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Abstract: Colleagues and friends remember Professor Cheong Kee Cheok as an eminently qualified and respected economist, who served first at the University of Malaya and later at the World Bank. Few were aware, however, that he came from a very wealthy and prominent family. His grandfather, Cheong Yoke Choy, was a pioneering and highly successful tin miner and banker in early twentieth-century Kuala Lumpur. However, Professor Cheong rarely talked about his grandfather. It was only a few years before Professor Cheong passed away that he decided to write about the senior Cheong. Part of the reason for eventually working on the biography was because Professor Cheong had, by then, become interested in Chinese family business and had researched and published on several Chinese business groups. He was able, therefore, to see his grandfather within the framework of early Chinese entrepreneurs and the values they held. Equally important, he had family records, as well as access to the memories of surviving family members.

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1. Introduction

Friends and colleagues remember Professor Cheong Kee Cheok as an eminently qualified and respected economist, having first served at the University of Malaya and later at the World Bank. He had also published extensively. Most of Prof. Cheong's friends and colleagues thought of him only as an unassuming scholar leading a modest lifestyle, which was generally in keeping with that of an academic. However, few were aware that Prof. Cheong came from one of the wealthiest and most prominent families in Kuala Lumpur (KL) of the twentieth century. Prof. Cheong was, in fact, the eldest...
grandson of Cheong Yoke Choy. But he rarely made mention of the wealthy family background into which he was born.

Cheong Yoke Choy, referred here as the senior Cheong, was widely known to an earlier generation of people in Kuala Lumpur as a very successful tin miner and banker. He started Hong Fatt Mines at Sungai Besi in Kuala Lumpur, which became then the largest open-cast tin mine in the world. Senior Cheong and his friends also started the Kwong Yik Bank, the first local and first Chinese bank in Peninsular Malaya. He also held a chain of cinemas and owned some of the choicest properties in town. At the same time, he was respected as a generous philanthropist through his setting up of and supporting a number of educational and welfare institutions in and around Kuala Lumpur. Yet, surprisingly, although well known in his time, he is hardly remembered today. And indeed, there is no known study written on Cheong Yoke Choy. The only biographical note published about him was a report in the Chinese newspaper, the Chinese Morning News, dated 3 August 1935 (Cheong et al., 2023). The same neglect can, however, also be said of senior Cheong’s contemporaries of Kuala Lumpur Chinese business who, with the exception of Loke Yew, have not attracted much scholarly attention. But senior Cheong and his generation played just as an important role as Loke Yew through their social and economic contribution to the development of the country.

Prof. Cheong, while aware of what his grandfather had achieved in business and in philanthropic work showed little interest in writing about the senior Cheong, at least for most part of his research career. He had access to family records and also to relatives and friends who had memories of the senior Cheong. But Prof. Cheong probably felt that he was too close to the subject to provide an objective and balanced study. Perhaps, he was preoccupied with his research and writing on his main interest which was developmental economics. Furthermore, while at the World Bank he was at the East Asia desk and busily engaged in monitoring developments in China. The 1980s and the 1990s were momentous years for China as it opened up its economy. During this period Prof. Cheong came to know other economists both at the World Bank and in China, and it was with great interest that he together with them followed and tried to explain the course that China was taking to become the world’s second largest economy.

It was much later, and probably a year or so before he became seriously ill, that he together with two family members drafted a biography of Cheong Yoke Choy. Prof. Cheong realised that a biography of the senior Cheong was urgently needed and decided that it was left to him and two family members to do it.

He explained:

Cheong Yoke Choy was my grandfather. I have written about him from the perspective of a scholar and writer rather than that of a grandson, for the story of his life is simultaneously a chapter in the larger story of the history and development of Kuala Lumpur and of Malaya. He was a pioneer at a momentous time early in the 20th century, when the founding institutions of Kuala Lumpur were being laid brick by brick by the fathers of the immigrant communities, to grow into multicultural KL as it is today... (Cheong et al., 2023).

This was to remind himself, as much as to his readers, that it was to be a scholarly study.
2. Cheong Kee Cheok’s Writings on Chinese Overseas

Following his retirement from the World Bank, Prof. Cheong returned to the University of Malaya, where he had once served as the youngest dean of the Faculty of Economics and Public Administration. On his return, he developed an interest in the study of Chinese business in Southeast Asia. It was a field much written about but Prof. Cheong in discussions with some colleagues saw fresh lines of enquiry. Prof. Cheong drew on his vast reading of the literature on development economics in East Asia, both theory and empirics, to raise new questions in his discussions on Chinese business in Southeast Asia. Set against the expanded literature, he began to see his grandfather within the framework of early Chinese pioneers who established businesses and, in the process, contributed to the development of Kuala Lumpur and the country.

And yes, his was a ‘rags to riches’ story typical of the bold handful of men who came at various times from different dialect provinces mainly in southern China – in current nomenclature ‘the Chinese overseas’ – whose able enterprise and readiness to rise to any occasion played an incalculable part in building the very bones of KL (Cheong et al., 2023).

His study, therefore, was not only on his grandfather but also about the large community of the Chinese in Kuala Lumpur. Prof. Cheong in his journey towards learning more about the Chinese diaspora or Chinese overseas, which his grandfather was part of, learnt that there have been changes to the study of the subject and in the community itself. He distinguished between migration studies, which examine the causes for people to leave with diaspora studies that are more concerned with the consequences of migration (Wong et al., 2018). He became conscious of the rich tapestry of many topics, multiple disciplines and diversity of perspectives on the subject. He noted the changes to the context the community was living through that necessitated adaptation and that over the passage of time transformed what was a migrant population into a settled community. Among the features of the changing environment was the host countries’ attitude towards the immigrant community. In this historical trajectory the Chinese in Malaysia had to respond to a land administered once by the British to one where they had a part in creating together with the dominant Malay community and other ethnic groups. Over time too the Chinese in the region had loosened their ties with what they once regarded as homeland. Instead, homeland now was the country they had settled in and not China, the land they left. And yet even as those ties were loosened, many of the Chinese businessmen found themselves re-engaging with a China that has emerged as an economic power, and which offered investment and marketing opportunities.

