

Collaborations and Contestations: The South Asian Commercial Networks in Penang in the Nineteenth and Twentieth Centuries

Jayati Bhattacharya
Visiting Research Fellow
Nalanda-Sriwijaya Centre,
Institute of Southeast Asian Studies
Singapore

The development of Penang and other colonial entrepots and ports relates to the origin of colonial urban communities in the region in relation to the movements of commercial commodities. These urban identities and cultural constructions were being refashioned continuously. They were broadly associated with the industrial capitalism and other regional and global transformations. Penang emerged as converging point between two trade-routes in the Indian Ocean and its periphery creating opportunities and a fulcrum for trans-national mobilities in human capital, culture, trade and commerce. On the one hand, it provided as the necessary stop-over in the Indian-China trade-route, dominated by the opium and tea trade, creating opportunities for its own participation in the trade. On the other hand, the British promotion of free trade and establishment of the administrative centre led to its emergence as an important centre of commerce in Siam, Burma and Sumatra and other parts of Southeast Asia after the decline of Malacca. Though the limelight gradually shifted to Singapore after 1832, the advantages of the geographical location could not be diminished, and Penang continued to thrive as an important Asian commercial centre. This paper will look at the contradictions and contestations of Penang and the participation of the South Asian immigrant population in characterising the island.

The Rise and Decline of Penang

The British acquisition of Penang opened the floodgates of settlers –Malays, Indians and Chinese, everybody trying to grab land and build as fast as they could. Light arrived with five staff members, and other European civilians numbered only fourteen. By January 1788, the settlers had built around two hundred houses, and by 1792, the inhabitants numbered around ten thousand. Before his death in 1794, Light had “laid out the commercial town in the area bounded by Light Street, Beach Street, Chulia Street and Pitt Street, and within this area the Committee made a network of roads which survives to this day almost without change from their original names.”

Increasing colonial enterprise and the strategic importance of Penang elevated it to a position of great prominence during the initial years of Penang’s development. However, settlement with the Dutch over the territories in Southeast Asia and the promotion of Singapore as an entrepot proved to be stumbling blocks in the rapid pace of its development. Singapore outstripped Penang in trade with its free trade principles and the new trade with China and eastern Malaya, this was not really a diversion from the trade from Penang. Penang’s future looked prosperous till it became a part of the Straits Settlements with the abolition of the Presidency and the capital was shifted to Singapore. From 1832 onwards, Penang’s moments of dominance and popularity as the capital of the fourth Presidency of India was on the wane and the advantages of an entrepot was soon taken over by Singapore.

Trade and Traders in Penang

The mercantile community in the Asian trading networks had a significant part to play in the success and development of Penang. They comprise of the Chulias, English traders, Portuguese merchants from Bengal, Bombay, Madras, Nagore and other places in Bay of Bengal trading in Indian cloth, salt, sugar and opium on the one hand, and the Malay and the Bugis traders trading in food, forest products, minerals like gold and tin on the other. Chinese merchants came in from Kedah and connected with Aceh, Junk Ceylon and southern Thailand. As Trocki puts it, "The country traders, with their cargoes of opium, weapons, Indian cloth and silver were ideal trading partners for the locally established Chinese merchants who serviced the settlements of Chinese laborers." Merchants with earlier trading links with Junk Ceylon, Kedah, Aceh, Pegu, Mergui, Larut, Selangor or Malacca moved their operations to Penang when the port town was established.

The establishment of the port-town of Penang stimulated its trading activities with different parts of South and Southeast Asia like the Indian subcontinent, Malayan peninsula, northern Sumatra, Siam as well as with China. The main imports to Penang included Indian piece-goods, opium, pepper, betel nuts, rice, tobacco, oil and ghee, tin, silk, liquor, salt and also other products from Europe. Indian cloth, opium, tin, betel nuts and pepper were the main items of export. Penang became an important ground for redistribution and exchange of goods and articles between the India-China trade route and Southeast Asian trade network.

The trade exchanges between most of sixteenth and seventeenth centuries was maintained with flow of precious metals from Europe to Asia in return of spices and manufactured luxuries from the East like Indian cottons and Chinese silk and ceramics, resulting in the flow of silver and gold from the West to the East. Increasing European demand for the Oriental luxuries eventually compounded the bullion deficit. Opium, however, reversed this imbalance and became, as Trocki points out, an important element in the process of commercialization. "...Land, labor, fiscal relations, and even the state itself were commercialized by opium." By the end of the eighteenth century, a third of Bengal's opium was travelling to Southeast Asia, and the EIC, company's servants, private traders participated vigorously in the "country trade". Some of the Company's servants liaised with "Indian, Muslim and Parsi merchants" as well as the Portuguese and Dutch to help EIC deal with the "inconvenient or "illegal" goods, which was in most cases, opium. The country traders dealing with opium, weapons, Indian cloth and silver were "ideal trading partners for the locally established Chinese merchants who serviced the settlements of Chinese laborers." Moreover, British dominance in the opium trade enabled them to distribute the product in Southeast Asia through Penang, and later through Singapore. Their monopoly over the opium firms in India and Southeast Asia helped them to solve the critical problem of colonial finance. It also formed the main source of revenue in Penang, Malacca and Singapore. Thus, Penang formed the ideal meeting ground for engagements and encounters of financial, social and political implications of the opium story.

