Linking an Asian Transregional Commerce in Tea

Overseas Chinese Merchants in the Fujian-Singapore Trade, 1920–1960

Jason Lim

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FOREWORD

The story of tea has always been a significant one to follow. This is especially so when the product became an integral part of world history after its introduction from China to the Anglo-Saxon world in the mid-17th century. Extant literature keenly notes its importance and describes it in distinguished terms, such as 'the world's favourite drink', a drink in the West with '300 years of tradition', 'a fragrant brew steeped in history', one of the 'five plants that transformed the world', 'liquid jade' and 'green gold'.

In the context of national history, tea is intimately tied to the history of the Chinese nation. The export of Chinese tea to the West in increasingly enormous quantum in the late 18th and early 19th centuries had led to trade imbalance and a drain of Western coffers. It was the subsequent British discovery of opium as a high-demand counterbalancing commodity that brought about a severe reversed flow of silver out of China. In conjunction with several other factors, including the harmful impact of opium on the Chinese social fabric, this economic crisis contributed to the outbreak of the Opium War in 1840. China's defeat in the war and the start of the imposition of a series of unequal treaties profoundly altered its course of history. '1840' with its origins as embedded within the tea trade is thus regarded by some scholars as an appropriate time marker to calibrate the beginning of modern China.

Using an impressive range of archival and secondary source materials from China, Taiwan and Southeast Asia, Jason Lim provides a poignant follow-up to the story of Chinese tea about half a century after the Opium War. His analysis begins with the steep decline of Chinese tea export to the West from the late 19th century due to antiquated production techniques and poor quality control. There were also changes in consumer taste and advancement in British technology and plantation mode of production on its colonies of India and Ceylon (Sri Lanka). The onset of twilight years for the Chinese tea industry prompted a migratory wave of tea merchants from Anxi of China's Fujian province to Southeast Asia in search of new, compensating consumer market among the overseas Chinese communities. Singapore, with its favourable location, attractive colonial business

environment and high proportion of Chinese population became a choice settlement.

His narrative of overseas Chinese merchants in the Fujian-Singapore Trade, 1920–1960 proves to be a moving story of continuous struggle under adverse circumstances. Through migration and the setting up of a base in Southeast Asia, the Anxi tea merchants managed to temporarily stave off a precipitous decline in production and trade with the newly carved *qiaoxiao* 侨销 (export to overseas Chinese) to compensate for the drop in *waixiao* 外销 (export to European and North American markets). The new profits propped up the Chinese tea industry and facilitated some urgent reforms in its production and marketing processes. The migrant tea merchants in turn became an important link in the overall Fujian-Singapore trans-regional trade for the next half a century.

Meanwhile, the Anxi tea merchants who had migrated to Singapore also succeeded in carving out a niche in the local *bang* 帮 social order which had aligned trade specialization along dialect-locality lines. To advance their trade interest, they founded and dominated the Singapore Chinese Tea Importers and Exporters Association as well as forged links with the umbrella Singapore Chinese Chamber of Commerce and other lineage or locality associations. While their presence was felt, and notwithstanding the achievements of their top performer Lim Keng Lian, they remained many rungs away from being the rich tycoons of the region whose wealth was based primarily on the much more important and lucrative local products of rubber and tin. The low profit margins and limited volume in the tea trade had placed inherent limits on their wealth accumulation. However, it was exactly this 'middling status' as 'petty merchants' rather than magnates that Jason Lim wishes to offer fresh perspectives to complement current scholarship which tends to focus attention either on the top rung of millionaire *towkays* 头家 such as Tan Kah Kee or Tan Lark Sye (with their rag-to riches stories) or the bottom level of the rickshaw coolies and prostitutes. His monograph aims at charting the dynamics of this mid-societal level as it experienced the vicissitudes of twentieth-century modernization, nationalism, cold war and decolonization.

In the end, it was not adjusting to the local Southeast Asian community which proved to be the most taunting obstacle for this group of Anxi tea merchants based in Singapore. Jason Lim demonstrates that it was their dealings with the home Chinese governments as operated by Chiang Kai-shek's Nationalist regime and later by Mao Zedong's

People's Republic of China. Despite the Chinese tea merchants' nationalist fervour and active participation in the National Salvation Movement as well as the Buy National Goods Movement, Chiang's regime in general and the Fujian provincial government in particular did not respond favourably to their needs. This was especially so from the late 1930s when the enlarging war against Japan and later the civil war against the Chinese communists had dictated that wartime mobilization and control of all resources became a Kuomintang government priority. The situation became even worse after Mao Zedong and the Chinese Communist Party took power in mainland China. Mao's government had gone further by nationalizing the hometown tea plantations and factories and set up state agencies to replace the private tea mercantile enterprises.

Ultimately, the biggest challenge for Chinese tea (especially after the 1960s) came from elsewhere—the market pressure as asserted by competing products such as coffee and the mass-produced factory output of flavoured and carbonated soft drinks. It has managed to retain a place in global consumption preferences and trading networks but only as one of the many choices in an increasingly pluralistic world where fad and business cycles are shorter and more ephemeral. The story of Chinese tea will continue in the near future but it is most unlikely that the commodity would return to its premier position of mid-19th century when the tea-opium combination literally 'made history' and marked the beginning of modern China.