Cheong wrote about this changing attitude of Chinese overseas towards China through looking at the flow of funds from Malaya to China in the period before the Second World War and in recent times. The early funds, he showed were largely remittance to support family members, humanitarian assistance to kinsmen in times of natural disasters, and funds for China in periods of war (Cheong et al., 2013). In recent years, however although there were still some elements of patrimonialism, funds flowing into China were mostly for investments and profits (Cheong et al., 2017).
At the same time Prof. Cheong looked at the rise of Chinese business groups and how some were able to sustain their businesses in the rapidly evolving social and political environment (Cheong et al., 2014, 2015a). Prof. Cheong and his colleagues took two Chinese families as case studies to understand more fully the challenges faced by Chinese overseas business in Malaysia. The two companies were the Kuok Group and the Royal Selangor Pewter. The two companies, started by first generation Chinese immigrants in what was then Malaya, grew slowly through the era of colonial rule, the Japanese Occupation, and the period of independence. Prof. Cheong explained that the two companies are among the most successful examples of two kinds of family business – those that are publicly-listed (Kuok Group) and those that are privately held (Royal Selangor Pewter) (Cheong et al., 2015b). The Kuok Group, headed by Robert Kuok, is today the world’s largest producer of palm oil but it started as a small trading company in Johor Baharu before moving into sugar trade. It replaced Guthrie, which during the colonial period, was the main importer of sugar in the country. The Kuok Group eventually became not only the dominant importer and distributor of sugar but also opened up sugar plantations. Royal Selangor, meanwhile, is the world’s largest pewter ware making company and an international brand.

The two companies were also studied by Prof. Cheong and his colleagues because of the contrasting corporate paths each took. While Kuok Group set up corporate entities and listing the most important of them, Royal Selangor Pewter remained entirely family held. This contrast is important because privately held companies constitute still a very big group among Chinese overseas family businesses as they face the problem, as do all family businesses, of greater vulnerability to losing control if they were to be listed publicly. This vulnerability is all the greater in Chinese overseas businesses where there are states that are anxious to restrict their operations if not take over their business. The Kuok Group and Royal Selangor were selected by Prof. Cheong for his study as they were contemporaneous and both being in Malaysia, shared the same political and economic contexts.

Prof. Cheong and his colleagues concluded from their studies of the two companies that the growth of Chinese business groups rested on their ability to negotiate successfully through three important sources of identity: family, dialect, and the state. These were also their sources of support. But paradoxically, as Prof. Cheong noted later, these three sources of identity also explain why many Chinese family business did not last beyond the third generation.

Prof. Cheong and his colleagues observed that one feature of the Kuok Group and Royal Selangor, as with most other Chinese business, whatever their corporate differences or the nature of the state policies they encountered, has been the role of the family. Family members held key positions in their business. It is not surprising that Kuok Group started as the Kuok Brothers. Prof. Cheong maintained that Confucian values extolling family solidarity have been key to ethnic Chinese business. Cheong’s conclusion found support in Redding who contended that family business remains in essence a family fortress and at the same time an instrument for the accumulation of wealth by a very specific set of people (Redding, 2000).

The major dialects were Hokkien (Fujian), Hakka (Kheh), Cantonese and Teochew (Chaozhou) who together constituted more than 90% of the Chinese in the country.
Different economic activities came to be dominated by particular dialect groups (Chung & Hamilton, 2009; Yen, 1986). For instance, the rice trade was associated with the Chaozhou who formed networks with other Chaozhou traders in the wider region. It is generally difficult for those of other dialect groups to break into such sectors. Even today, dialect groups are identified with economic activities.

Prof. Cheong and his colleagues showed how dialect identification played an important role when world price of tin fell, and pewter sales were sluggish during the Great Depression in the early 1930s. During this crisis Hakka tin-miners in Perak and Hakka-owned Royal Selangor Pewter rallied to help each other (Cheong, 2015a). The dialect identification had the opposite consequences for the Kuok Brothers who were Fuzhous, the smallest dialect group. Since the main economic activities were already dominated by the major dialect groups, the Kuok Brothers had to look for other business options. They chose to take up sugar trading, an industry not dominated by any dialect group. The import of sugar was then largely controlled by the British firm of Guthrie. But this was a period of decolonisation where the large agency houses were beginning to withdraw from the Malayan business scene (Lee, 2013).

Finally, the state served also as an important source of support. Governments in the region were beginning to regulate economic activities, and business groups able to forge good ties with the state were usually successful in securing incentives or contracts. The Kuok Brothers gained from several incentive schemes introduced by the newly independent Kuala Lumpur government seeking to promote economic development. These included the First Malayan Plan, the Pioneer Industries Ordinance 1958 and the Investment Incentive Act 1968. All these economic plans gave generous income tax relief including tax allowance for capital investments. The state also created several free trade zones where foreign and local firms enjoyed exemptions from import and export duties (Gomez & Jomo, 1999).

But why was it, Prof. Cheong asked, that many Chinese businesses did not last for more than three generations? While this did not happen to the two business groups that Prof. Cheong studied, nevertheless it seemed to be a general case as observed by several scholars (Gomez, 2007; Mackie, 1992; Yoshihara, 1987). The lack or absence of capable successors seem to be the reason. Prof. Cheong suggested, however, that there were cases where the children decided not to enter the family business but rather to pursue professions such as law, medicine and accountancy for which they had been sent overseas to study. Finally, there were the children who decided to run the family business but lacked the ability or drive of the founder (Chung, 2005). In all three situations, the family business was lost either to competitors or to takeovers.