The South Asian Diasporic Communities

The mercantile community in the Asian trading networks had a significant part to play in the development and success of Penang. Indian mercantile connectivities in Southeast Asia dates back to the fourth-fifth centuries, with Hindus, Muslims and Buddhist merchants participating in the trade. A large number of Sanskrit inscriptions have been found in the western part of Kedah and other parts of the Malayan Peninsula which provide evidences of interactions with the Indian subcontinent.

People and professions

From the fourteenth to the sixteenth centuries CE, Gujaratis were perhaps, a very important trading community with significant influence in Malacca and Southeast Asia including the spread of Islam. However, as trading groups, the South Indian community included “wholesalers proper, men with plenty of capital, stocks of goods and shipping assets” and they were active in Southeast Asian waters in larger numbers than the Gujaratis. Among the earliest of the Chulia merchants who came from the Coromandel Coast were Mohammed Syed and his partners, Mucktoon Saib, Boojoo Mohammed and Ismail Mohammed from Pulicat, who became wealthy merchants by trading in Indian cloth and other items. They based their business in Penang from 1787 to 1814 till a fire destroyed all their properties.

Parsis were another important South Asian community having big time mercantile interests in inter-Asian trade. Most of them, who made it big were involved in India-China trade and located themselves either at Calcutta or Bombay in India and in Canton, Macao, Hong Kong, Amoy, Singapore, Penang, and Batavia in Southeast and East Asia.

The hybridity of ethnicity and culture, and its ready acceptance and integration within the society made it a remarkable feature in the context of Penang and Malacca. There is also confusion on the kinds of categories of different ethnicities in the British colonial records. The Census Reports of 1921 divides the Indians into two sections “Klings” and “Bengalis”, meanings Indians from the South like Tamils, Telegus, Malayalis, and from the North like Punjabis, Afghans, natives of Bengal respectively.

The first Gujarati speaking person to arrive in Penang was, perhaps, a Parsi. The others, the Bohras, Khojas and others arrived in the late nineteenth century and formed a significant entrepreneurial community. The decline of Malacca prompted many Gujarati businessmen, Hindus or Muslims, to relocate to Penang. The Gujaratis were also known as the “king of textiles” for their business affiliations. Himatlal Hariram Bhatt was one of the prominent Gujarati businessman who became the first President of the Indian Chamber of Commerce in Penang. He also founded the Gujarati Seva Samaj in 1920. Among the Sindhis, the first of them seemed to have arrived in the early nineteenth century. They had strong business and social connections with the Sindhis in Singapore and Indonesia, many of them taking the route to arrive in Penang.

The most prominent of the Hindu South Indian men of commerce were, undoubtedly, the Chettiars, who refitted themselves in the role of financial intermediaries between British colonialists and the local population in most parts of Southeast Asia. They established themselves primarily in the money-lending business, and also came to finance the plantations in a significant way and later participated in the property business as well. They were conservatives in their religious sentiments and involved religion with their business. The first Chettiar was supposed to arrive in Penang in 1824. Besides providing both the rural and the urban sectors with easy finance, they also established joint-stock companies.

With the colonial introduction of a new system of indentured labour in the nineteenth century, the significance of the South Indian immigrants continued unabated since the 1870s, but in a different paradigm of migratory course. The rhythm of the free flowing circulatory movement of populations within the Asian trading networks transformed into narrowly structured, almost forced, less mobile, more of a one-way traffic leading to the plantations of Southeast Asia and elsewhere.

These were a different set of migrants, tied to the plantation economy, living in their own ghettos without any major opportunity to influence or be influenced by the prevailing culture on the island.

Table: 1

Immigration from South India to Penang in Early Twentieth Century

	1902	1903	1904
Statute Immigrants	2,430	572	2,670
Free coolies (with aided passage tickets)	1,595	1,980	3,527
Other Immigrants	16,217	19,478	24,504
Total	20,242	22,030	30,701

Source: *Annual Report of Indian Immigration to the Straits Settlements for the Year 1904*, Department of Commerce and Industry, October 1905, pros. Nos. 6-8, File no. 80 of 1905, National Archives of India, New Delhi.

