventional diasporic thought processes and myth of shared homeland and spaces. The emerging diasporic consciousness is more about “multiplicity of histories, ‘communities’ and selves ...”<sup>23</sup> and the new “transnational imaginary”.<sup>24</sup> The entrepreneurial fluidity across the boundaries and increasing global virtual connectivity has prompted it to be more a matter of conveniences than compulsions.

The Indian mercantile communities, even prior to the colonial times, had been a heterogeneous group representing a wide range of commercial activities from peddling to highly developed regional and international trading and finance operations. In spite of the heterogeneity, as Claude Markovits points out, there was a general pattern in the operational mechanisms where great importance was given to the family and there was a “predominant role of the *baniyas*”,<sup>25</sup> the merchant caste of the Hindus and the Jains. One of the notable attributes of the existing system was the institution of guilds,<sup>26</sup> which were strong associations of ethnic merchants bonded with well-defined codes of conduct (this was much before the evolution of the Chambers of Commerce). There was also the unique system of *hundi*, the indigenous bills of exchange and the highly organized system of circulating credit facilities among the ethnic merchant bodies. These clearly reflected

the existence of sophisticated and efficient regional mercantile entities as well as the successful functioning of the intra-ethnic networking of these communities. Some of these ethnic bodies like the Gujaratis, the Sindhis, the Chettians and eventually the Punjabis (the Punjabis came much later than the others) looked beyond the seas from early times and became dominant trading and commercial groups in the Southeast Asian waters. The spread of British colonial wings in these waters facilitated the commercial exchanges with similar administrative structures, communication networks and infrastructural facilities on the one hand, but at the same time marginalizing the indigenous, self-sufficient networks with the over-looming economic and political hegemony on the other. The network of migratory Indian merchant bodies, according to some scholars, "operated outside the purview or interest of the colonial state".<sup>27</sup> However, it might be argued that they remained effective in the inland distribution system of manufactured goods, expanding the market for the colonialists in the hinterland trade, interacting with them at some nodal points and entrepot ports. While the Indians, pushed to the periphery, set to modify, recast and negotiate their entity with the needs of time, history was being re-written with Western notions gradually altering the established equations of the indigenous merchant diasporas and dynamic Oriental uniqueness, partly due to their inability to comprehend the complexities involved and partly ignoring them with hegemonic assertiveness.<sup>28</sup>

Set in the retrospect of colonialism, the history of Indians in Singapore is as old as the coming of Raffles to this island in 1819. Indian immigration mostly continued through import of Tamil labour to toil on public works, ports and plantations. Labourers continued to be a major element of the community and even in 1957 about 44 per cent of working Indians on the island were labourers.<sup>29</sup> However, there were other groups, one comprising

of the English-educated middle class employed in clerical and technical positions, the other consisting of highly professional individuals earning high remunerations. Yet another group existed — the commercial sector, comprising of capitalists, entrepreneurs, middle-level traders as well as small hawkers and peddlers. The heterogeneity of their activities as well as their diverse ethno-linguistic genealogy has facilitated to portray the image of the group as “communities” rather than loosely generalizing it with an imposed homogeneity. Even in contemporary parlance, where one might argue about a homogeneous entrepreneurial zeal and considerable social mobility, there has been witnessed an inescapable divide in the mindset of the different generations of ethnic Indian business migrants in Singapore, and the existing contested beliefs and convictions within the community cannot be ignored. At the same time, there are certain elements of cohesion from the broader perspective of diasporic connectivity with the Indian subcontinent — the “unity in diversity” factor, which imparts an external homogeneity to ethnic Indian roots. With this duality and ambivalence, one is tempted to use the reference of both “the community” and “communities” as and when applicable.

## II

Construction of the hypothesis has followed a pattern of a storyline with occasional vignettes of small details and mundane trade practices, which has been significant and helpful in the course of the narration. Kishore Mahbubani in his book writes, “Most people relate to human stories, not to statistics.”<sup>30</sup> One could opine that narratives are sometimes more significant than mere statistical figures. However, the sparse statistical data within the study has not always been intentional. The dearth of

adequate statistical information has made scholarship undertaken in this area of study a complex proposition, which has been well-accepted by historians and other researchers working in this area, motivating them to look for circumstantial evidences, oral history sources and other sources of information to support their hypothesis.