Prof. Cheong suggested that there were deeper structural reasons why Chinese overseas businesses have difficulties adjusting to modernisation. This is especially in transiting from traditional to professional management. Chinese overseas businessmen are unwilling to accept professional management because the founders or their successors want to keep both ownership and control of the business in the family (Lee, 2013; Mackie, 1992).

There is an added dimension as many traditional Chinese businesses in Malaysia function along dialect group lines. And so, the founder of a business who may have built his business empire with the support of his dialect group feels obligated to recruit only
those from his dialect group. While a dialect group provides a larger source of talent and skills than the immediate family, it does limit the talent pool in efforts to introduce professional management (Brown, 2000).

Meanwhile, many Chinese overseas businesses did not survive beyond the third generation because, according to Prof. Cheong, they failed to forge a relationship with the state. Chinese business overseas is vulnerable to state policies that sometimes disadvantaged them. One of these is affirmative policy aimed at addressing economic inequality among different ethnic groups in the country. This required Chinese overseas business to sell part of the business either to indigenous groups or to state enterprises, acting as trustees for disadvantaged groups. Such state policies lead to a situation where, to lessen the risk of being taken over by the state, owners chose to keep their business small and within the control of the family. Nevertheless, many Chinese overseas businesses have expanded and prospered in Southeast Asian countries. As Prof. Cheong explained these business groups found ways to cooperate with the state or with enterprises controlled by the dominant indigenous community (Gomez & Benton, 2003; Heng & Sieh, 2000; Searle, 1999).

Prof. Cheong was strong on theory and when he realised that the two Chinese family firms that he studied managed to internationalise while most of the other businesses seemed unable to, he set his research against the general theory of firm internationalisation. The impetus for such studies had come with the rise of Western multinational corporations but theories on internationalisation of business generally apply largely to non-family firms. This was because family firms tend to be more conservative and take less risk (Fuentes-Lombardo & Fernández-Ortiz, 2012; Zahra et al., 2000). And generally being smaller, they have limited resources. This limits their strategic capabilities, including the access to technology, finance and resources required for internationalisation (Friedman & Friedman, 1994; Johanson & Vahlne, 1977; Peng, 2001). Prof. Cheong referred to Vernon (1971) who saw international expansion as a way for firms to relocate mature and standardised products late in the product cycle at less developed sites to extend the competitiveness of these products (see also Rasiah and Yap, 2019). There was Johanson and Vahlne (1977) who likewise proposed a staged theory of internationalisation, arguing that internationalisation becomes more gradual the higher the risks involved in doing so. Dunning (1981), through his eclectic ownership, location and internationalisation paradigm saw firms going international to take advantage of available resources, to seek new markets, or to showcase new technology. Technology was also the focus of Cantwell (1999) who argued that firms internationalise to leverage their competitive edge in technology. More recently, Lee (2002) cites economies of scale and access to market niches as motives to accelerate internationalisation.

3. Cheong Yoke Choy: Miner and Banker

Thus, when Prof. Cheong embarked on writing the biography of his grandfather, he had already done considerable research on the community and of the times which

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1 Price Waterhouse Coopers (PWC) in its Family Firm, 5, associates this desire for longevity with family businesses taking a long-term view (“patient capital”).
the senior Cheong was part of. The challenge for Prof. Cheong was in assessing the significance of his grandfather in the history not only of the Chinese community but of Kuala Lumpur history. Prof. Cheong had a sense of this when he wrote:

My grandfather’s life may thus be followed on a map of KL. Wherever I walk in the old city centre, his steps have gone before me. His story is written on the walls, in the streets, in the original layers of certain buildings – some of which have been renewed and plate-glassed, while others have been left old and moist with whitewash and weeds (Cheong et al., 2023).

Senior Cheong stood out almost in the stature of Yap Ah Loy, Yap Kwan Seng and Loke Yew as leader of the community of his time. He adapted into a Malaya at a most crucial period of social and economic transition. He became a pioneer in many business fields such as in tin mining, banking, property and in cinema entertainment. He incorporated innovation and early technology into his tin mines and his cinemas. He set up or supported institutions where there were none before, such as schools, Chinese chambers of commerce, and clan associations. Few were recognised as a community leader in the way that senior Cheong was.

Senior Cheong was born in July 1873 in Xinhui, Guangdong province to a poor family. He did not have formal education and at 14 years old moved to Guangzhou to work. He was there for two years where he picked up Cantonese widely spoken there and in Malaya. Two years later he and his brother Cheong Yoke Choong moved to Kuala Lumpur.

When senior Cheong arrived from China in 1885, Selangor had become politically settled and more ordered under British administration. Earlier, Selangor was the scene of a bloody civil war involving rival Malay factions allied to competing Chinese secret societies. In 1874, the British intervened and brought an end to the civil war in Perak through the Pangkor Treaty, which was followed by a similar treaty in Selangor. Following that Yap Ah Loy, the Kapitan China of Kuala Lumpur helped rebuilt the town. British rule brought about stability, and this led to a more settled population. Two more Kapitan Chinas succeeded Yap Ah Loy. But under the British, their power and authority they once wielded were greatly diminished. It was in such circumstances that the 16-year-old Cheong arrived in Kuala Lumpur (Gullick, 2000).

He arrived at a time when the Chinese were settling into a changing political and economic landscape. The British, in consolidating their political power in place of the Malay traditional system, introduced legislation to regularise economic activities. The effect was that the Chinese had to navigate through the new regulations at a time when Western mining companies had also entered into the scene and begun investing in the Malay state. Thus, where previously Chinese mining enterprises dominated, there was now competition from Western enterprises for land and labour (Wong, 1965).