HUANG Jianli
Department of History
National University of Singapore
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To God be the Glory, Great Things He Hath Done!

ABBREVIATIONS

ACRA	Accounting & Corporate Regulatory Authority, Singapore
AH	Academia Historica, Taipei (国史馆)
CBHRC	Chinese Business History Research Centre, Economic Institute, Shanghai Academy of Social Sciences (上海社会科学院经济研究所中国企业史资料研究中心)
CCP	Chinese Communist Party (中国共产党)
CNTC	China National Tea Corporation (中国茶叶公司) [1937–1945]
CO	Colonial Office, London
CTC	China Tea Company (中国茶业公司)
CUL	Cambridge University Library
EIC	East India Company
FMS	Federated Malay States
FO	Foreign Office, London
FPA	Fujian Provincial Archives, Fuzhou (福建省档案馆)
FPG	Fujian Provincial Government (福建省政府)
FTC	Foreign Trade Commission (贸易委员会)
FTES	Fujian Tea Experimental Station (福建示范茶厂)
IMHA	Archives of the Institute of Modern History, Academia Sinica, Taipei (中央研究院近代史研究所档案馆)
KMT	Kuomintang or the Nationalist Party of China (中国国民党)
MCA	Malayan Chinese Association
NAA	National Archives of Australia, Canberra
NAS	National Archives of Singapore
NCCU	Microform Centre, Social Sciences Information Centre, National Chengchi University (国立政治大学社会科学资料中心微缩资料及资讯检索区), Taipei
NEC	National Economic Council (全国经济委员会)
NPC	National People's Congress (中国国民大会)
OCAC	Overseas Chinese Affairs Commission (侨务委员会)

OCBC	Oversea-Chinese Banking Corporation (华侨银行), Singapore
OHC	Oral History Centre, National Archives of Singapore
PPC	People's Political Council (国民参政会)
PRC	People's Republic of China (中华人民共和国)
PRO	Public Records Office, Kew
QZCA	Quanzhou City Archives (泉州市档案馆)
ROC	Republic of China (中华民国)
SAKA	Singapore Ann Kway Association (新加坡安溪会馆)
SCCC	Singapore Chinese Chamber of Commerce (新加坡中华总商会)
SCTIEA	Singapore Chinese Tea Importers & Exporters Association (新加坡华侨茶业出入口商公会)
SHAC	The Second Historical Archives of China, Nanjing (中国第二历史档案馆)
SOAS	School of Oriental and African Studies, University of London
sp	Separately paged
SPH-CND	Chinese Newspapers Division, Information Resource Centre, Singapore Press Holdings
SPH-EMND	English and Malay Newspapers Division, Information Resource Centre, Singapore Press Holdings
TH	Taiwan Historica (台湾文献馆)
TNA	The National Archives of the United Kingdom
TPG	Taiwan Provincial Government (台湾省政府)
TTEA	Taiwan Tea Exporters Association (台湾区茶输出业同业公会)
UFMS	Unfederated Malay States
XAB	Xiamen Archives Bureau (厦门市档案馆)
XMUL	Xiamen University Library (厦门大学图书馆)

CURRENCY, WEIGHT, AND AREA

Currency

Unless otherwise stated, all currencies used are in Straits dollars (before 1942) and Singapore dollars (after 1946). References are also made to Chinese dollars. The exchange rate between the Yuan (元 or C$) of the national currency (国币) and the Straits/Singapore dollars (S$) is as follows:

1937 (June–December)	C$100.00 = S$52.00
1938	C$100.00 = S$44.00
1939	C$100.00 = S$22.00
1940	C$100.00 = S$15.00
1941	C$100.00 = S$12.00
1945 (December)	C$10,000.00 = S$53.80
1946 (January)	C$10,000.00 = S$44.30
1946 (June)	C$10,000.00 = S$15.625
1946 (December)	C$10,000.00 = S$7.30
1947 (June)	C$10,000.00 = S$2.50
1947 (December)	C$10,000.00 = S$0.36
1948 (June)	C$10,000.00 = S$0.03

By 1952, the exchange rate between the U.S. dollar and the renminbi (RMB, 人民币) was US$1 = RMB$26,170.00.

