Crazy Rich Asians in early Singapore’s history

Long before the movie was made and the Europeans came to Singapore, Asians were making the island a hub for trade, money and ideas. Examples were Teochew rice merchants and Chettiar moneylenders.

Tan Tai Yong
By The Straits Times

In the eighth century, long before Europeans arrived, Singapore was in the thick of the world, Crazy Rich Asians were already building great maritime cities. Singapore was destined to be one of them.

Persian and Arab merchants operated the trading networks that connected the Chinese ports with the Indian Ocean. During the Tang period, there was export of the 6th century tea, copper and iron wares from China to West Asia. As the shift connecting East Asia and the classical centres of India and the Middle East, South-east Asia remained an important trading region throughout the Song Dynasty. By the 13th century, long-distance East-West trade was conducted through an efficient segmentation of networks – the Arabo-South Sea, the Bay of Bengal and the South China Sea.

Professor Anthony Reid, who taught history at the University of Malaya in the 1960s, and later returned to be the founding director of the Asia Research Institute at the National University of Singapore, says the emerging markets of the Southeast Asian city-states were “urbanizing” in their own right. “The region’s merchant classes were gaining in wealth, influence and power.”

By the 13th century, when the Europeans arrived in Singapore to build their colonial port city, these flows and circulations formed the foundations on which new structures grew.

After Singapore was established as a trading colony by the British, it continued to function as a node of overlapping diasporic worlds and their networks. By the end of the 19th century, the island was an established hub of trade, pilgrimage and knowledge production.

Singapore experienced the forces of globalization long before this term came into popular consciousness in the late 20th century, with a global orientation and purpose.

But beyond goods and communities, Singapore traded in money and ideas.

GLOBAL FINANCE AND KNOWLEDGE PRODUCTION

By the mid-18th century, as historian Bajie Katta Ray describes it, Singapore was “the centre of three web of Chinese finance and trade”.

Asian stream of Chinese migration to Singapore and Malaysia led to growing demand for rice in the region. The lucrative trade in rice was dominated by Teochew rice merchants who were based in Singapore, but were also a part of the trajectory of the world, Crazy Rich Asians who made their names in Asian trading cities.

The most prominent among the Siamese traders was Choy Yuen, who arrived in Singapore in the 1870s. In his native Swatow, Choy was a successful sugar merchant who was encouraged to seek opportunities in the new trade in rice shipments, the Teochew merchant came to Singapore with a substantial amount of capital. By 1890, Choy was the head of the local Teochew clan, and he owned four rice mills in Siam, which produced over 10 million dollars’ worth of rice.

Teochew are still very much involved in the rice business today. Chop Chong Hong, one of Singapore’s largest rice importers, ran it by Teochew father-and-son team – Mr Tan Koo Meng and Mr Andrew Tan.

Mr Andrew Tan had been the chairman of the Singapore General Rice Importers Association during the 2004 food crisis, which was caused by a combination of severe weather, growing demand for biofuels, rising prices and panic buying. Global rice prices increased by over 40 percent. Of the two key suppliers to Singapore, Vietnam and Thailand, Vietnam raised rice exports while India increased its rice imports.

It was at this time that Mr Tan met the former Thai commerce minister, together with major Thai rice importers and Singapore rice importers. The Thai minister reaffirmed the strong relationship between the two rice trading countries and continued to supply rice to Singapore throughout the testing period.

Meanwhile, the Chettiar were operating a local financial centre on the little island.

The Narten Chettiar, who originated from an area known as Chettinad in Tamil Nadu, India, had dominated the local rice sector in many parts of South-east Asia. In the 19th century, Chettiar temples were important nodes of the local rice trade into the major rice-producing region. More than religious sites, the temples served as selling houses and places of business, as warehouses and agents of the Tamil Chettiar congregated at the temple to transact with their clients. It was in such an event that the Chettiar Chamber of Commerce, as convents of Merchants, the Hindu god of war, Chettiar temples were often used as headquarters and to call economic transactions. Offi dealing settled in Singapore.

Provided a unified, ethical code of conduct for the business, in contrast to opportunistic behaviour among other merchant communities that operated across vast distances.

Trust, rather than money, was the foundation of the Chettiar’s international business.

The Chettiar provided a ready source of credit for small businesses, which would otherwise have found it difficult to secure loans from European banks and they counted as their clients Indian traders, Chinese miners and businessmen, European planters, Malay royalty and civil servants.

In fact, in Singapore and...