One of those Chinese businessmen who did very well in this political and economic transition was Loke Yew. Loke Yew had earlier ventured into tin mining in Perak in the 1870s but suffered serious losses because of the civil war there. On moving to Selangor, he engaged in revenue farms by forming syndicates with other Chinese. Profits obtained from revenue farms provided the necessary capital for prospecting and mining of tin that could yield great wealth. Loke Yew was successful first in tin-mining and later
diversified into various businesses including rubber plantations, property and banking. He emerged to become not only the wealthiest of the Chinese in Kuala Lumpur but probably in Southeast Asia in his time (Butcher, 1993).

It was with Loke Yew that senior Cheong found employment and benefitted greatly from that working relationship. For a brief while, senior Cheong upon his arrival worked as an office boy for a government Chinese interpreter. A few months later he moved to Kuala Lumpur to work for Loke Yew’s Tong Heng Loong, a shop supplying provisions to surrounding tin mines. Even as he built up a savings, he was also learning about business from the tin miners he dealt with. And initially through Loke Yew he came to know other Chinese businessmen, mostly fellow Cantonese. One of those Cantonese senior Cheong came to know was Chan Wing.

Together with Chan Wing he applied for land to prospect for tin. The land they obtained was in Sungei Besi, close to an existing tin-mine of Loke Yew. But the tract of land Cheong and Chan obtained had been prospected by three earlier companies including a British firm. Prospecting for tin even in those pioneering days was an expensive as well as risky venture. Cheong and Chan therefore formed in 1897 Hong Fatt Mines (Growing Prosperity) and brought in Chew Kam Chuan, Liew Wing Chee and San Ah Weng as directors and shareholders.

After months of frustrating and seemingly fruitless search, Cheong and his partners struck tin-ore. The Hong Fatt mines were found to hold very rich tin ore deposits and became the largest open-cast tin mine in the world. It even made profits in those years when the price of tin was low. Hong Fatt came to produce great wealth for senior Cheong and his partners.

Prof. Cheong attempted to provide some analysis of Hong Fatt Mines’ performance. But he had little access to the company records. And so, he relied largely on newspaper reports. Because of its size and profitability, Hong Fatt attracted the attention of the media. Prof. Cheong noted that in December 1926, Hong Fatt Mines was restructured to become a limited company with issued capital of three million shares of Straits $1 each (“Hong Fatt Mine”, 1926). Nearly half of the shares were taken up by the company’s vendors. Cheong Yoke Choy and Chan Wing were among the five directors of the restructured company.

Hong Fatt Mines Ltd continued to be a major tin mining company in Malaya right up to the immediate post-war years. It survived the Great Depression and the inter-war years when tin price was low. Back in 1929, it made a net profit of Straits $500,000 even when the price of tin was down. It still earned profits of Straits $143,391 in 1931 when the price of tin continued to fall (“Hong Fatt Mines”, 1931). Only in 1932 did it perform poorly, with a loss of Straits $91,000, which Prof. Cheong blamed on quota production cuts and low price of tin. But Hong Fatt survived the difficult years with its reserves intact. It recovered very well whereby in its 1940 report it announced nearly Straits $694,458 in profits (“Good profit from Hong Fatt Mines”, 1940). At the height of its operations that year, Hong Fatt had over 4,000 workers (“One more strike in KL”, 1936).

In 1913, senior Cheong with several fellow Cantonese businessmen set up the Kwong Yik Bank. This was the first Chinese bank to be established in the Malay Peninsula (“Untitled”, 1913). There were then only three banks serving Malaya and all were British owned. Prof. Cheong in looking at his grandfather’s role pointed out that
few Chinese businessmen then were conversant in English, and they therefore found the British-owned banks difficult and inconvenient to go to. There was a growing settled Chinese population that increasingly needed basic banking services such as savings and loans. Prof. Cheong further added that the British-owned bank issued credit based on customer's available asset. But the Chinese's view was that credit should be based on personal reputation. Many Chinese then had few assets upon which to obtain a mortgage loan. Another service especially essential to the thousands of Chinese was the remittance services to send money to families and relatives back in China. Transmitting money back to China was then a very lucrative business and remittance shops offering this financial service was found in the main towns of Malaya. So lucrative was the remittance business that some well-known tin miners such as H.S. Lee ran such services (“K.L’s new bank”, 1935).

The timing in the establishment of the first Chinese bank suggests that it might also have to do with the ending of the revenue farm system. The revenue farm had been an important source of capital to Chinese. Other than this, they took loans from the chettiar or Indian money lenders. The revenue farm was a system of monopoly given out to a revenue farmer who paid upfront for the right to tax products and service. This had been a form of taxation for the pre-colonial state. The British continued with the revenue farm system but gradually moved to replace it with a modern administration of taxes.

Spearheading the initiative in setting up Kwong Yik Bank were the directors of Hong Fatt Mine including senior Cheong and Chan Wing. Senior Cheong was made chairman of the board of directors. The authorised capital was Straits $1 million. Initially only Straits $300,000 were paid up but eventually the full amount was subscribed. Kwong Yik could be translated as ‘benefits for the Cantonese’ or ‘extensive benefits’. At the time Kwong Yik Bank was being established, a bank in Singapore with the same name was closing down. The Kwong Yik Bank Singapore set up in 1903 by Wong Ah Fook, a Cantonese businessman, was the first local bank to be established on the island colony (Lim, 2002). The two banks were not connected except for the fact that the founders of the two were largely Cantonese and that Loke Yew invested in both. Nevertheless, the collapse of the Singapore Kwong Yik served as a cautionary lesson to Kwong Yik in Kuala Lumpur, which under senior Cheong and the other directors, always took a prudent approach. In no small part was this also due to the management style of Cheong. Kwong Yik Bank remained popular with the community even when other Chinese banks were set up and became competitors.

