

Chapter 1

Lim Chong Eu and Penang: Glimpses of a Personal and Political Relationship

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Tun Dr Lim Chong Eu was born in George Town, Penang, on 28 May 1919 and died there on 24 November 2010. Of his ninety-one and a half years, Chong Eu¹ spent a formative decade abroad: he was a university student in Britain (1938–1944) and a medical doctor in China (1944–1947). Barring later overseas trips mostly taken for official work, occasionally for vacation, and three times for medical convalescence or treatment, he resided in Penang. His family homes were in Macalister Road and Burmah Road, his father had his clinic in Magazine Road, and Chong Eu himself had a house each in Tanjung Bungah and Penang Hill. He attended Shih Chung School, Hutchings Primary School and Penang Free School. For a few years, Chong Eu joined his father's practice but also served as a medical officer with the Malayan Auxiliary Air Force (1951–1954).

During Malaya's last years of colonial rule, he embarked on a career in politics, the field in which he would rise to national prominence. His earliest but indirect electoral venture came in the 1951 George Town Municipal Council elections, the first elections to be held in colonial

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¹ Hereafter, his given names will be used from here on in keeping with local (Chinese) custom and not out of disrespect.

Malaya. Chong Eu did not stand in the elections², but the Radical Party, which he founded with other aspiring politicians in Penang, won six of the nine seats contested by a total of 24 candidates.³ In 1954, he was appointed a ‘Nominal Unofficial Member of the Settlement Council of the Settlement of Penang,’ and a year later, a Penang “Settlement Member of the Legislative Council in and for the Federation of Malaya.’ After independence, he went on to be a three-term Member of Parliament for Tanjung constituency (1964–1978)⁴ and a six-term State Legislative Assembly representative (for Kota, 1964–1974 and Padang Kota, 1974–1990). From his base of Penang he led the Malayan Chinese Association (MCA, or Malaysian Chinese Association after 1963) as its President (1958–1959), the United Democratic Party (UDP) in different positions (1962–1968) and Parti Gerakan Rakyat Malaysia (Gerakan, or Malaysian People’s Movement Party) in various capacities (1968–1990). Of course, Chong Eu became best known, most widely respected and most appreciatively remembered as the Chief Minister of the State of Penang between May 1969 and October 1990.

1. Beyond a narrative of triumph

In short, Chong Eu had an intimate lifelong bond with Penang, and especially Penang Island. Viewed against Penang’s social history, that bond was unremarkable in and of itself. Many, many people over many generations have been born, bred and schooled in Penang who continue(d) their studies abroad and then return(ed) to live, work and die in their hometown. By the 1980s, however, Chong Eu had been hailed ‘Architect of Modern Penang’ and honoured as a ‘Freeman of the City’ (Majlis Perbandaran Pulau Pinang 1984), and so on. After his retirement but years ahead of his passing, the public imagination so conflated Penang’s post-1969 economic transformation and

2 Radical Party Chairman C O Lim, not to be confused with C E Lim, was one of the successful candidates.

3 The Straits Times, 2 December 1951. Malaya (1953) is the detailed official report on this historic election.

4 In 1978, he decided not to stand for Parliament again.

Chong Eu's leadership that it was difficult to speak of the one's success without crediting the other's role. Consequently, there is a standard Lim Chong Eu-centred narrative of how Penang after 1969 managed to move, as it were, from the 'doldrums' to development, and emerge as the internationally known 'Silicon Island'. The narrative, perhaps originally scripted by the Penang Development Corporation (PDC) in the 1970s, was disseminated by the state government and incorporated into Gerakan's party lore. A large part of the narrative depicted Penang's progress as having been driven by an exceptionally able chief minister's empowering vision, superior helmsmanship and dedicated administration. The narrative has been so compelling that Chong Eu's old nemesis, the Democratic Action Party (DAP), on ruling Penang from March 2008, not only accepted it but promoted it as well. This presumably allowed DAP (in the person of Lim Guan Eng) to contrast Chong Eu's reputed dynamism with the supposed stasis of his immediate successor, Koh Tsu Koon, and thereby offer DAP itself as the true heir to Chong Eu's administration.⁵

Chong Eu possessed and displayed the qualities attributed to him when he headed Penang's government and managed its economy. Even so, the more the narrative romanticized the 'Penang story' as a tale of uncommon leadership, the more it sanitized the account of the politics of Penang's transformation. It is only by restoring politics to the fore that one can adequately answer three questions that lie at the heart of Chong Eu's relationship with Penang, especially from 1969 to 1990: What did Chong Eu do for Penang? Conversely, what did Penang mean to him? Finally, how was his 'Penang story' significant to the Malaysian political economy?

II. The reconfiguration of Penang

Chong Eu's most important moment of political triumph came at the general election of 10 May 1969. Gerakan swept into power in

⁵ This may be inferred from Lim Guan Eng's tribute to Chong Eu (Lim Guan Eng 2011).

Penang and he became its Chief Minister. Ten years into his office, he would recall that ‘the victory of the Gerakan coincided with one of the most cataclysmic events in Malaysian history, namely, the tragic events of May 13, 1969’ (LCE 1979: 115).⁶ Immediately ‘the normal administrative functions of Government were placed under the National Operations Council and *the enormous constitutional office of the Chief Minister of the State was translated into the functions of the Chairman of the State Operations Committee*’ (LCE 1979: 115; emphasis added). This ‘historical fact’ – ‘not generally remembered or appreciated’ – made it essential to ‘commit ourselves fully in the task of restoring peace and security’, he added, ‘[t]ogether with other responsible political leadership’ (LCE 1979: 115). That might have been the closest anyone said that ‘May 13’ had turned Gerakan’s victory into a potential political calamity for Penang. Parliament was suspended while the National Operations Council (NOC) ruled under Emergency regulations. On a national terrain that now tilted incontestably in favour of UMNO-Malay power, only Penang, the single Chinese-majority state, had a non-Malay opposition government.⁷ Gerakan would have rejected a characterization of itself as a ‘non-Malay’ party, but fourteen of Gerakan’s sixteen State Legislative Assembly representatives were non-Malays, while the Alliance in opposition was entirely Malay. Whatever Chong Eu’s personal thoughts or the Gerakan leaders’ private deliberations, would they have precluded a consideration of this scenario: Where some UMNO politicians had urged MCA’s exclusion from the Federal Cabinet,⁸ would they or others not be tempted to use Emergency powers to suspend the Gerakan government? In any case, pre-election expectations of *normally* administering an Opposition state government paled before

6 ‘LCE’ stands for Lim Chong Eu in this and subsequent instances of such in-text citation.

7 Selangor’s electoral stalemate was one of the sparks that lit Kuala Lumpur’s conflagration. The Opposition failed to form a coalition government in Perak partly because Gerakan refused to join any opposition-led government.

