

Chinese Business in the Making of a Malay State, 1882–1941: Kedah and Penang. By Wu Xiao An. London and New York: RoutledgeCurzon 2003. 239 pp.

Growing up in Kuala Lumpur, I did not often travel up the north of the Malaya Peninsula. And perhaps for that, the northern states of Kedah, Perlis, and Kelantan often seemed to me remote and exotic. In December 2005, I went up to Southern Thailand to hear the stories of ex-guerrillas of the Malayan Communist Party (MCP) who have settled there after the 1989 ceasefire agreement. Their stories brought home to me the mutability of life at the border region, that lives and cultures and social certainties, not to mention the Malaysian-Thai national boundaries themselves, are in fact remarkably porous and open. Some men and women of the MCP, having lost their ‘loved ones’ (*ai ren*) remarried Thais and some adopted Thai children when they could not have any. During the Malayan Emergency (1948–60), they and their comrades crossed to and fro between Thailand and Malaysia at various points at the border undetected by the security forces. It is the postmodern geographer’s wet dream. You can, in all seriousness, say that the MCP guerrillas and the Malaysian and Thai villagers on both sides of the borders make for ‘flexible citizenship’ of a sort. It is not the sort as Ong has described (1999), one of migration, employment with multinational corporations, and business class travelling, but less glamorously of jungle trek across the border to buy and sell, visit relatives and for a bit of smuggling and other clandestine undertakings. (Diesel is currently the favourite item to be smuggled from Thailand to Malaysia after the Malaysian authorities withdrew subsidy for users in the industries.) One wonders if the Islamic separatists among the Malays living in the southeastern Thai Provinces do not make use of the same freedom of movement and sanctuary the area offers.

Border zones were remarkable, even before the time of globalization and transnational capitalism, for those features that presently so excite postmodernism. The same cross-border traffic of various kinds — cultural influences, marriages, movements of goods, and people —

were found in areas where contiguous community formations had yet to be broken up by the making of modern nations. From Kashmir, Macedonia-Montenegro border to the Palk Strait between Northern Sri Lanka and the Indian coast: the freedom of movement offers the opportunities for trade and cultural influences; it also provides the conditions for lawlessness and the struggle of ethno-nationalism. The border zone turns out to be a place of mixed blessing.

It was of course, European imperial powers that drew up maps and borders in order to carve up the colonized world between them, and these were inherited almost wholesale by the post-colonial nations on independence. It is interesting to think of another era when these topographical artifices were yet formed, when social and political relations were shaped by less stable configuration of power and ambitions. For even before our postmodern times, all important things of the border zone were by nature of different origins that cut across traditional demarcations and cultural attachments. When kinship, the market, and political alignment were at once stretched over several regions, how do we begin to track their processes and measure their consequences? This is perhaps the classic problem of the study of border zones. And the study calls for imagination and yet a certain disciplined astuteness. To associate border-zones with the postmodern freedom is good analytical instinct, but it also ignores that what happen in each place always have their own particular logic and parochial concern.

Wu Xiao An's *Chinese Business in the Making of a Malay State, 1882–1941, Kedah and Penang*, offers one model of how to approach the study of the border zone. Dazzling with empirical richness, judicious in its understanding of state formation's complexities, the work shows up the confluences of power and economic relations across Kedah, Penang and Thailand, three separate, yet closely linked territories and political regimes. Putting Chinese business in such a cross-regional context is both new and innovative. It certainly puts shame to the shoddy attempts to make sense of "Chinese business" through such ideas as "guanxi capitalism", "bamboo network", and "Confucian capitalism" and so on.

The work's central spirit is in the title: Chinese business is made to linked with the political and economic processes in the Kedah Sultanate and the British territory of Penang — under the overarching Thai suzerain rights in northern Malaya. This means that Chinese capitalist enterprises — Wu is speaking of the 1880s before the inclusion of Kedah in the Unfederated Malayan States — necessarily had to traverse three territories and deal with three political powers. So too the networks of Chinese business interests. Wu traces the rise and fall of two Chinese families whose fortunes were the labour of their ancestors — the legendary Lim Leng Cheak and Choong Cheng Kean. The wealth and businesses of the two families were intractably tied to the political and economic ambitions of the three regimes. Both Lim and Choong were heavily involved in rice mills, shipping and most importantly, opium revenue farms. Lim based in Penang invested heavily in Kedah, and Choong was much closer to the power and patronage of the Kedah Sultan: the criss-crossing of business interests, aligning as they did to the regimes that offered them protection and opportunities, inevitably brought about conflict and accommodation among the parties involved.

Both Kedah and Penang wanted Chinese businesses to come and invest there. The all important opium farm was an exclusively Chinese affair; both revenue farmers and the consumers were Chinese. Much of the book was devoted to examining the complex political and economic arrangements that made the organization of opium farm and other business possible. Not only the Malay and British regimes tended to front up “our Chinese” against “your Chinese” in business competitions, more prosaically, any price differentials of opium between the territories would lead to the conflict and inevitably, smuggling. Since Kedah's sovereignty belonged to Siam, she too was drawn in the whirlpool. With this in view, Wu turns to the “structural circumstances” in northern Malaya in order to show the changing fortunes of the Lim and Choong families. Siam invaded Kedah in 1821 to assert its dominion and power. The Anglo-Siam Treaty 1909 made Kedah an outcast in the geopolitics of the region. The result was the slow strangling hold of British control. For the

British, protecting interests of British subjects in Kedah from Penang had always been politically and legally hazardous. The takeover of Kedah from Siam set the scene for modernization and the reform of the traditional judicial system. With the British takeover, Chinese businesses began to break the traditional alliances with the Sultan and the royal household. Thus unanchored, the older family enterprises were gradually replaced by Western capital and new Chinese entrants to the local economy.