4. Sources of Cheong Yoke Choy’s Success

Prof. Cheong would probably argue that his grandfather attained business success by relying on three sources of support. These three are what Prof. Cheong had written about: family relationship, dialect links and state connections. Family as a source of identity and support was certainly crucial to the senior Cheong. This family support came first from Loke Yew, a businessman based largely in Kuala Lumpur and one of the richest men in the region. Loke established close links with the British and was well respected by businessmen, both Western and Chinese. It was Loke Yew who gave
senior Cheong a start in his business. Prof. Cheong in his study pointed out that Loke Yew was the maternal uncle of senior Cheong. Not long after senior Cheong’s arrival in Kuala Lumpur, he got a job overseeing Loke Yew’s provision shop, Tong Hing Loong. Loke Yew not only gave employment to Cheong but together the two of them were later to be involved in businesses. This relationship with Loke gained the senior Cheong early access to the Chinese business community. Cheong continued to be associated with the family of Loke Yew after the latter’s death in 1916. In particular the senior Cheong collaborated with Alan Loke and Loke Wan Tho, the sons of Loke Yew. 

Dialect and clan-based links was a second source of support for the senior Cheong. His business partners in mining and later in banking were largely Cantonese coming from the province of Guangdong. They included Chan Wing, San Ah Peng, Chew Kam Chuan, Loke Chow Thye and Liew Weng Chee. Arriving in a land that was unfamiliar and even alien, the senior Cheong naturally sought out those he could communicate with. Hence, through these Cantonese leaders, the senior Cheong built personal and business relations. In the meanwhile, dialect and clan-based organisations were being formed to provide occasions for such bonding.

Senior Cheong became one of the early and important leaders of clan-based and dialect-based community associations. These organisations became very important to the early Chinese arrivals. One of the first of such an organisation was the Kwong Siew Association formed in 1886, a year after Cheong’s arrival. It was an association that gathered together Chinese who had originated from the two municipalities of Guangzhou and Zhaoqing, referred to collectively as the ‘Kwong Siew people’. Cheong served as a trustee of the Kwong Siew Association together with founding members that included Loke Yew, Yap Kwan Seng, Loke Chow Kit and Liew Weng Chee. As trustees, the senior Cheong and other members provided interest-free loan to the Association for purchases of properties as sources of regular income for Kwong Siew. 

Prof. Cheong wrote that clan and dialect-based associations, including the Kwong Siew Association, served as a platform for migrant communities to connect to one another. Second, these organisations also provided social services like traditional medicine, education and burial support, as well as arranging for remains in the event of death to be shipped back to China. They offered mediation in dispute so as to avoid bringing the cases to courts of law. One of the primary objectives was to inculcate a sense of belonging to one’s homeland. An expression of such sentiments was the celebration of traditional religious festivals. Third, these associations were bridges between migrants and their families at home in China. Thus, whenever natural disasters or wars struck southern China, these associations raised funds for relief efforts or the purchase of war bonds such as when Japan invaded China in 1937. But most importantly in the early years, these associations served as an agency through which businessmen like Cheong were able to source for immigrant labour needed for their tin mines.

The state was the third source of support. This source was important because the approval for mining land was under the control of the state. Chinese miners like the senior Cheong had to regularly apply for the lease of mining land. The application was made to the District Office. The application was then referred to the Warden of Mines (Sel Sec., 1924). Eventually, the application was forwarded by the District Officer with
his comments and that of the Warden of Mines to the Resident’s Office (Sel Sec., 1906; Sel Sec., 1924). In the event that the District Officer recommended that the application be approved, he would suggest the amount of fee to be charged, the period of the lease, the location and size of the land, and the premium per acre to be levied.

The senior Cheong seemed to have reasonably good ties with the state. This is evident from the fact that most, if not all, of his applications for leases on mining land, many of which were made jointly with other Chinese miners, were approved by the state government (Sel Sec., 1903; Sel Sec., 1905; Sel Sec., 1925). The British during this early period was ready to give out land in the Malay states for economic development. This was a time when the British needed revenue as it expanded its administration and began developing infrastructure such as roads and railways. Even when there was competition later between western enterprises and Chinese miners there was plenty of land available for development, and early Chinese miners like Cheong did not have difficulties obtaining parcels of mining land (Yip, 1969).

The senior Cheong developed ties with the British administration largely through ex-British civil servants as well as attorney. Since many of the Chinese businessmen knew very little English, they employed Westerners to represent them when dealing with colonial authorities. One such Westerner was J. Robson who represented Loke Yew. Robson arrived in Kuala Lumpur in 1889 as a colonial official, first with the Tax Department and later as District Officer of Kuala Lumpur (Robson & Gullick, 2001). He later resigned to set up the *Malay Mail* newspaper. He also served in the Federal Council in the 1920s. Robson therefore had high social and political standing. In his book about his years in Kuala Lumpur, Robson wrote that he eventually came to manage Loke Yew’s extensive properties in Kuala Lumpur. Given the fact that Loke Yew and senior Cheong were relatives, it is very likely that Robson and senior Cheong interacted socially and perhaps even in business. However, senior Cheong had his own attorneys. Some of the letters submitted by senior Cheong to the district offices were completed by a Mr. C. Wagner, probably a British. He also had Lee Mun Pun, described in an application letter as attorney of senior Cheong.

While senior Cheong relied on dialect and clan kinship as an important source of identity and support, he and other Chinese businessmen realised very early of the need also of working with Chinese of other dialect groups. Indeed, in those early years, Chinese businessmen while largely associated with their dialect compatriots also worked across dialect lines. The suppliers of goods, the labour force in tin mines and rubber estates, and market customers were Chinese from different dialect groups.