8 One of those UMNO politicians, Mahathir, said, ‘It can be seen from the last election that the MCA is not supported by the large majority of the Chinese, so having the MCA in the Cabinet does not serve the purpose of giving representation to the Chinese’ (Reece 1969: 698).

the urgency of maintaining Penang's security.⁹ Chong Eu's immediate response was to cooperate with the NOC headed by Tun Abdul Razak Hussein. His long-term solution was to join the Alliance in forming a new coalition, Barisan Nasional (BN), as did the Pan Malaysian Islamic Party in Kelantan, the Sarawak United People's Party in Sarawak and the People's Progressive Party in Perak. Yet one man's cooperation was frequently another man's collaboration. When Razak insisted on enacting restrictive constitutional amendments as a precondition for restoring Parliament, Chong Eu supported him: 'we had to forego liberties which were not consonant with our national existence' (LCE 1976a: 108). Most Gerakan leaders, however, disagreed with Chong Eu's positions and moves. An acrimonious tussle developed between June and July 1971 that ended when Chong Eu ousted the leaders opposed to him – a 'clique of recidivists', he called them (LCE 1973: 24). But their departure left him with a very small rump of 'about 15 active branches inside and outside Penang' (LCE 1976b: 58). The virtue of cooperation had become the necessity of power-sharing. His government survived with the UMNO support that Razak supplied. From 1974 onwards, Gerakan contested general elections with a number of seats allocated to it as a BN component. In Penang, it never regained its 1969 strength. It had always to share the Chinese-majority constituencies with MCA while neither of their allocations ever equalled UMNO's monopoly of the Malay-majority seats.

Did Chong Eu not find all that to be ironic? Ever since he left MCA, he had devoted himself to defeating the Alliance. With a band of mostly MCA exiles from 1959, he formed the UDP and allied it to other parties in the short-lived Malaysian Solidarity Convention. After UDP fell short of his expectations (Tee 1984: 90–92), he co-founded Gerakan. For the 1969 election, he campaigned with great fervour.¹⁰ He had his

⁹ Penang experienced ethnic violence in 1967, following a *hartal*, but had no violence in 1969.

¹⁰ Chong Eu had 'been on his feet for several weeks...addressed fifty rallies, written just as many speeches, met thousands of constituents' (Khor Cheang Kee, 'Penang: Getting to grips with the problems', *The Straits Times*, 12 May 1969)

share of stoking anti-Alliance sentiments to brilliant effect. He ‘made a spirited speech threatening to throw the Alliance sailing ship [sic] into the Esplanade.’¹¹ He vowed to reverse the economic decline of Penang. He promised that a Gerakan government would build a bridge to connect island and mainland even if the Federal government would not back the project. At the height of campaigning, he dared the voters ever forward – win Penang in 1969, take Kuala Lumpur in 1974!¹² Penang responded. Kuala Lumpur imploded. The Alliance polity was finished. What was left of electoral victory, though, to savour in Penang?

Whenever mass euphoria turns to dismay, political leadership always has to confront a massive question: who would manage agonized defeatism on the one hand, and intransigent recalcitrance on the other – and how? The standard narrative of Penang’s post-1969 development cannot offer an answer because it merely regards Chong Eu’s accommodation with the Federal government and his leadership as ‘inputs’ for Penang’s progress.

Chong Eu never saw things so simplistically. In the State Legislative Assembly debates of 1964–1969 and during the 1969 campaigning, he condensed economic questions into a political issue: if the Alliance could not solve Penang’s woes, let the Opposition do it!¹³ In the post-1969 milieu, he recast a political impasse as an economic imperative:

The task therefore of the Government of Penang, *whatever party may be in power*, must be to restore economic buoyancy to this State, to revive trade from the largest business house to the smallest trader, to provide employment to those who are capable

11 Khor Cheang Kee, ‘The “Old Warrior” joins in the battle’, *New Straits Times*, 29 July 1986.

12 After saying Gerakan would take over Penang in 1969, Chong Eu added, ‘By 1974 we will knock out the Alliance from Kuala Lumpur’ (‘Gerakan will capture Penang: Chong Eu’, *The Straits Times*, 21 April 1969).

13 When the Member for Glugor, Aziz Ibrahim, asked to be informed ‘how to settle the ... unemployment problem’, Chong Eu responded, ‘New Government.’ See *Report of the Proceedings of the Second Legislative Assembly, Penang*, 1st Sitting of the Second Session, Thursday, 10th June 1965, p. 47.

of and willing to work. ... In short the problem of Penang is largely an economic problem ... (LCE 1971: 8; emphasis added).

Chong Eu stressed that the key objective was to 'imbue the people with a confidence and determination to strive for and assist in their own salvation'; and if 'we can revive the morale of the people we would have gone a long way to solving the ills of the state' (LCE 1971: 8). His references to 'confidence', 'determination', 'salvation' and the 'morale of the people' were clues to his grasp of post-1969 realities. At that juncture, he ideologically opposed partisan, sectarian and racial politics. He argued that 'the trend today is to place national interests above partisan and sectarian interests' (LCE 1974: 33).¹⁴ He detected a 'strong surge of the spirit of national reaffirmation where national interests must set aside racial or chauvinistic or sectarian politicking' (LCE 1973: 29). Urging that 'we must constrain partisan lines ... to go on full steam ahead towards nation-building' (LCE 1975: 35), he appealed to political leaders to 'share the same spirit of understanding and national consciousness which can place national interests over and above partisan politics' (LCE 1973: 30). For philosophical support, he drew on Joseph Needham's characterization of politics as 'nothing but the attempt to objectify the most advanced ethics in the structure of society' (LCE 1976b: 106). In practice, he pointed to 'the development of the National Front consisting of the Alliance, the SUPP, the PPP, the Party [sic] Islam and ourselves' as the 'only correct way to a better future for Malaysia' (LCE 1973: 30). Here, he conceded that UMNO was the 'strongest political force', and he praised its 'moderate and reasonable' leadership for showing 'political wisdom and magnanimity' when it chose to 'share political power with all other nationally-oriented parties' (LCE 1975: 42).

14 Years after, he insisted that the 'fundamental cause' of the crisis 'was whether or not our commitment to the task of nation building ... should bring us closer together with other political organisations, or whether the Gerakan should remain outside the *trend* of building national unity and the development of a fair and just society for all' (LCE 1979: 117; emphasis added).

Thus, Gerakan accepted the parameters of coalitional politics that Razak deployed to construct the post-1969 political order. In return, Chong Eu secured political stability for Penang (and his government and his own position), preempting Federal government hostility that would have brought 'slow strangulation leading to a further spreading of poverty, unemployment and social problems' (LCE 1971: 6).¹⁵ It was more than just obtaining Federal support and funding, though. In basic programmatic terms, he inserted Penang's progress into the vision of economic nationalism and social restructuring that Razak proclaimed via the New Economic Policy (NEP). In time, the Penang government's implementation of 'rural industrialization' (that is, the promotion of multinational corporation-headed, foreign direct investment-based, export-oriented industrialization in Penang's 'free trade zones') and 'rural urbanization' (the construction of two townships and the provision of housing) went apace with Razak's plan to have the state play a direct role in promoting economic growth, eradicating poverty and restructuring society.