Whereas European companies and countries contain rich sources amenable to statistical treatment, that is not the case for many economies in the Indian Ocean and the China Sea. That explains why many ...authors use biographical sources and anthropological research to fortify their cases. However, to dismiss their findings because of lack of statistical information would be a serious mistake.<sup>31</sup>

The methodology for the research has been based on relevant, though inadequate archival materials, several newspaper articles, oral history sources, related secondary sources and extensive conversations with the members of the business communities. The available sources at the British libraries and archives could not be used due to several constraints as also the exhaustive use of Tamil publications. However, Some Tamil and Sindhi primary and secondary sources have been translated and utilized in the hypothesis. About fifty interviews and short conversations have been conducted covering different sectors of trade as well as from different levels of economic strata. However, there were limitations regarding the interviewees' willingness to converse and their extremely guarded approach. The websites of the related business organizations have also been used quite liberally, especially for the case studies to obtain information regarding their enterprises. The names of a few individual entrepreneurs and their business concerns have been mentioned in the research work, sometimes with some details. These have been done indiscriminately with no deliberate attempt to highlight any particular firm or

person, but to exemplify the hypothetical analysis and fit the narration into the thread of continuity of different generations of businessmen and enterprises. Besides, the mention of specific personal narratives also helped the study to be more informative on the entrepreneurial ventures of the community. However, this work does not serve as a directory of business names but rather analyses and theorises different perspectives on the community as a whole.

The term “Indian”, used in the research had been initially applied to people from all over the subcontinent, not really conforming to the political distinctions and barriers. As regards the social construct in the colonial days, the affiliation and allegiance of community sentiments of the ethnic Indians was more linguistically based, as was often witnessed in the sub-community stratification of the enclave structure in the island nation. Thus, in this study, for earlier times, the term, “Indian” has been used in accommodating, on many occasions, the larger populace of the subcontinent. However, in the post-Partition era, that is, beyond 1947, identification of an Indian has been confined within the Indian political boundaries, lest it offends different national sentiments.

This book is divided into two parts. The first part deals with a connecting narrative of three different phases of time — colonial, post-independence and contemporary, which are dealt with in the first three chapters. Even though a rigid timeline has not been drawn, the period from the coming of Raffles to Singapore, that is, 1819 to the recent year of 2008 has mainly been in focus in the research. The first chapter deals with situating the Indian business migrants under colonial hegemony in their structural landscapes and their intra-ethnic networks as well as interaction with the colonial economy until 1963. However, while discussing several ethnic groups of trading and merchant bodies, references have also been made to the contemporary context of their situation,

without which the discussion would have remained abrupt and irrelevant. Similarly, many of the enterprises that have been discussed in the second chapter had its genesis in the earlier period; however, the period of their progress and prominence had been the post-independence era. Thus, compartmentalizing the different periods along with the enterprises, in a very strict sense of the term, could not be followed. In the second chapter, the business migrants are shown to have had to re-negotiate their space under the new political and economic order in the post-independent period in Singapore, with rapid strides in industrialization, technological innovations and competition in a free market economy leading to subsequent diversification by traditional merchant bodies. In the third chapter, another phase begins with the end of the Cold War, which witnessed a re-shuffle in the economies and political affiliations in Asia as in the rest of the world. It also saw the phenomenal rise of two developing nations in Asia — China and, within a decade, India. These global changes brought about a reorientation of the geopolitical scenario in Asia thereby bringing about an enhancement of bilateral relations between Singapore and India, ushering in a new period of economic transition amongst the ethnic Indian business communities. There has been an influx of a number of Indian companies into Singapore, who are subsidiaries and arms of their Indian counterparts, but conform to Singapore's legal conditions, thus forming a part of the Indian business diaspora. The third chapter examines the transition both in terms of current economic progress and new trends in migration.

The second part of the book attempts to deal with various associations and enterprises that have evolved over the time period mentioned in the first section. It begins with Chapter 4, looking at the various ethnic Indian business organizations that have developed in Singapore to give voice to diverse interest

groups. It engages with numerous associations and networking bodies established by the various regional groups at different periods of time, with Singapore Indian Chamber of Commerce and Industry (SICCI) eventually emerging as the most prominent one, but also examines the relations between them and their relevance to the bigger Singaporean community on the whole. Efforts have also been made to look at their interrelationships with similar organizations of other ethnic groups. The narrative brings the development of the Indian business communities into contemporary times in a macro-level study of interregional human interactions, which facilitates ascertaining their identities from the dynamics of the larger Singaporean community. The power relations that have developed have also helped to catalyse conciliation with resurgent political and economic forces of South Asia.