In 1904, one of the first institutions to represent Chinese of all dialect background was formed (Wong, 2021). This was the Selangor Chinese Chamber of Commerce. Chinese businessmen had become aware that they needed a forum where they could raise various issues affecting their business and to have an organisation to give them a united voice when dealing with the colonial administration. As the British consolidated their administration, the Chinese encountered new laws and regulations especially in matters of land and taxation. For senior Cheong and other Chinese businessmen, the Chinese chamber was an important forum to discuss new laws and other enactments introduced by the British, many of which affected their business operations. Besides the levy of various fees and taxes, there were laws regulating as to
when and for long mining land must be prospected and worked on as well as on labour conditions including the number of labourers required per acreage of land that had been leased out.

The chamber served therefore to bring Chinese businessmen of various dialect groups together to promote better cooperation and to resolve whatever problems that might arise from their trade and business dealings. Already, businessmen of different dialect backgrounds were working together. Loke Yew, a Cantonese had already Chang Pih-shih, a Hakka, as a business partner (Godley, 1981). However, the founding leaders of the Selangor Chinese Chamber of Commerce (SCCC) were mostly Cantonese. Loke Yew was elected chairman while Chan Wing, a business partner of senior Cheong, and Loke Chow Kit were elected as vice-presidents. San Ah Wing, a prominent Cantonese and partner of Cheong, was elected secretary. Cheong attended the inaugural meeting but was not elected to any position. He became treasurer of the SCCC only in 1916 and held that position right up to 1955. There seems to be a short break between 1937 and 1940 as well as during the war years when he was not active.

The forming of the chamber in 1904 came at a most crucial time. Until then, leadership of the Chinese was provided by the Kapitan China. But following the death of Yap Ah Loy, the third and most dynamic of the kapitans and the establishment of British rule, the role and authority of the Kapitan China had become reduced. On the death of Yap Kwan Seng, the fifth to hold the office, in 1902 the post of Kapitan China was abolished. In its place the colonial administration set up a Protectorate of Chinese, seeing this as a preferable replacement to look after Chinese affairs.

5. What Became of Cheong Yoke Choy’s Flagship Business?

What became of Cheong Yoke Choy’s flagship businesses? The two major businesses, that of Hong Fatt Mines and Kwong Yik Bank are no longer in operation, at least not in the corporate form when they were under senior Cheong. Cheong remained a very wealthy man at the time of his death. His great wealth included choice property sites and other businesses, and these were passed on to his family. But what happened to Cheong’s major businesses was a question that was related to Prof. Cheong’s broad research interest. And if he had the time, he would have pursued it with the same analytical approach as he did in the case studies of Robert Kuok and the Royal Selangor Pewter. Still, Prof. Cheong managed to provide in his study of the senior Cheong a brief update of what happened to Hong Fatt Mines and Kwong Yik Bank.

The Japanese Occupation years brought to a temporary halt the production in Hong Fatt Mines. Mining assets were damaged during those war years and the years of neglect led to extensive scouring and landslips of mines’ slopes. After the war, rehabilitation efforts were made with part of the costs coming from the Provisional War Damage Compensation Claim. Although work resumed in the mines, tin production did not reach pre-war levels. Then in 1959, Hong Fatt Mines was taken over by Sungei Besi Mines. Over the years there was a series of corporate exercises resulting in Hong Fatt being subsumed under larger entities. In the late 1960s, Sungei Besi Mines Limited itself was taken over by Charter Consolidated. Towards the end of 1977, Charter Consolidated came under the control of the Malaysian Mining Corporation.
Kwong Yik Bank itself had recovered after the war, and under a board headed by Cheong Yoke Choy had been performing well. Even in its early years, it did well despite the increased competition in the sector following the setting up of new local banks or opening of branches of foreign banks. A new bank the Lee Wah Bank set up also by the Cantonese was established in 1920 just seven years after Kwong Yik. This was followed by the opening of three Hokkien banks in Singapore which in 1932 merged to form the OCBC. On the Peninsula, two largely Hokkien banks, the Southern Bank and Ban Hin Lee were set up in Penang. Although there were many more banks and therefore competition in the years leading to independence, Kwong Yik Bank thrived. Kwong Yik Bank had a reputation for being prudent and it only expanded by opening a branch in Pealing Jaya in 1974. Furthermore, the Chinese especially the Cantonese regarded it as the community’s bank.

However, the Cheong family and those of the original owners eventually lost control of Kwong Yik Bank. Prof. Cheong suggested that while the original owners and their descendants were prudent businessmen, they were not familiar with the corporate strategies of mergers and acquisitions. Prof. Cheong described how in 1965 Malayan Banking bought 30% of Kwong Yik’s issued capital. Two years later Kwong Yik Bank allowed Malayan Banking to increase its stake to 51.15%. With this, ownership of Kwong Yik passed to Malayan Banking.

Then in 1997, during the Asian Financial Crisis, in moves by the government to consolidate the banking sector, Rashid Hussein Berhad (RHB) bought Malayan Banking’s share in Kwong Yik Bank. Following that, RHB merged Kwong Yik Bank with the Development and Commercial Bank, a bank then under its stable. With that merger, RHB Berhad emerged to be the third-largest bank in the country.