There is neither reason nor space here to revisit the 1971 Gerakan split at length, let alone to apportion culpability among its deceased antagonists. Still, it might be briefly recalled that the original Gerakan leadership brought Chong Eu and his senior UDP comrades together with social democrat exiles from the Labour Party, veteran trade unionists, and dissenting intellectuals.¹⁶ Their banding in time for the 1969 election was not evidence of a cohesive ideological bond among the leaders but a reflection of the extensive anti-Alliance disaffection of the masses. It was the latter that made Gerakan so tactically effective in so short a period. Among the leaders, Chong Eu was, arguably,

¹⁵ During the 1969 election campaign he had denounced the Alliance for its refusal to treat opposition state governments fairly. He had directly criticized Razak's half-blandishing, half-threatening offer to bring development funding to Kelantan were the voters to return UMNO to power after the PMIP had ruled the state since 1959.

¹⁶ 'In its initial stage, [Gerakan] had drawn its main support from members of the [UDP] and the English-educated moderates of the Labour Party. ... Attempts were also made to establish a close rapport with trade unionists ...' (Parti Gerakan Rakyat Malaysia 1988: 24).

the least 'anti-establishment', in temperament, from experience and on record. He probably recognized defeat more clearly than the others but was more tenacious in seeking pragmatic ways around it. After all, he had accepted his loss of the MCA presidency within a year of winning it and spent the next ten years returning the favour. Chong Eu's account of Gerakan's leadership crisis in 1971 blamed his opponents for wanting Gerakan to be a 'purely opposition party' (LCE 1971: 5) whereas he opted for 'a positive policy constructive in concept and practical in implementation' (LCE 1971: 6). It was one thing for him to defeat his opponents. His deeper problem was how to reconcile a restive populace, seething with a sense of injustice but partly demoralized, to a national regime bolstered by Emergency powers but struggling to restore its ragged legitimacy. Inasmuch as he succeeded, Chong Eu, a seasoned bridge player who claimed to have invented new formulas for the game, might have said that he managed to convince the binary of the Penang populace and the national regime that each side had no choice but to turn a bad hand into a winning one. And to do that, they both needed him.

However one judges Chong Eu's administration, especially during the 1970s, one would have to acknowledge that when the political parameters were stabilized he strove to 'break the back' of Penang's 'largely economic problem' (LCE 1971: 8) with his tremendous capacity for work and unshakeable motivation. He made leadership matter but not merely in displaying individual vision or genius. Compared to his contemporaries who might have been considered candidates for Chief Minister, Chong Eu enjoyed a superior combination of social pedigree, family wealth, personal stature, intellectual depth, political exposure, and the talent to deploy that combination of advantages and abilities so as to make his leadership authoritative in the company of others and in the directions he planned to go.

For lineage and pedigree, he had commercial success on his mother's side and professional acclaim on his father's, the two definitive avenues

to social respectability and political standing for a Chinese (and particularly a Straits Chinese) in the late colonial period. His maternal grandfather, Cheah Kee Ee, was a trader of note. His father, Lim Chwee Leong, belonged to a pioneering group of ‘Western doctors’, and his Su Beng Dispensary was a landmark in George Town. An uncle of Chong Eu’s, Lim Han Hoe, also a University of Edinburgh-trained doctor who had his practice in Singapore, was, among others, the Senior Chinese unofficial member of the Legislative Council of the Straits Settlements (1934–1942) and Senior unofficial member of the Executive Council of Singapore (1948–1951). Beyond family, it was the local high society, including the Straits Chinese elite,¹⁷ to which he had easy admittance. When giving an address once, he said in an offhand manner, ‘Through the contacts of my late father ... I can still vividly recall personalities such as ...’ (LCE 1984: 136–137) and he listed 41 names that made up an ethnically mixed, albeit Chinese-majority, group of Penang’s leading personalities. He was eminently suited for high academic work in several fields, and socially and financially capable of making his own way to an overseas university. But he earned an enduring name for himself by winning one of the Queen’s Scholarships, ‘offered by the Straits government from 1889 to enable exceptionally able boys to attend universities in Britain’ (Turnbull 2009: 44). From that pinnacle of scholastic attainment in his time and society, he went on to take a medical degree at the University of Edinburgh.

Beyond those formal academic attainments, he had a probing curiosity and a lasting interest in fields outside his own specializations well into his mature years. For an administrator he possessed the invaluable skill of asking questions of experts in a focused manner, learning from others and synthesizing what he imbibed from them. His social

17 The Straits Chinese elite ‘shared many characteristics: education in the local elite schools, particularly St Xavier’s [Institution] and the Penang Free School; important roles in banking and import-export businesses in Penang; and key positions in the Chinese Town Hall, the Penang Chinese Chamber of Commerce, the Straits Chinese British Association (SCBA) and the Georgetown [sic] Municipal Commission’ (Christie 1998: 35).

advantages and individual abilities allowed Chong Eu to know Penang as few people could have known it. He knew its history, geography, economy, and politics intimately. He showed this most impressively of all when debating its problems and future in political councils, dealing with official and practical matters in government departments and agencies, or speaking at his party fora. Perhaps he knew Penang as someone only could who had long been linked to the state's pre-eminent social, professional, commercial and political networks. For instance, he had made the acquaintance of Penang's leading doctors who visited his father 'at the time of the formation of the [Penang Medical Practitioners'] Society [when] I was a schoolboy, about 13 years old, in 1932' (LCE 1992: 15). Chong Eu had been the Alliance Whip for a while, but also the Opposition leader in the State Legislative Assembly before. He had belonged to diverse official committees and met senior people in government. In other words, he had had plenty of opportunity to acquaint himself with Penang's administrative machinery, procedures, personnel, and merits and flaws long before he became Chief Minister. Sometimes, while pondering a debate on Penang's potentialities and obstacles, he would recall that the gist of the issue was familiar to him from similar discussions he had heard when he was young. He claimed to have had no difficulty in assuming the office of the Chief Minister because his predecessor, Wong Pow Nee, had been his protégé. In time, he would get to know his senior officers and go on regular field trips with them to monitor the progress of state projects or resolve existing problems. What he had gained in knowledge, and whatever ideas he had toyed with throughout his life, Chief Minister Dr Lim Chong Eu placed at the fore of his economic management.

It was of critical importance to Penang's prospects of reaching a *modus vivendi* with the Federal authorities in the post-May 13 milieu that Chong Eu had never been an out-and-out oppositionist. He had for example worked reasonably well with Razak on the committee that

prepared the Razak Report on education. Each accepted the other's role in building an independent nation. During Chong Eu's decade in opposition, their political relationship was formally adversarial but they were not personally antagonistic. In response to 'May 13' it was 'natural' for Chong Eu to offer immediate cooperation to Razak. From the Radical Party to MCA, UDP and Gerakan, Chong Eu was neither 'leftist' nor 'communist'. He was the loser in MCA's 1959 crisis, but that sensitized him to the practical limitations of 'Chinese politics'. To UMNO's top leaders, he was, arguably, the most credible non-Malay opposition leader at the post-May 13 juncture. They needed him just as he needed them. He could defend the ideological and practical merits of coalition government,¹⁸ having been in three coalitions – the Alliance via MCA, the Malaysian Solidarity Convention via UDP, and BN via Gerakan. Aside from Gerakan's internal strife, Chong Eu retained popular support. Many Chinese respected him for having 'stood up for Chinese rights to Tunku' and been penalized for it.¹⁹ Of course, ordinary Penang folks knew or had heard of his family lineage, his Queen's Scholarship, his terms in Parliament and the State Legislative Assembly, and his impressive victory in 1969. And not a few were naturally thrilled that when he first took the oath of office as Chief Minister, this 'Penang boy' wore the tie of the Penang Free School.