The rise and fall of the Lim and Choong families, their attempts to rework the earlier magic of their ancestors, took place in all this. One feels the tragic resonance of their alternating fortunes. Wu's finely tuned analysis the criss-crossed the political reconfigurations, and these reconfigurations presented as more than mere backdrops against which the Chinese capitalists consolidated their interests and sought wealth and prestige. Instead they were "structural circumstances" fatefully interweaving all that they were trying to do. Lim and the Penang authority, Choong and the Kedah royalty, British and the Sultanate, notwithstanding their shifting alliances, were axes of mutual accommodation and conflict. In these processes, the Chinese entrepreneurs were crucial and heavily courted by the respective political powers for their commercial skills and capital. As Wu makes certain, they were far more than subservient "hand maidens" of these powers.

Chinese Business in the Making of a Malay State, 1882–1941, Kedah and Penang is a rich, remarkable historical ethnography. Having trodden on the terrain of Chinese business myself, I welcome a work not awed by the subjects it describes, not seduced by its magic. Bringing back history and "structural circumstances" back into the study of Chinese economic behaviour is surely the way to avoid the methodological and analytical facile. Heather Sutherland who supervised Wu's thesis in the University of Amsterdam, warns the readers in the Forward: the "retrospective ethnicization of standard historical narratives, by according privileged status to any particular group, gravely distorts the pasts. This is particularly so in maritime Southeast Asia, where mobility and the rise and fall of polities, ports

and settlements are central themes". Sutherland is surely right; in the studies of Chinese business in Southeast Asia the distortion is all but too evident. And *Chinese Business in the Making of a Malay State* takes us to the skylight for a less rarefied view of the achievements and failures, greed and satisfactions of the Chinese entrepreneur. The work shows one way how such a project can begin. And for "ethnicized distortion" that Sutherland forewarns, it is both intellectually and existentially necessary for writers of Chinese origin not to write only "good stories" about the Chinese entrepreneur, but also the darker and morally more ambiguous aspects of his undertaking. For that, one must have the eyes to truly see. Sutherland's wisdom is ultimately about the necessity of intellectual curiosity and openness when writing about a subject like Chinese business.

In the narrative of the respective multiple marriages of Lim Leng Cheak and Choong Cheng Kean, Wu describes how each man "distributed" the wives across China, Malaya and Thailand. Since these were the 'major nodes' of their business network, this comes across as an ingenious arrangement. Nothing like combining business interests, marital homes, and sexual enjoyment across territories. The men would travel and live a short period in each home — spreading social and manly favours, and the women too would consolidate their hold on domestic and financial powers. It comes across as a "transnational movement" of a remarkable kind. One wonders if Lim and Choong, practical men as they were, would put business skill above sexual attractiveness in the women they married. Or indeed, as men who had not given up their manly needs, they preferred spouses who had precisely their, some would say, rare combination of business skill and feminine qualities. This is potent of the subject of Freudian desire and political economy of sex (and in reverse, the sexualization of power and marital relations), subjects not touched upon by study of the Chinese entrepreneur.

Chinese Business in the Making of a Malay State is suggestive of another field. Both the Lim and Choong families enriched themselves with opium revenue farms. An ingenious set up of British colonialism, revenue farm collected revenue for the state by

leasing out the exclusive right to retail certain commodities: liquor, prostitutes, and opium. These were for the consumption of the coolies and working poor. In Singapore, as Carl Trocki describes in *Opium and Empire* (1990), the British were able to finance Free Trade through the opium revenue farms — by riding on the back of the coolie-consumers. The wealthy Chinese revenue farmers were crucial cornerstone of the system. Socially and culturally too distant from the Chinese masses, the British could not make revenue farm work without the active participation of the Chinese merchants. In the heart-warming family enterprises as here in the cultural cohesion of the Chinese community, extraction of surpluses took place. Emotion and sentiment — the pull of kinship and the community — muted the violence of the economic relationship, a process French anthropologist Claude Meillassaux has called “super-exploitation” (1972). Caught with the fervour of post-colonial studies, we find it hard sometimes to remember the colonized’s involvement in the complex mechanism that is colonialism. There is nothing more indicative of than the brilliant enterprises of men like Lim Leng Cheak and Choong Cheng Kean. If complicity is too harsh a word, we still have to examine the crucial roles of these men in the political-economic scheme of things in which they lived and made their fortunes.

Chinese Business in the Making of a Malay State is an important scholarly achievement not the least because it is provocative of thoughts and analytical visions. Wu never let loose the point that, as he puts it, “Chinese business networks and power relationships are not simple, isolated business or communal matters, but involve larger political, socio-economic, and historical processes. All structural elements of region, ethnicity and state are manifested in Chinese family networks” (p. 181). These “structural elements” are opportunities of wealth-making, and they once put sham to those who make a great of Chinese business talent and so-called Confucian virtues of hard work and sacrifice. To explain Chinese business activities by these personal instinct and qualities, is to commit the (ideological) error of “bourgeois individualism”, to evoke a jargon

of Maoist China. Wu remembers in Acknowledgements his mother, a illiterate and a widow since Wu's father died thirty-five years ago, and how she brought up the family of five children. In the book and in recollection of his mother's sad life, Wu himself has not forgotten the ills of "bourgeois individualism" — even though he would not want to keep company with Maoism and the excesses of the Cultural Revolution which had his mother labelled "reactionary" for several decades.

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