6. ‘The Elderly Philanthropist’: Education and Community Institutions

It would seem that almost every charity organisation, temple, educational institution, or welfare organisation in Kuala Lumpur received at one time or other support from Cheong Yoke Choy. He either helped set them up, was on boards as director or trustee, or gave financial support, or in a combination of those roles. It was this involvement of senior Cheong that Prof. Cheong regarded as being as important as his business success. In fact, Prof. Cheong devoted as much attention in his study to Cheong’s philanthropic work as he did to the business efforts and decided that the title of the biography of his grandfather should be, ‘The Elderly Philanthropist’. Prof. Cheong was indeed more interested in highlighting his grandfather’s contribution to education and other social works which he regarded as of lasting impact. Indeed, the senior Cheong contributed greatly to the establishment of two premier Chinese schools in Kuala Lumpur as well as to the Tung Shin Hospital. All these institutions continue to play important roles not only within the Chinese community but the wider society as well.

Cheong was not that elderly when he started to set aside time and money for what he regarded as worthy causes to help his community. In 1906 he was nominated together with Loke Yew and several others as sponsors of a new Chinese school, the Confucius School in Kuala Lumpur. He was then only 33 years old and had just begun to earn revenue generated from Hong Fatt Mines. Hong Fatt Mines had been in operation
just eight or nine years earlier. But senior Cheong felt the growing need to have a school for boys in Kuala Lumpur.

This was because by the beginning of the twentieth century and with the arrival of more females, the once settlement of single men had become a more stable community of families with children. To meet the education needs of a growing number of children, the colonial government and Christian missions set up English language schools like the Victoria Institution and Methodist Boys’ School. But there was no school offering the learning of Chinese language and culture. The Chinese were left to provide their own Chinese-language schools. It was at this juncture in time that the impetus in the development of Chinese education came from two directions. Firstly, China was undergoing political and social change during this period and education was seen as important in its quest for modernisation. In promoting the development of education, Chinese officials also showed interest in the education of Chinese overseas.

The second impetus came from the wealthy merchants and tin miners in Malaya. A few of them had had some education but many such as senior Cheong had hardly any schooling. These businessmen came forward to fund the setting up and running of schools to offer education which they themselves did not have. Regarded as leaders of the local community because of their wealth, these businessmen became trustees or members of school boards. Through this, the merchant class consolidated their position by their contribution to education.

In 1906, the governor of Guangdong and Guangxi sent an education officer to Southeast Asia to look into the education needs of the Chinese communities in the region. That visit sparked enthusiasm among the Kuala Lumpur Chinese who had hosted the education officer. A decision was made thereupon to set up a Chinese school for boys to be called the Confucius School. Cheong and nine others formed Confucius School’s first board of directors. As directors and patrons, they raised money for the school. Three new houses in Kampong Attap were leased for the school building. Confucius School was officially opened on 24 Mac 1907, becoming the second oldest Chinese school in Malaysia.

A year later, senior Cheong was involved in the setting up of the Kuen Cheng Chinese Girls’ School. He was a trustee of the school and not only contributed generously to the building fund but in supporting financially the running of the school. Prof. Cheong described his grandfather’s views as very progressive of his time in supporting women’s right to education. Kuen Cheng Chinese Girls School and Confucius School continue to be premier schools in Malaysia, offering quality education in Chinese as well as in Malay and English.

Cheong’s commitment to supporting education extended beyond Confucius School and Kuen Cheng where he already provided generous donations regularly. Cheong also had concern for children from poor families who could not afford to attend the two established schools. Prof. Cheong drew attention to his grandfather’s dedicated program of setting up schools that offered free education to children from poor families. Not only were fees not charged but Cheong provided uniform and textbooks to students of these schools.

The first of such tuition-free schools was the Pak Weng Girls’ School set up in 1916 in a lane off Sultan Street. The school, housed in shophouses he owned, was one of the few girls’ schools in Kuala Lumpur at that time. Two years later he set up a tuition-
free boys’ school called the Pak Peng Boys’ School. The Pak Peng started with forty students in classrooms borrowed from the Confucius School. But as enrolment grew, Cheong purchased a piece of land in old Pudu Road where the school was built. In 1930, the school applied to be admitted as part of the state school system. At the peak of its enrolment, Pak Peng had some 600 students. The Pak Weng Girls’ School had a much smaller number of students. Cheong sought no donations for the running of the schools. He not only provided free uniforms and textbooks for the students but paid the salaries of the teachers.

Meanwhile, senior Cheong was involved with other prominent Chinese to open a non-formal school within the Kwong Siew Association. The Kwong Siew Association, formed by the Cantonese community, had proposed as early as 1912 to set up a school to teach Chinese culture to children of its members. The idea did not, at first, receive the support of most members of the association. However, the association eventually realised that there was a growing number of Chinese parents sending their children to English-language schools and that in time there would be a large number of Chinese who would not know their language and culture. In 1927, senior Cheong together with other trustees of Kwong Siew Association set up the Kwong Siew Free School that offered classes in the afternoon for English-language school students to study Chinese. The school first operated at the premises of the association but moved to several locations before settling into a two-storey building at the back of the Guan Di Temple. At the peak of enrolment, the Free School had some 500 students but over the years this had declined to just twenty students. But it remains the only tuition-free school in Kuala Lumpur today, offering classes for the learning of Chinese language and culture.

A sense of admiration and even pride of his grandfather’s contribution to education for the Chinese is reflected in Prof. Cheong’s biography of the senior Cheong. The senior Cheong was certainly not the only wealthy Chinese businessman to donate generously to Chinese education. Prof. Cheong did note that. However, senior Cheong went beyond what most of the other businessmen did. He was involved not only in two schools that later became premier institutions in Chinese education for girls and boys but also in tuition-free schools where he almost single-handedly bore most of the expenses. His concern was not only to provide Chinese education but education for the poor.

There were other areas of senior Cheong’s life, but Prof. Cheong did not have the resources or the time to dwell into those. For instance, Prof. Cheong did not touch on the involvement of his grandfather in the Chinese nationalist movement, nor the honours received. Cheong senior supported Sun Yat-sun’s Tungmenghui, becoming a member in 1907 and contributed financially to the revolutionary cause. And before the Second World War he was appointed by the colonial government to the important Selangor State Council and the Chinese Advisory Board to represent the Cantonese community. In June 1946, he was awarded the Order of the British Empire (OBE) by King George VI “for services prior to and during the Japanese occupation of Malaya”.