Chong Eu's 21-year record as Chief Minister is too vast to capture adequately in a rough portrait. Only glimpses of his 'style' and 'qualities' are offered here via different representations to make a few points. The longest-serving general manager of the Penang Development

18 'The success of the Coalition Government in Penang to achieve social [sic] economic progress where once there was economic stagnation and social inertia indicate[s] ... that close cooperation between the State and Federal Governments can more effectively ensure that economic and social development and progress will benefit all Malaysians in the State of Penang ... In Sarawak the Coalition Government has achieved tremendous success of being able to convince the communist insurgents in the State to give up unconstitutional militant struggle and to rejoin the Malaysian Society ... Coalition in the State of Perak has meant that the people of Perak have been given a better and greater opportunity to move towards greater achievement in social [sic] economic progress. So also has the Coalition between UMNO and the PAS minimized sectarian partisan politicking ...' (LCE 1974: 34–35).

19 For example, see Lee (2010).

Corporation (PDC) has provided a brief but interesting recollection of Chong Eu's 'jam sessions' with senior officers (Chet Singh 2011b).²⁰ Those sessions permitted Chong Eu to engage with his senior officers over a broad planning front to tap their ideas and to test his own on them. If he used these meetings to gauge the quality of the talents before him, his officers reciprocated by sizing up the leader in front of them. In Chet's estimation, something else was crucial: the sessions were open, deliberative and cordial, allowing the officers to take ownership of the plans that they produced and the projects they implemented. This partly accounted for the commitment, closeness and camaraderie – characteristic of those who saw themselves as pioneers – that were discernible among Chong Eu's team. Working with his team, astonishingly young then for the responsibilities they bore, Chong Eu did not spare himself any discomfort that went with it, be that the lateness of the hours of work, the physical stresses of rough surveys of undeveloped terrain, and so on. On his part, he apologized to none for making heavy demands on them. He nurtured a sense of mission – 'this is for Penang' – but he was not above saying that working with him was its own reward. He offered no blandishment or inducement: Penang under him would have nothing extra to give. Where it was practical necessity in politics to create larger-than-life impressions on people, issuing promises and vowing to deliver on them, Chong Eu used his social advantages and personal qualities to make an art out of impressing many kinds of people. Where it was vital to lead and be seen to be leading, he evinced an authoritative tone and stamp of leadership as if slipping into command was second nature to him.

Few people held Chong Eu in greater esteem than the investors, foreign and domestic, prospective and actual, who encountered him as the Chief Minister they had to approach to do business in Penang. He

20 For a longer account of the 'jam sessions' as opportunities for the Chief Minister 'to clarify ideas, get more information, sound out members of his staff on a programme, assess programmes being implemented, argue out a problematic situation, survey a site with a visiting consultant, and so on', see Penang (n. d.: 55–56).

took his meetings with them seriously. He insisted on being properly briefed by his officers on a prospective investor's areas of investment, business concerns and logistical requirements. Intelligent and sharp, knowledgeable and prodigious of memory, attentive and responsive, he spoke to investors in English, Mandarin or Hokkien with gracious authority and reassuring confidence. He made it a point to conduct business negotiations with big or important investors in the presence of at least one senior officer (Mokhtar Haniff 2011: 32). He left no one in doubt that his grasp of mutual interests (theirs and Penang's) was accurate, his recall of agreed points was precise, and, above all, his word was good. One heard more than one prospective foreign investor come away from a meeting with Chong Eu sincerely 'wish[ing] we had a leader like him.'

Such were Chong Eu's qualities. They were honed through years of experience, moments of crisis, and instances of triumph and failure. Such are qualities popularly attributed to 'born leaders'. As they are remembered when much else is forgotten, they form the basis of legends that are burnished through repeated telling. For all that, Chong Eu would have been among the first to say apropos Penang's transformation that, 'Behind Lim Chong Eu stood PDC.' As Cheah Phee Hin, one of Chong Eu's most capable and loyal professionals, once observed as an encouragement to his younger PDC colleagues, 'Not everyone should go into politics. The Old Man needs good people in the civil service to help him carry out his projects for Penang.' As its Chairman, Chong Eu shaped the PDC, laying down governance guidelines that his trusted general manager, Chet Singh, scrupulously observed. Chet ensured that PDC's institutional rules, procedures and norms percolated through the corporation, not least where its divisions interfaced directly with the public, notably in housing allocations, land sales and determining compensation for relocation. 'At a time when good governance was not a term used freely,' it has been recalled, 'Tun Dr Lim had laid out the need for morality in

work; honesty and openness to minimize corruption' (Chet 2011a: 13). Here was nurtured and deployed the core institutional capacity to lead socioeconomic development that any leader would have needed. Chong Eu unflinchingly supported the PDC in return. He bolstered its credibility by referring local and foreign investors to the PDC, typically saying, 'You'd better see so and so in PDC. We've already worked these things out.' Although the formal balances of power between different institutions in the state government (especially vis-à-vis the Federal departments) did not favour PDC,²¹ Chong Eu effectively elevated PDC's position and status relative to other departments. It was not that he divided and conquered, only that he made no secret of his priorities. He understood early that he had to have 'his own implementation arm' if he was to realize his ideas and goals in planning and implementation. If at the beginning of his tenure, there was not a suitable agency, one had to be invented. Fortunately, if fortuitously it was the beginning of the era of the State Economic Development Corporation in the country. Hence, taking advantage of nationwide practice, Chong Eu's administration established PDC to serve as the state's 'principal development agency' (Chet 2011b: 17). As it grew, PDC built up considerable technological and managerial capacities. Once the institutional framework had proven effective, Chong Eu could not do without the PDC, and vice-versa.²²

In retrospect, it was not any particular facet of Chong Eu's vision or genius or authority that mattered to Penang. Rather, being fully equipped in personal, social and institutional terms, and having reconfigured an unsettled political situation, he brought his entire being, as it were, to bear upon the tasks of mapping, planning and implementing Penang's development. For two decades beginning in

²¹ In the area of housing development, to take an important example, PDC had to submit building plans to many government agencies for their formal approval, unlike the Jabatan Kerja Raya (Public Works Department) which was exempt from seeking similar approval for the buildings that it designed.

²² And he defended PDC in times of controversy, not least because what they did together was often criticized.

1969, Penang needed Chong Eu. Over five state elections (from 1974 to 1990) in which Gerakan contested as a BN component, concerned parties – the incumbent Gerakan, the opposition DAP, and the ‘deciding’ electorate – squared off according to a uniquely Penang compromise: Send DAP to Parliament for a voice in opposition but retain Gerakan in the state government for Penang’s development. This two-tier Federal-State split was virtually code for a widely supported ‘win-win’ formula, ‘Keep Chong Eu as Chief Minister.’²³

None of that should obscure the obverse of Chong Eu’s relationship with the state: he needed Penang.