Weight

Inasmuch as possible, the weights used are in pounds. Unfortunately, the historical records and statistics used a variety of weight measures including pounds, piculs, new piculs, catties, quintals, kilogrammes and tonnes. The approximate measures are as follows:

1 picul = 100 catties = 133.333 pounds = 60.479 kilogrammes
1 quintal = 2 piculs = 266.666 pounds
1 catty = 604.79 grams = 1.333 pounds

1 Japanese catty = 625 grams = 1.378 pounds
1 new picul = 100 new catties = 50 kilogrammes
1 new catty = 500 grams = 1.1023 pounds
1 tonne = 10 quintals = 1000 kilogrammes

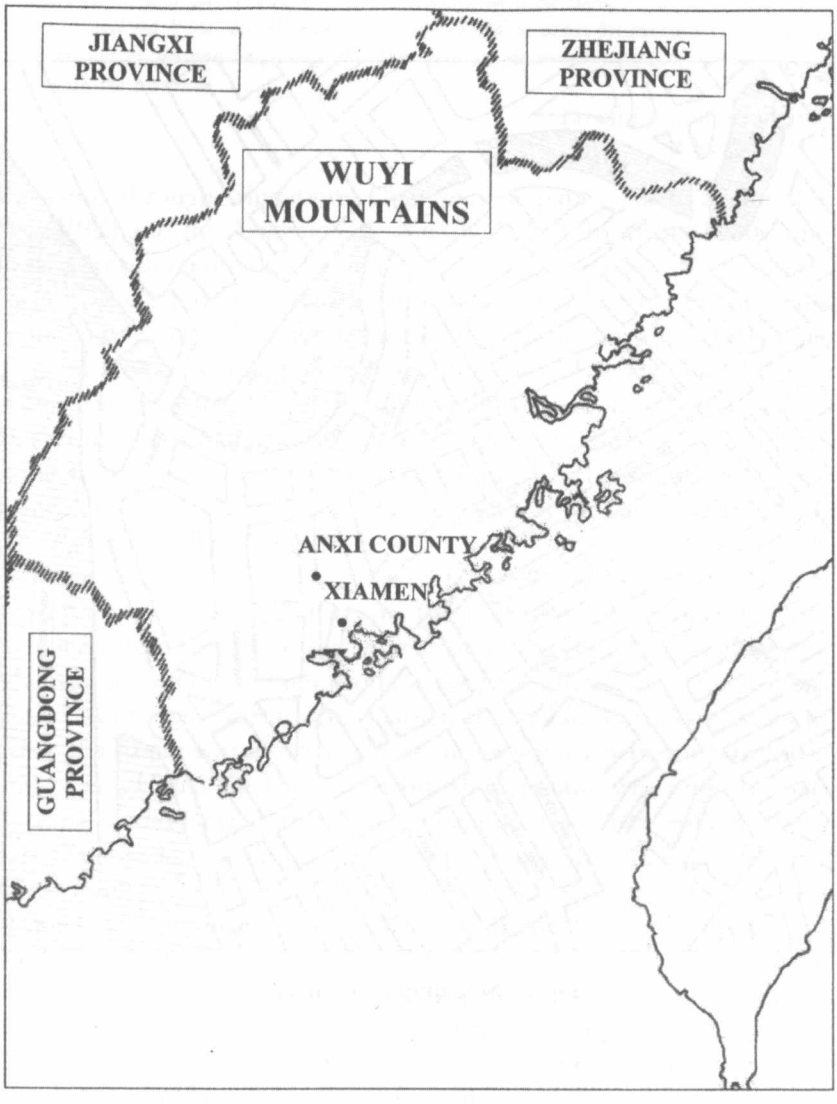
In addition, references were made to 'packets' and 'chests' of tea but no weight was given. A 'packet' usually weighs 18 kilogrammes and a 'chest' could weigh between 20 and 25 kilogrammes.

Area

1 *mu* = 0.1647 acre

NOTE ON ORTHOGRAPHY

This note concerns the spellings of Chinese names used throughout this work. Most Chinese names are written using the *hanyu pinyin* system. The *hanyu pinyin* is one way to Romanise the Chinese language and is the system used in the People's Republic of China and Singapore. The older Wade-Giles system, however, is still used today. To add to the confusion, Taiwanese names are now written in the *tongyong pinyin* system that does not differ much from *hanyu pinyin*. Therefore, purely for convenience in this publication, all Chinese names have been converted to *hanyu pinyin*. For example, the names 'Fujian' and 'Zhonghua Minguo' are used instead of 'Fu-chien'/'Fukien' and 'Jhonghua Minguo'. Old English-based place names such as 'Canton' and 'Amoy' are dropped and the correct names of 'Guangzhou' and 'Xiamen', respectively, are used instead. The only exceptions are those names of places, organisations and personalities whose dialect and/or English names in China and Singapore are either more familiar or mentioned frequently in English-language sources. For example, 'Tan Kah Kee' and 'Lim Keng Lian' are used instead of 'Chen Jiageng' and 'Lin Qingnian'. The acronym 'SCTIEA' is used for the Singapore Chinese Tea Importers and Exporters Association and its Chinese name—*Xinjiapo Huaqiao Chaye Churu Koushang Gonghui*—obviously avoided, and names such as 'Taipei' and 'Hong Kong' retained (instead of 'Taibei' and 'Xianggang'). Similarly, 'Chiang Kai-shek' is used instead of 'Jiang Jieshi'. Finally, in several cases, the names of associations in Fujian Province and Taiwan are known only in Chinese. An English translation of the names would be given, but it must be borne in mind that the translations are only approximate, and that other historians might translate the names slightly differently.



Map 1. Fujian Province.

Map 2. Singapore City in 1954.

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