7. Conclusion

Prof. Cheong did not portray his grandfather as larger than life in describing the business success of the senior Cheong. Instead, he gave a narrative of senior Cheong
as one of many poor Chinese migrants who left China and that after years of struggle found success. Prof. Cheong noted that his grandfather’s success was due not to chance. Cheong senior and his partners persisted in an area already prospected unsuccessfully by three different mining groups. Prof. Cheong was keen not only to discuss the business of the senior Cheong. He was also interested in showing the caring and generous side of the grandfather. In the biography, he devoted a considerable part to the philanthropic giving and community work of the senior Cheong.

The work also reflected the general interest and character of Prof. Cheong. Where he took after his grandfather was his commitment to learning and education. He admired his grandfather, someone with little formal education yet had set aside a considerable part of his wealth to support schools and students. This act of the senior Cheong helped countless young men and women to have a better future. In turn, senior Cheong’s own descendants received the best education in the country and overseas, qualifying as professionals and in the case of Prof. Cheong joining the academia.

The story of Cheong Yoke Choy is about momentous times and of an exceptional man in Malaya who carried strong entrepreneurial and philanthropic characteristics. Senior Cheong arrived in Malaya at a time when the British were consolidating their administration after years of civil war in the Malay states and laying infrastructure to stimulate economic development. World demand for tin was high and western enterprises had yet to gain a dominance in the industry. In fact, the immigrant Chinese still dominated tin mining until the dredge was introduced in 1913 (Rasiah, 1995, 2021). This was also a period of large-scale Chinese immigration and of a community settling down and requiring educational and other social facilities. Senior Cheong with other Chinese businessmen founded companies, introduced early technologies for mining operations, and set up a modern, western-modelled bank. They established schools that provided quality education. In this period of social transition, Cheong helped set up important institutions and associations for the Chinese that continue to play significant roles in community life today. He was accepted as a leader by his clansmen, as well as by the wider Chinese community. The British also recognised his leadership role by appointing him to representative bodies such as the Selangor State Council and the Chinese Advisory Board. For his services before World War Two and during the Japanese Occupation, Cheong was awarded by King George the Sixth in 1946 the Order of the British Empire (OBE).

It is interesting to speculate how the senior Cheong’s leadership position would be seen within the traditional Chinese social order? In the traditional Chinese social order, the shih (the scholar class) occupied the highest rank followed by the nung (peasants), the kung (artisans) and lastly the shang (merchant class) (Wang Gungwu, 1968). The senior Cheong was probably either a nung or kung when he was in China and remained so in his early career in Malaya. But he soon became a businessman or a shang. In an immigrant society then, it was those with wealth who became leaders, and it was the shang who were the more successful in the accumulation of wealth. And so the shang type such as senior Cheong assumed a leadership role in Malaya because of the wealth they gained and the financial support Cheong along with the other Chinese businessmen gave to schools and charity organisations.
What about Prof. Cheong, a member of Cheong Yoke Choy’s family? Is it possible
to likewise view him within the traditional social framework? Prof. Cheong attended the
Victoria Institution in Kuala Lumpur, proceeded to the University of Malaya and then
went on to complete his Ph.D. in the UK. He did not take up the family’s business and
instead joined the University of Malaya and later the World Bank. On his retirement, he
re-joined the University of Malaya. In the traditional social classes, Prof. Cheong might
be considered a shih. Indeed, in traditional China, those among the shang class aspired
to join the shih class by supporting one of the sons to pass the imperial civil service
examination and be accepted as a scholar-mandarin (Yen, 1986).

Prof. Cheong and some family members continued their support of education
although not on the scale of the senior Cheong. For Prof. Cheong, he was generous in
sharing his knowledge with students and colleagues. Over tea or meals that he usually
hosted, he engaged in scholarly discussions. He would often offer a fresh view to a
familiar issue and together with his colleagues develop these into a journal article. He
enjoyed taking up the difficult task of doing a first draft. He supervised a large number
of doctoral students even when he held a non-stipend research position. Out of these,
Prof. Cheong produced some very important journal articles and books. And one of his
last and probably a most important writing is that of a grandson looking back at the
career and achievements of Cheong Yoke Choy.

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### Appendix table

Tin produced by Chinese and Western mines in the Federated Malay States, 1910 to 1920

<table>
<thead>
<tr>
<th>Year</th>
<th>Output in tons</th>
<th>Percentage of total output</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Chinese</td>
<td>Western</td>
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<tr>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1910</td>
<td>34,213</td>
<td>9,650</td>
</tr>
<tr>
<td>1911</td>
<td>33,995</td>
<td>10,154</td>
</tr>
<tr>
<td>1912</td>
<td>38,737</td>
<td>9,684</td>
</tr>
<tr>
<td>1913</td>
<td>37,094</td>
<td>13,033</td>
</tr>
<tr>
<td>1914</td>
<td>37,472</td>
<td>11,570</td>
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<tr>
<td>1915</td>
<td>33,671</td>
<td>13,094</td>
</tr>
<tr>
<td>1916</td>
<td>29,831</td>
<td>14,038</td>
</tr>
<tr>
<td>1917</td>
<td>28,281</td>
<td>11,551</td>
</tr>
<tr>
<td>1918</td>
<td>25,625</td>
<td>11,958</td>
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<tr>
<td>1919</td>
<td>25,116</td>
<td>11,819</td>
</tr>
<tr>
<td>1920</td>
<td>22,358</td>
<td>12,576</td>
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