III. The transformation of Lim Chong Eu

‘When I left our native shores in 1938,’ Chong Eu once recalled, ‘there was little prospect for any individual except that of acquiring personal knowledge ... to become a cog to the greatest possible extent within the framework of the British Empire’ (LCE 1976b: 105). ‘When I returned ten years later,’ he continued, ‘the ferment of freedom and independence gave purpose and meaning to all that I had learnt’ (LCE

1976b: 105). In between, his experiences of war had ‘demanded a more fundamental understanding of how one can better serve one’s fellowmen than the traditions of the practice of medicine offered’ (LCE 1976b: 106). He had returned from China where he had gone in 1944 to join the anti-Japanese war. So to speak, he had graduated not only in medicine but also from the ‘Chinese student politics’ of Britain in which he had been deeply engaged. He remained in China beyond Japan’s capitulation. Chong Eu had first worked in the Shanghai Medical College. Then, he served in the Chinese Army Medical Forces, became personal physician to Chief of Staff (later Minister of War)

23 MCA and UMNO nursed their own hopes of taking the Chief Minister’s post. After the 1986 election, DAP publicly declared its support for Chong Eu as Chief Minister to forestall any UMNO move to take the post. DAP had secured more seats than Gerakan but less than UMNO.

Chen Cheng, and probably held a high (but still unverified) rank in the Kuomintang army. He departed from China in 1947 as the Communist revolution began to swing decisively against the Kuomintang.²⁴ A few years later, he co-founded the Radical Party in Penang. The party was successful in George Town's 1951 Municipal Council election. But the narrowness of its social and electoral base was exposed when UMNO entered the fray. In similar elections of 1953, the entire Radical Party slate, including Chong Eu, was defeated (Tan Chee Kheng 1997: 9–10). To have a part in the unfolding politics that would determine Malaya's future, he found a more promising vehicle in MCA. He arrived on the stage of national politics when he was elected MCA President in 1958. Only a year later, however, he was deposed over an abortive demand for one-third of the Alliance seats in the 1959 election, which Tunku Abdul Rahman rejected with exaggerated umbrage.²⁵ Chong Eu's health broke and he took a year-long overseas trip for treatment and recuperation. In 1962, citing changed political circumstances he resumed political activity by founding UDP. But the new party did not fare well in the 1964 general election. With conditions changing drastically before 1969, he formed Gerakan with other politicians who, like him, were reputable but out of sorts. And then he became Chief Minister.

Against this roughly sketched 'itinerary' of Chong Eu's,²⁶ composed of international and domestic portions, one can appreciate the terse but insightful observation that Penang was 'the last bastion of retreat' for Chong Eu who had 'originally set his sights on national politics, with an eye on international affairs' (Liew 2011: 26). The actual retreat was longer in span and scope. One could say that Chong Eu's triumph as Chief Minister emerged from the latest in a series of defeats that followed a tragic pattern: he fell each time he reached a pinnacle.

24 Chong Eu maintained he returned to Penang 'mainly because I wanted to be with my father. He was sick, he had just had a tumour of the larynx removed' (Lim Chong Eu 1992: 15).

25 Chong Eu formally tendered his resignation as a member of MCA on 31 December 1960 (Khor Cheang Kee, 'Dr. Lim – final MCA break', *The Straits Times*, 7 January 1961).

26 On the conceptual significance of itineraries, see Hau and Kasian (2011).

Student politics in Britain had led him to a potentially far-reaching engagement on the world historical stage of China but his side was crushed. His modest start with the Radical Party was followed by a fast ascent to MCA's leadership and a shockingly short-lived tenure. His resurgence via the UDP got him to Gerakan only to see his hour of victory eclipsed by May 13. Thereafter he held 'the enormous constitutional office of the Chief Minister' but at the cost of shedding the larger part of Gerakan and requiring UMNO's assent. Seen in the entirety of his itinerary, he succeeded in the local arena of post-1969 Penang after he had been denied an international scope (China), a national ambit (MCA), and a multiethnic platform (of the original Gerakan). Only then did the 'Penang and Lim Chong Eu Story' unfold more or less as his admirers have told it.

Penang was the 'last bastion' from another angle that Chong Eu probably comprehended better than most others. May 13 was a defeat for non-Malay politics in general and decisively for so-called 'Chinese politics'. Neither could strive anymore for parity with UMNO whose dented electoral position was salvaged by its control of the NOC. Although the Gerakan had begun with a countrywide presence and national aspirations and maintained its representation in Parliament, the party's ambit was effectively reduced to Penang. In that peculiar and symbolic 'Chinese state', Gerakan could practise a curtailed 'Chinese politics' in the name of multiethnic politics. By and by, the claim of multiethnic politics was rendered fictitious by the departure of Gerakan's non-Chinese co-founders, the entry into Gerakan of MCA's 'Young Turks' in the 1970s' (Loh 1982) and the incorporation of some Dongjiaozong leaders in the 1980s. Throughout the 1970s and 1980s Gerakan hardly fielded non-Chinese candidates in elections. Instead, the party competed with MCA and DAP for control of the 'Chinese-majority constituencies'. Those were uneasy days of 'party-hopping': disgruntled or rebellious representatives left DAP for Gerakan, or left Gerakan for MCA, or expelled MCA politicians

entered Gerakan. Some Dongjiaozong figures joined Gerakan to DAP's consternation. Perhaps all that Chong Eu was free to do *well* then was to demonstrate how Penang would rise in the only way that the Chinese could rise – economically. Even here, he needed Penang to stave off the separate subterfuge of MCA and UMNO, and offset his declining influence within Gerakan's national party structure. Without Penang's success, he would have been hard put to keep the Chief Minister's position. Without that position, Gerakan was likely to become as insignificant as the PPP when the latter lost its grip on its Perak base. In the event, Chong Eu was very nearly indispensable to UMNO's national leadership even while Penang UMNO schemed to reduce Gerakan's share of the State Executive appointments. More than once, a realistic assessment of voter sentiments convinced UMNO's national leaders that 'Penang without Chong Eu' would be lost to BN.

None of this can support a common view that Chong Eu abjured a 'political self', as it were, and, 'surrendering to the political calculations of the day, construct[ed] an economic self for Penang' (Lim Guan Eng 2011: 24). Although he did not elaborate on his point beyond saying that 'one may disagree with [Chong Eu's] political judgment' (Lim Guan Eng 2011: 24), Guan Eng could only have 'disagreed' with Chong Eu's rapprochement with Razak by which Penang received Federal government support in exchange for Gerakan's political backing. Yet, surely, Chong Eu could not have split his political and economic selves. One cannot have one's cake and eat it, too: one cannot hold that Chong Eu erred in cooperating with the regime (surrendering his political self) but did great service to transform Penang (creating an economic self). It is one thing to look back from the vantage point of 2008 when nearly 40 years of being 'Silicon Island' afforded Penang a measure of protection against Federal hostility (as Lim Kit Siang shrewdly argued during DAP's 2008 campaign). It is another matter altogether to evaluate historical choices that had to be quickly decided when development was still *aspiration*, not yet reality. To create an 'economic

self' for Penang under NOC rule was Chong Eu's last chance to seize a strategic initiative. He took it. He combined Penang's political and economic selves just when Razak's New *Economic* Policy proclaimed the *political* to be economic, and vice-versa. The FDI-based and MNC-led EOI that helped to make Penang 'a leading state in the field of development and ... internationally recognized as one' (Chet 2011b: 16) was a profoundly political project.²⁷ The project bore apolitical developmental branding only because it was not laden with ideology but graced with a mantra: *Rural industrialization, rural urbanization, comprehensive urban redevelopment, promotion of tourism, and agro-horticultural activities*. Yet this '5-prong' development strategy, laid out in a *Concept Plan* and a 20-year *Target Plan* (constantly displayed in the Boardroom of the PDC), designated clear roles for the state, capital (global and local) and (unorganized) labour. In addition, the strategy expanded public housing, reconstructed parts of the inner city, and built a bridge to connect the island to its hinterland. An external exemplar for the project – but it was not one to be publicly proclaimed – was Singapore whose ruling party depicted it in the 1970s as *The Socialism That Works*. Had Chong Eu wanted an 'ideological self' for his project, he could have safely borrowed from Razak, though. Conceiving of NEP as an amalgam of economic nationalism, 'welfarish' poverty eradication, and capitalist social engineering, Razak did not hold back from describing NEP's 'state economic participation' as 'nationalist socialism' (Abdul Razak 1971).