The second chapter in the second section, that is, Chapter 5 is based on three different case studies relating to the research hypothesis. They represent three different kinds of enterprises which characterize their uniqueness in different areas of business activity (this had further elaboration in Chapter 5) and signify the diversity of operations of the Indian business communities. The first case is based on the Kewalram Chanrai Group — one which has diversified and transformed their business from a traditional family-held organization to a globalized entity spanning a period of about a century and a half, and which has successfully embraced the style of professional management. The second study represents a popular name in the retail sector, Mustafa, which has been immensely successful and achieved a kind of popularity that has made it one of the prominent places of tourist interest in Singapore, and the third represents a new generation enterprise, Chemoil, a listed company in the Singapore SGX, which has been, perhaps, one of the important global front runners in their

business sector. Sometimes, direct interviews and opinions could not be attained due to unavoidable circumstances. It was, however, not absolutely indispensable in the present context of research, though it would have certainly been helpful with additional information. The writing for the case studies has been mostly based on extensive materials available in the public domain and based on author's interpretation and understanding. What was more important in context was to track their growth trajectory under different circumstances and periods of time.

The Indian business communities have quite firmly disseminated and embedded themselves in the Southeast Asian region through generations of interactions, circular migration and cultural integration. States like Singapore have emerged out of immigrant communities with distinct cultural manifestations in spite of mosaic demography on the one hand, and new layers of transnational networks with shift in organizational paradigms and globalized policy initiatives of different nation-states, shifts in global capital and fluidity of national borders on the other. This has resulted in a new trajectory of growth and entrepreneurial initiatives in the economy across the boundaries both within Asia and outside its periphery. Within the framework of contemporary discourse, the "old" and the "new" migrants have to deal with "cooperation and incorporations", "resistances and rejections" or "exchanges and exclusions"<sup>32</sup> in the landscape of intra-diaspora interactions. The transition and the transnational connections present an interesting context in the study of the Indian business communities in the region.

## Notes

1. Makrand Mehta, "Gujarati Business Communities in East African Diaspora: Major Historical Trends", *Economic and Political Weekly* 36, no. 20 (19–25 May 2001): 1738–47.

2. Lee Kuan Yew, "Asia's Growing Role in Financial Markets", *Straits Times*, 3 March 2008. Singapore's Minister Mentor cited Klaus W. Wellershoff, chief economist, UBS Global Wealth Management & Business Banking, in saying that Asia had been one of the richest regions of the world accounting for about two-thirds of the world's economy in the eighteenth century. Post-Industrial Revolution, it had declined to less than one-third at the beginning of the nineteenth century, reaching a low of 15 per cent of global income by 1950.
3. Sugata Bose, *A Hundred Horizons: The Indian Ocean in the Age of Global Empire* (Cambridge, Massachusetts, London: Harvard University Press, 2006), p. 6.
4. For further discussion, refer to Stanley J. Tambiah, "Transnational Movements, Diaspora, and Multiple Modernities", *Daedalus* 129, no. 1 (Winter 2000): 163–94.
5. Evidence of the knowledge of the monsoon winds first appears from Hippalus (45–47 AD). Sila Tripathi and L.N. Raut, "Monsoon Wind and Maritime Trade: A Case Study of Historical Evidence from Orissa, India", *Current Science* 90, no. 6 (25 March 2006): 864–71.
6. Walter F. Vella, ed., *The Indianized States of Southeast Asia* by G. Coedes (Honolulu: East West Centre Press, 1968), p. 28.
7. For readings on Indian influence, refer to R.C. Mazumdar, *Hindu Colonies in the Far East*, 2nd ed. (revised and enlarged) (Calcutta: Firma K.L. Mukhopadhyaya, 1973); R.C. Majumdar, *Ancient Indian Colonization in South-East Asia*, 3rd ed., Maharaja Sahajirao Gaekwad Honorary Lecture, 1953–54 (Baroda: Maharaja Sahajirao University of Baroda Press, 1971); Alfred T. Mahan had argued that the rise and fall of nations rested on the command of the sea. In that context, the influence of the Indians and subsequently the British may be compared and contrasted. Besides a lot of writings by Mahan himself, an appraisal of Mahan's ideas may be read from William E. Livezey's work, *Mahan on Sea Power*, revised edition (Norman, Oklahoma: University of Oklahoma Press, 1981).
8. R.C. Mazumdar, *Hindu Colonies in the Far East*, 2nd ed. (revised and enlarged) (Calcutta: Firma K.L. Mukhopadhyaya, 1973).