By the 1920s, Penang witnessed a steady rise in the numbers of Indians who lived there. On the one hand, there was a constant demand of labourers to work in plantations, the main supply of which was made from South India. The traders and merchants, following British mercantile interests, continued to look for avenues in the port towns. However, they were soon overwhelmed by the huge exodus of ethnic Chinese into the region as the table below shows.

Table no: 2

Population of Penang in the first decades of Twentieth Century

Nationalities	1901	1911	1921
Europeans	1,160	1,262	1,476
Eurasians	1,945	1,774	1,919
Malays	106,000	114,441	110,382
Chinese	98,424	111,738	135,288
Indians	38,051	46,565	53,339
Others	2,627	2,223	1,931

Source: J.E. Nathan, *The Census of British Malaya, 1921*, London, Waterlow & Sons Limited, 1922, p.29

Lived-spaces and culture

Just like in any other colonial port town, Penang’s demography, professions and culture revolved around the sustainability of its trade and commerce and Little India became the microcosm of the networks and linkages of different levels of economic transactions in a large range of spatial mobility- both regional and global. It represented rhythms of life in a lived-space that imparted a visual character to the community and revealed glimpses of the complex narratives of people, occupation and culture and cuisines.

Penang presented an interesting meeting ground for different ethnicities, religion, and professions, providing spaces for diverse cultural expressions and interactions. Inter-marriages in different generations resulted in the racial mix and cultural overlaps. While on the one hand, the Sri Maha Mariamman Temple or the Sri Kunj Bihari Temple represented religious affiliations of two very different groups of the Hindus from the Indian sub-continent, on the other hand, Islam became the unifying factor for the Muslims of Indian, Malay and Arabic descent. Similarly, Chinese schools brought together different clans and dialect groups. Above all, the English schools, as pointed out by Tan Liok Ee, “produced a multi-ethnic elite strata, which played an increasing role in the political life of the colony.”

The intellectual thrive of Penang attracted many thinkers and national leaders across the region. Just as it provided a suitable base for Sun-Yat-Sen’s activities, it provided with a strong support base for the Indian freedom struggle espoused by Netaji Subhas Chandra Bose, who had proclaimed a Provisional Government of Azad Hind in Singapore in 1943. The great Indian poet and the first Asian Nobel laureate, Rabindranath Tagore visited Penang during his Asian tour, and was warmly received by the people of Penang. Thus, Penang also formed a meeting ground for ideological exchanges and interactions between the Indian and the Chinese communities.

Conclusion

The geopolitical considerations and connectivities of Penang bring us to another important question as to how far the shift of colonial power to Singapore diminished its importance in the Asian trading network and as a regional hub. It did to a considerable extent with the introduction of the steamships by the middle of the nineteenth century, confirming the secondary position of Penang after Singapore. Singapore, on the other hand, was developed to connect more globally to distant destinations. However, entrepot trade, a significant component of regional trade, flourished with the Western products finding their way to the nooks and corners of Southeast Asia. It was mobilised by the Asian mercantile intermediaries, who were closely connected with the European merchants, taking goods on credit from the ports and feeding into their hinterland trading network.

In spite of the shift of the regional and global attention to Singapore, Penang’s population increased rapidly, plantation and mining economy prospered, transport and infrastructure improved and increased and educational facilities flourished, all indicators conforming nothing to point to a decline comparable to what happened in Malacca. The progress continued almost till the eve of Japanese aggression, with Penang surviving to compliment the meteoric rise of Singapore, serving both as an alternative and an extension of Asian mercantile interests.

In the process of integrating themselves to their adapted homeland, the diasporic communities jostled with an imagery of their identity that witnessed anxiety and contestations between cultural authenticities, diversities and an increasing sense of modernity. Penang witnessed a number of riots and communal tensions between different ethnic groups during its early history, perhaps leading to its increasing understanding of co-existence and appreciation. The Street of Harmony illustrates this well, so does the region’s dialect, festivals, music, architecture, which bears distinct marks of integration and overlaps. The synthesis of cultures and hybridity is significantly witnessed within the various ethnic groups who are common followers of Islam. However, along with this synthesis, is also witnessed the enclave identities of Chinatown and Little India like in many other places in Southeast

Asia. They are visual manifestations of communities holding on to traditions, nostalgia, memories and cultural continuity.

Two distinct trajectories of South Asian migrational movements have emerged in the history of Penang. One, which was voluntary and responsible for mobilising the mercantile interests and exchanges in the region and beyond, that ensured the participants freedom of trade, and living, facilitating the synthesis of mind and culture that is unique in Penang. The second discourse was that of involuntary mobilities of human capital which restrained and restricted the building of a diasporic imagery on a wider spectrum, but imparting a colonial colour to servitude and exploitation wherever it was applicable. The two sets of migrants represented two divergent sets of economic classes. Penang became a melting pot for both these groups, who continued to thrive in divergent manners lending vibrancy to the region's development.

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