As Chief Minister, Chong Eu did display a new self – a technocratic self. He intuitively grasped that in times of crises, all kinds of people, from traumatized masses to calculating policy-makers, would spurn 'partisan politicking' and vest their hopes in the supposedly rational 'problem-solving' approaches of experts, managers and technocrats. Hence, an astute leader would cast himself as an able administrator

²⁷ And so it was with late industrialization on a larger scale in the newly industrializing economies of East Asia.

or competent technocrat. Razak had the reputation of being the former. As Prime Minister, Razak shifted influence from UMNO's Old Guard to a new corps of Malay professionals and technocrats who included Tengku Razaleigh Hamzah and Mahathir Mohamad.²⁸ With that technocratic shift came a stress on economic planning,²⁹ and a boost of institutional capacity (Khoo 2012: 259). Chong Eu did not have Razak's power or resources. To offset his handicaps, Chong Eu invented himself as something of a 'super technocrat' – of course, no one called him such – whose personalized mix of vision, temperament and style formed part of 'the mystique of Lim Chong Eu'.

Chong Eu never made a fetish of his medical training. Sometimes he preferred to refer to his aptitude for mathematics which, he said, helped him work out project details and feasibility, determine the parameters of growth and plan for the future. Over many years in the State Legislative Assembly, for instance, he showed an uncanny ability to debate current issues and diverse socio-economic problems to minute detail (typically receiving little substantive rebuttal from his opponents). Very few politicians could inquire, absorb and synthesize as well as he did in areas that directly or obliquely came into his work. He kept himself updated on developments in manufacturing and particularly electronics-based manufacturing. He had an interest in construction, urbanization, housing, inner-city rehabilitation and redevelopment, and developed his own ideas about them. For the Penang Bridge project, to take a notable example, he learnt about hydrography and land reclamation to be able to follow engineering assessments of their impacts on the Port of Penang. He was not himself an inventor (though he experimented with orchids) but he was fascinated by technological solutions that held economic potential –

28 There was nothing apolitical about UMNO's technocratic shift: it provoked a power struggle and a witchhunt for 'communists' within UMNO after Razak died. Mahathir came under threat in that bizarre episode (Husin Ali 1996).

29 As shown by the *Second Malaysia Plan 1971–1975*, its *Outline Perspective Plan* and subsequent five-year plans.

intensive indoor aquaculture, indoor mushroom cultivation, and the production of biogas from pig waste, to name some projects which he had the PDC try to no success. He thought concretely about the present but habitually talked about planning for 'years from now'. He, who would have looked askance at any attempt by his senior officers to expound on 'his' fields of medicine or politics, held strong opinions in all their fields, be they accounting, architecture, engineering, finance, horticulture, housing, or town planning. On the one hand, he awed many of his officers. They knew that he was not one to be fobbed off by ritualistic 'briefings' prepared by backroom boys and girls. In project after project, he exhilarated in going after 'the devils that resided in details', whether those were of design or computation. He would push his officers to defend their plans against his ideas and revisions, or challenge them to work out project costs with him as if they were conducting feasibility studies *in situ*. At such moments one could not be sure if he was not thinking aloud because in later contexts (meeting investors, for instance), he sometimes presented 'findings-in-progress' as if they were established facts. On the other hand, this facet of Chong Eu's 'style of work' irked some of his officers. He would just as readily confront them with views and knowledge he had gleaned from conversations with other experts. Some officers were liable to feel that he micro-planned, micro-managed and indulged exercises of domination that made them look inadequate or feel timorous.³⁰

Yet, the awe and adulation of some or the diffidence and disgruntlement of others were beside the point. There were other imperatives to Chong Eu's technocratic displays. For one thing, the balance of power in BN's ethnic politics permitted the appointment of only one Chinese Chief Minister and only for Penang. Within BN, Gerakan was second to MCA as a 'Chinese-based component party'. More than any other Chief Minister or Menteri Besar, therefore, Chong Eu had to demonstrate

30 For a view of Chong Eu as a leader who did not micro-manage '[o]nce he trusted you', see Kam (2011: 34–35).

‘excellence’ to retain his position which was the same as safeguarding Gerakan’s paramount physical and symbolic asset – its control of Penang. From Penang, Chong Eu’s technocratic turn projected wider impact and significance. It might have catalyzed Gerakan’s tactic to be technocratic within the Cabinet where the party was allocated a limited number of appointments. Maybe Chong Eu had systematically thought out a new approach. Maybe he guided its progression as contingencies arose. After being part of BN for some years, Gerakan realized that it had limited ‘space’ within the coalition and the Federal government. To the end, Chong Eu maintained that Gerakan had not joined an enlarged Alliance but was a co-founder of BN *with* Alliance, PAS, PPP and SUPP.³¹ That was a forlorn position: BN’s ‘power sharing’ did not mean that UMNO would tolerate any hint of parity between itself and any of its partners. Quite the contrary; as BN co-opted any party that would trade opposition for a share of power, UMNO became more dominant vis-à-vis all its partners.

Unable to influence national policy directions directly, Gerakan’s leadership accepted that their only tactic to have ‘inputs’ in policy-making lay in being represented by ‘good ministers’ who could advise the Cabinet and especially the Prime Minister. Hence, Chong Eu insisted that Gerakan should nominate for its ministers or deputy ministers only party leaders who had strong technocratic credentials and showed promise of administrative ability.³² To that extent, Chong Eu needed to demonstrate in Penang what Gerakan had to strive for at the national level. He was unmatched in imagination, ability and energy by any other Chief Minister or Menteri Besar.³³

31 One can almost liken Chong Eu’s understanding of BN’s founding to Sabah and Sarawak’s interpretation of the formation of Malaysia as involving an agreement reached by Malaya, Sabah, Sarawak and Singapore as equal partners in a four-party union. Voices from Sabah and Sarawak continually protest that their states have since been reduced to being merely two among thirteen (after Singapore’s secession).

32 Of course, the candidates had to have political strength within Gerakan to be considered.

33 Mahathir showed comparable drive and energy at the national level. Where Chong Eu admitted to being ‘very good at throwing out ideas but that only some were implementable’ (Chet 2011a: 15), Mahathir said that a leader’s most important quality was to provide ideas that would be superior to those of the people he led.