9. For further details, see Noboru Karasimha, ed., In *Search of Chinese Ceramic: Sherds in South India and Sri Lanka* (Tokyo: Taisho University Press, 2004) and the edited volume by the same author, *Ancient and Medieval Commercial Activities in the Indian Ocean: Testimony of Inscriptions and Ceramic-sherds* (Tokyo: Taisho University, 2002).
10. Gopal Krishna Gokhale, one of the early nationalist leaders in India, said this in 1912 while protesting against the continuation of indentured labour. Cited from Marina Carter and Khal Torabully, *Coolitude: An Anthology of Indian Labour Diaspora* (London: Anthem Press, 2002), Chapter 2, p. 61.
11. Rajat Kanta Ray, "Asian Capital in the Age of European Domination: The Rise of the Bazaar, 1800–1914", *Modern Asian Studies* 29, no. 3 (1995): 553–54.
12. Claude Markovits, *The Global World of Indian Merchants, 1750–1947: Traders of Sind from Bukhara to Panama* (Cambridge: Cambridge University Press, 2000).
13. Rajeswary Ampalavanar Brown, *Capital and Entrepreneurship in South-East Asia* (Houndmills, Basingstoke, Hampshire and London: The Macmillan Press Ltd. and New York, St. Martin's Press, INC., 1994). While Brown talks about the extensive Chettiar networks and dominance of other Indian trading communities in the textile trade in her book, further research on the Sindhi networks has been done by Claude Markovits.
14. Takeshi Hamashita, "Rethinking Historical Network in Asia", in the workshop on "Asian Business Networks", organized by the Faculty of Arts and Social Science (FASS), National University of Singapore (NUS) and the Institute of Oriental Culture, Tokyo University, 31 March 1998–2 April 1998.
15. Chandra Jayawardena, "Migration and Social Change: A Survey of Indian Communities Overseas", *Geographical Review* 58, no. 3 (July 1968): 426–49.
16. Ibid.
17. John Clammer, *Diaspora and Identity: The Sociology of Culture*

- in Southeast Asia* (Subang Jaya, Selangor, Malaysia: Pelanduk Publications, 2002), p. 10.
18. The complexities of co-existence and areas of Indian enclaves has been very well discussed in the writings of Sharon Siddique and Nirmala Puru Shottam in *Singapore's Little India: Past, Present and Future* (Singapore: Institute of Southeast Asian Studies, 1982).
  19. Steven Vertovec, "Conceiving and Researching Transnationalism", *Ethnic and Racial Studies* 22, no. 2 (March 1999): 447.
  20. Robin Cohen, "Diasporas and the Nation-state: From Victims to Challengers", *International Affairs* 72, no. 3 (July 1996): 516.
  21. This concept has been further discussed by Yin-wah Chu in his article, "Networking for Domination: The Interconnectivity among Business and Government Actors in the Formation Technology Industry of Hong Kong", in *Capital and Knowledge in Asia: Changing Power Relations*, edited by Heidi Dahles and Otto van den Muijzenberg (London and NY: RoutledgeCurzon, 2003), pp. 23–39.
  22. D. Harvey deliberates on this in his work, *The Condition of Postmodernity* (Cambridge, MA: Blackwell, 1990).
  23. Vertovec, op. cit., p. 451.
  24. Rob Wilson and Wimal Dissanayake, "Introduction: Tracking the Global/Local", in *Global/Local: Cultural Production and Transnational Imaginary*, edited by Rob Wilson and Wimal Dissanayake (Durham, NC: Duke University Press, 1996), pp. 1–18.
  25. Italics mine. Claude Markovits, "Major Indian Capitalists", in *Asian Merchants and Businessmen in the Indian Ocean and the China Sea*, edited by Denis Lombard and Jean Aubin (New Delhi: Oxford University Press, 2000), p. 310.
  26. Indian guilds have been discussed in more detail in the fourth chapter.
  27. Marina Carter, "Indians and the Colonial Diaspora", in *Rising India and Indian Communities in East Asia*, edited by K. Kesavapany et al. (Singapore: Institute of Southeast Asian Studies, 2008), p. 22.

28. Claude Markovits has also discussed this aspect in his book on the Sindhi network, *The Global World of Indian Merchants*, op. cit.
29. A. Mani, "Tamils in Singapore: Yesterday, Today and Tomorrow", in *Tamil in an International Arena 2002, First Step*, edited by Chitra Sankaran and S.P. Thinappan (Singapore: NUS Press, 2004).
30. Kishore Mahbubani, *The New Asian Hemisphere: The Irresistible Shift of Global Power to the East* (New York: Public Affairs, 2008), p. 22.
31. Denys Lombard and Jean Aubin, eds., *Asian Merchants and Businessmen in the Indian Ocean and the China Sea* (New Delhi: Oxford University Press, 2000).
32. Tambiah, "Transnational Movements, Diaspora, and Multiple Modernities", op. cit., p. 171.