In the Federal Cabinet Gerakan appointees were enjoined to fit the scripted role of a good minister – offer ‘service’ and demonstrate ‘excellence’. There was nothing else to demonstrate anyway in the face of executive aggrandizement. Politics having been transformed into technocracy, the politician had to be a ‘new style’ technocrat.

IV. Against erasure: Lim Chong Eu, Penang and Malaysia

Penang was never a *tabula rasa* on which Chong Eu could leave his writ as he pleased. He was a social product of Penang as it evolved from its colonial origins as a British bridgehead in the Malay Peninsula, a regional entrepôt, a source of capital for developing the resource-rich Malay States, and a node in the networks of empire (Chuleeporn Virunha 2009). At the same time, he was heir to its transformation from being a ‘magnet for Chinese and Malay reformers’ (Turnbull 2009: 45) in the early 20th century to a major site of Straits Chinese elite politics in the inter-war years (Christie 1998: 35) and a post-independent locus of urban dissent.³⁴ By the 1960s, the state, but especially the island and the city, possessed an economically troubled populace and a restive electorate. The former demanded a change in fortune, the latter a change of government. Thus, they rallied to Chong Eu’s call for political reinvention and looked to him for ideas on economic revitalization. The major elements of what he proposed were not startlingly new but they were cohesively woven into a fighting electoral campaign. At any rate, were it not for the tide of oppositionist anger, Gerakan’s hastily assembled organizational structure could not have matched the Alliance’s advantages and resources in 1969.

Chong Eu had originally posed the tasks of resolving Penang’s socio-economic problems in modest and easily comprehensible terms: stimulate growth, revive trade, generate employment, provide low-

34 George Town was a Socialist Front stronghold before the Federal government abolished local elections on flimsy pretext and before the Labour Party’s implosion (Tan Kim Hong 2009) paved the way for Gerakan to come to power.

cost housing, reverse net outmigration, and ultimately ‘restore economic buoyancy’. Only his undertaking to build a bridge to the mainland sounded like a grand electoral promise in 1969. Judged by the standards he set himself, Chong Eu’s management of Penang’s economy was quite successful (even allowing that new problems arise out of changing conditions). On this score, Penang society has judged him to be the ‘best Chief Minister’ ever. He might have found that to be comforting, had he paused to concern himself with it, because he would not have forgotten a time when he was criticized for everything he did or did not do.³⁵ Even his elevation of technocracy by personal example was not spared political questioning: ‘When was the last time Chong Eu propounded on a critical national issue?’³⁶ Few remembered because it was such a long time ago. The other usual way to assess his performance was to analyze technically the results of the development strategy implemented under his oversight. Economists and experts have done so, and some of their work appears in several chapters in this volume.³⁷ Their conclusions largely favour Chong Eu as well. To put things differently, his ‘legacy’ had received appreciative ‘verdicts’ from experts, politicians, and, most of all, ‘Penang people’ living in the state, the country or even abroad.

At some remove now from contemporaneous controversies, one can more broadly consider the *national* significance of Penang’s transformation during Chong Eu’s time. To do so, one must discard

35 There were: KOMTAR (for its demolition of heritage areas and decantation of inner-city population); EOI (for the absence of unionization, low wages, footloose industries, lack of industrial linkages, women’s ‘scope’ work and hysteria); the rural townships (for ‘shoddy’ construction on ‘unstable’ former padi fields and UMNO’s fear of non-Malay voters’ intruding on their rural territories); tourism (for environmental despoliation); and several agro-horticultural projects (for their failures). Some civil servants privately criticized him for not having looked after them better: what had the PDC done for Penang’s civil servants in contrast, say, to what the other SEDCS had done for their officers and staff? Those were years when Chong Eu possibly had more public detractors than defenders.

36 During the 1983 Constitutional crisis pitting Mahathir and UMNO against the Malay rulers, Chong Eu privately cautioned his Gerakan people to ‘stay out of their [Malay] fight’.

37 Hence, to avoid overlap within the same volume, this essay has not attempted to provide a thorough evaluation of the economic outcomes of Chong Eu’s development strategy.

a tendency to focus so narrowly on the personal (Chong Eu) and the parochial (Penang) that one disembodies the 'Lim Chong Eu and Penang Story' from the larger rubric of Malaysian political economy. Penang's record of development during the Lim Chong Eu years, but particularly its industrialization, made important strides in overcoming certain historical and structural weaknesses that had long burdened Malaysia. What did Penang's success mean to Malaysia beyond the standard yardsticks of development applied to 'developing countries'? The question may be summarily answered by reference to a few perceptive diagnoses of the structural flaws and other weaknesses of Malaysia's economy and society prior to Penang's large-scale EOI that remains the outstanding case of industrialization in the country. First, as Williamson (2002: 404) has persuasively argued, the typical colonial economy was 'built for subordinate integration into the world economy' and was 'imperial rather than national ... not designed to articulate a national polity'. Like many other newly independent national polities, Malaysia was burdened by that 'mismatch' between imperial structures and post-colonial national expectations that created deep social conflicts rooted in poverty and various forms of inequality. Related to this, James J. Puthuchery (1960) critiqued the painful consequences that foreign ownership and control of the economy had created for Malaya's plural society and its potential for development. From a different angle, 'the major obstacles to an accelerated programme of industrial development [in Malaya] were political, social and ideological': respectively, the state relied on foreign-owned industries to circumvent Malay fears of Chinese economic domination, refused to use public enterprises to industrialize and was unwilling to deploy 'various fiscal and other devices' to enlarge the domestic market for industrial products (Wheelright 1965: 119). Such issues could not be tackled in economistic fashion, relying on received wisdom on development. Seen from these perspectives, Penang's transformation was remarkable. First, it pioneered a trail out of a dead end that had been framed by an ethnic division of labour,

declining terms of trade, rigidities of comparative advantage, and non-autonomous development. Second, although it still manifested 'subordinate integration' with the global economy, the EOI integrated rural and poorer segments of society with a major source of employment and growth, thus meeting some of the NEP's requirements. Third, the transformation was undertaken by a small, politically vulnerable, resource-poor state 'stagnating in the doldrums'. Fourth, the process was negotiated by a man who had 'seen the moment of [his] greatness flicker' at his highest electoral triumph. With all these, the achievement was not just Penang's but, in a very real sense, Malaysia's.

There is yet another way of appreciating the 'Lim Chong Eu and Penang Story'. Viewing it from a national perspective subverts an insidious trend in official and academic narratives, encouraged by UMNO's ideological hegemony, of erasing non-Malay contributions to the country's independence, development and progress. It is not a matter of counter-posing one community's record against another. At the post-May 13 juncture, Chong Eu had to find ways to 'protect Chinese interests' but he was not insincere in maintaining that what proceeded in Penang was aimed at improving Malaysian society. Such a stance was not more self-interested than UMNO leaders' insistence that the NEP was entirely devoted to 'the national interest'. Chong Eu's singular merit might have been his political ability to weave Penang's state-directed socio-economic transformation into Razak's interventionist NEP regime while merging the core EOI with the New International Division of Labour and, later, East Asian late industrialization.³⁸ His basic pathway of development lasted two decades after he left office. In its fundamentals, Chong Eu's solution for Penang was inseparable

38 Here's a sense of the confluence of the personal and social, local and global, and past and present in the 'Penang story': 'Penang's economic problems reached a fortuitous resolution as the dynamic and urbane leadership of Chief Minister Lim Chong Eu from 1969 until 1990 identified a new niche for Penang. The reinvention of Penang from a dying entrepôt to a manufacturing centre took off on the waves of the computer revolution as the electronic industry sought offshore manufacturing facilities with educated but inexpensive labour... a conjuncture of global economic change – comparable perhaps in its impact to that of the Industrial Revolution in Europe – which had arrived in Malaya through the expansion of colonial enterprise' (Tan Liok Ee 2009: 23).

from Razak's for the country – stimulate growth, diversify economic activity, encourage investment, generate employment, and augment low incomes with public housing and amenities. Each of them set top-down developmental directions and implemented measures to alleviate the mass disaffection that produced the crisis of May 13. It is one of those fortuities of Malaysian history that Chong Eu, scion of the Straits Chinese elite in Penang, and Razak, a son of the Malay aristocracy in Pahang, should have shared broad social-democratic convictions that included a commitment to competent and honest administration for sound and equitable development.³⁹ For that matter, Chong Eu, no less than Razak, addressed his core concerns with a sense of *noblesse oblige* (Khoo 2012: 256).

Chong Eu did not say it but he had less and less in common with what came after Razak, especially Mahathir's part-statist and part-neoliberal institutionalization of Malaysia Incorporated and Privatization. Mahathir's ascent presaged the end of the policy regime of idealistic service, reliable constituencies, fiscal probity and 'good governance' that Chong Eu had come to know very well. Perhaps Chong Eu should have forced a transition to a 'Penang without Lim Chong Eu' by the mid-1980s. Yet he stayed, or was asked to stay in office up to 1990 mainly because of the Mahathir regime's many crises – another indication that Penang could not be isolated from the nation's politics. The milieu before the general election of that year was marked by a deep political divide in the Malay electorate and extensive non-Malay dissent against Mahathir and UMNO Baru. Penang saw an unforgiving anti-Mahathir and anti-BN mood supportive of a hastily assembled Gagasan Rakyat coalition (of Parti Semangat 46, PAS, DAP, and Parti Bersatu Sabah) out to challenge UMNO/BN for power. Mahathir, BN and Gerakan sorely needed Chong Eu to lead a defence of Penang just as they had needed him to retain Penang at the difficult 1986 election. He had

³⁹ When he was a law student in London, Razak joined the Labour Party and the Fabian Society (Paridah 2001: 21).

admitted to being very weary some years earlier,⁴⁰ but he said he could not refuse for fear that a defeat for Gerakan would undo his work of the past two decades. Lim Kit Siang declined to stand for Parliament and challenged Chong Eu in the latter's old, old state constituency, thus forcing the hand of the Penang electorate and especially the Chinese voters: keep Chong Eu *or* elect a new government.⁴¹ Chong Eu's very narrow loss showed what an agonizing choice it was for most voters.

If there was tragedy in that episode, it came in two parts. First, the anti-Mahathir, anti-UMNO Baru and anti-BN voters were repelled by the 1980s' recession, financial scandals and repression. Yet the disaffected Penang voters found their most prominent anti-regime target in someone whose party, unlike MCA, had not been tainted by the scandals, and who had kept the Penang government free of the malaise that would be denounced as *kolusi*, *korupsi*, *nepotisme* (collusion, corruption and nepotism) barely a decade later.⁴² Second, the timing of Chong Eu's defeat was 'premature'. For the Malaysian economy, the 1980s ended with strong recovery from its mid-decade recession. Following the G-7's Plaza Accord, a wave of East Asian EOI-centred FDI surged into Penang and was set to reverse its previous contraction in manufacturing. The 1990 election came too early, before resumed prosperity could stem the anti-regime tide and save Chong Eu his seat.

Whatever his private feelings, Chong Eu did not vent any fury on his constituency or the voters. He did not accuse them of bad faith or disloyalty or ingratitude or amnesia or whatever it was that moved voters to reject a long-term representative. In his time, that is to say,

40 '... I began to feel tired always since two years ago. Previously I did not know what it felt like when a person experiences fatigue' (Shahrin Shuib, 'Chong Eu says it again: I'll step down', *New Straits Times*, 11 January 1986).

41 At an election rally Mahathir said, 'Lim Kit Siang should not have chosen to contest against Dr Lim in Padang Kota constituency as a mark of respect for the Chief Minister's stature and integrity' ('Kit Siang should show respect to Chong Eu: Mahathir', *Straits Times*, 20 October 1990). But, as Chong Eu said after the election, 'We fought an electoral war in Penang. We lost a few battles but we won the war' (*The Star*, 25 October 1990).

42 This is not to deny the possible impact on the election outcome from some local issues and intra-Gerakan dissatisfaction with Chong Eu.

Penang's intensely rebellious moment of 1969, he had mobilized the voters to reject the Alliance and eject its incumbent Chief Minister. Chong Eu was an 'old cock' in the game: politics was politics and 'these things happened'. When someone asked him about his loss, he recalled the experience of Winston Churchill who had led his nation through a terrible war only to be dumped by the electorate in Britain's first post-war general election. Little Penang was no stage for cutting a Churchillian figure. Yet Chong Eu's was a dignified response, free of resentment, befitting the learned, cultured and high-minded persona he cultivated in public life. He told his Gerakan successors that his period was over. He did not wish to be consulted except in a dire crisis when he might be approached for elderly counsel. He kept his word. He kept out of their way.⁴³ Eighteen years later, another wave of recalcitrant sentiment swept Gerakan out of Penang's politics. It was reminiscent of how 'Gerakan threw the Alliance into the sea' in 1969, as Chong Eu had recalled before the 1990 election.⁴⁴ When a Gerakan delegation met him afterwards, Chong Eu rebuffed them, 'Why bother to come only after losing?' In truth it was unlikely that he could have helped them before the election. The political climate had changed unrecognizably from his time and he had largely faded from popular imagination.⁴⁵

Until Penang released him in 1990, Chong Eu's bonds with the state, island and city were inseparably personal and political. When all else failed him, 'Penang was there for him'. *Qua* stage, arena and laboratory, Penang sustained him while he drove himself (and others) to succeed. Success would benefit society as he understood it. Success diminished his own vulnerabilities and compensated for his losses. More deeply, Penang's triumph would have vindicated his belief, though not his

43 When Tunku Abdul Rahman attacked BN and especially Mahathir, Chong Eu said, 'When I retire I will not talk so much. The Tunku talks too much' ('Stay out of politics, Chong Eu tells Tunku', *Straits Times*, 9 April 1990).

44 'Don't talk too much, Chong Eu tells Tunku', *New Straits Times*, 9 April 1990.

45 At his last public lecture, organized by the Socioeconomic and Environmental Research Institute in 2005, Chong Eu met rapturous applause from the audience, evidence that adulation for him was intact among some quarters.

alone, that Lim Chong Eu could have done more, gone further, and scaled higher but for conditions beyond his control that shrank his political world.

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