

## REVISITING HISTORY

# WHEN MALAY TRADERS SAVED PENANG

In conjunction with George Town World Heritage City Day, **ALAN TEH LEAM SENG** takes a walk down memory lane to the time when Malay merchants played a vital role in securing the young colony's survival

**E**XPLORING the streets of George Town over the past year has been a totally different experience than before. The once ever-present traffic gridlock in the Penang capital has temporarily faded into the mists of time due to the ongoing pandemic, and the relative calm has inevitably given an opportunity to the other sensory faculties to gain greater prominence.

The trail eventually leads to Lebuhraya, where the presence of century-old establishments and the aromatic smell of spices wafting in the air quickly turn back the clock to a time when this developed world-class city was just at the cusp of greatness.

Although history recognises the British as the ones responsible for setting Prince of Wales Island (now Penang) on the path to prosperity, the fact remains that, due to the island's lack of natural resources, progress in those formative years would have been severely hampered if it had not been for enterprising Malay traders who arrived in scores from all corners of the archipelago.

#### SUCCESS WITH LOCAL KNOWLEDGE

These merchants brought much

needed goods from the Malay Peninsula and Sumatra to feed Penang's important China and Indian trades. Using smaller and more manoeuvrable seafaring vessels like *perahu*, *pencalang*, *kakap* and *banting*, the traders knew the waters like the back of their hands and serviced native ports with frequency and efficiency that the Europeans could only dream about.

The intricate trading networks of these resourceful goods and commodity collectors and distributors did not only come into existence with the British arrival in Penang, but were painstakingly formed more than a millennia earlier when the powerful maritime Srivijaya empire was at its zenith. These lucrative connections were perfected during the Malacca Sultanate before proving their invaluable worth in Penang towards the end of the 18th century.

While a vast majority of the Malay traders hailed from native ports on both sides of Malacca Straits, including southern Siam (now Thailand), some came from as far as Borneo, Java and Makassar. Their resourcefulness ensured that Penang had consistent and ample supply of forest products, rattan, gold, tin, tobacco, be-



(Top) Malay traders assimilated well into Penang society and contributed greatly to its growth. (Bottom) Malay merchants ensured Penang had a steady supply of local produce.

tel nut, pepper, as well as various food items like sago and rice.

Francis Light, in his capacity as the first Penang superintendent, faced many financial constraints during those early years because British East India Company administrators based in Goa, India, were unsure of Penang's success and only offered half-hearted support while keeping purse strings tight. Light's primary concern was Penang's inability to raise enough revenue to be self-sufficient as that was the excuse his superiors in India were waiting to use to abandon the island in favour of the perceived superiority of the Andaman Islands.

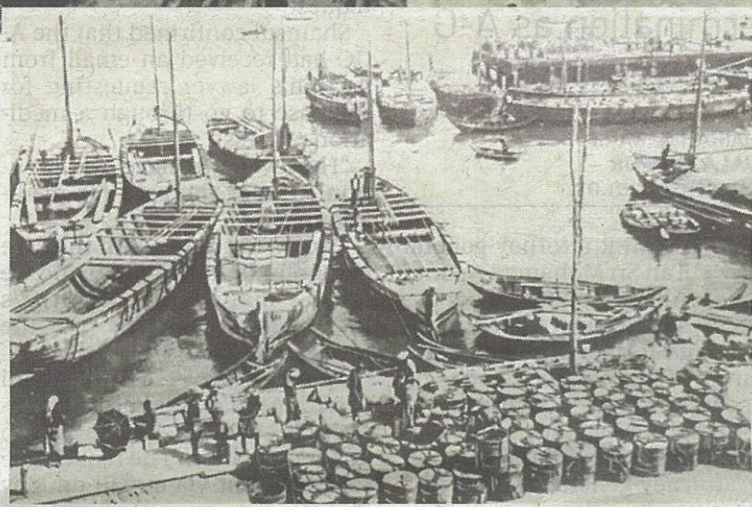
#### LENDING PENANG A HELPING HAND

While keeping a constant eye out for potential revenue sources to put the fledgling colony on stable footing, Light was quick to realise the most evident solution to his financial woes were the enterprising Malay traders. Drawing upon his vast experience working at many native ports prior to his arrival in Penang, Light lost no time in striking a close working relationship and friendship with these merchants.

Pooling all his authority as top administrator, Light made doubly sure that the Malay traders chose Penang over all other ports, including Malacca, when it came to commerce. Besides unrestricted freedom of trade, Light shrewdly emphasised the safety accorded by the formidable battery of cannons at nearby Fort Cornwallis.

Light's overtures worked like a charm as security and peace were paramount to the trading community, especially for those who dealt in precious metals mined in the Malay Peninsula interior, Sumatra and Borneo. By the turn of the 19th century, gold dust accounted for nearly a fifth of Penang's total import value and duties charged on the commodity alone went a long way in helping Light defray the colony's financial obligations.

The mutually beneficial ar-



angement was a resounding success. Within a few short years, Light proudly reported to his superiors that gold and silver brought to Penang were valued in excess of 200,000 Spanish dollars. British East India Company administrators began looking at the colony in a totally different light when they were assured that, if favourable market conditions followed the prevailing trajectory, the value would soon increase by leaps and bounds.

The sight of the harbour filled with numerous native boats interspersed with huge European steamers was a great visual show of achievement for early Penang as, within a relatively short time, it had become the epicentre of a vast trading network.

#### HARDWORKING, HONEST TRADERS

More Malay traders arrived as Penang's success grew. By the early 1800s, several thousand traders made the island their home, with a vast majority setting up homes in a settlement in the south of the bustling port town while focusing on trade at a bazaar right in the heart of George Town. With commendable business acumen and good financial planning, many went on to establish renowned enterprises that gave those owned by Europeans, Indians and Chinese a run for their money.

In a report to the Governor General in India, Light paid glowing tribute to the Malay merchants and praised their integrity, self-reliance and honesty. The communique also said that the products the merchants offered had

ready buyers on the island, and the traders, together with their families, had successfully assimilated into the mercantile society and formed an integral part of the rapidly growing colony.

The success of the bazaar, which dealt primarily in rice, poultry and cattle, saw many Malay traders become prominent land and property owners who generously channelled a lot of their hard-earned wealth towards the betterment of their community through the establishment of *madrasah* (Islamic schools) and places of worship.

By the mid-19th century, Malay merchants had, ironically, become victims of their success. Decades of rapid commerce expansion had led to mass saturation in local markets within the archipelago and raised a pressing need to venture further afield in search of more lucrative business opportunities. Unfortunately, the lack of long distance trade contacts and sturdier seafaring vessels severely hampered local traders' hopes of repeating their past triumphs.

Despite the setback, many Malay traders chose to stay in the colony and the community continued to contribute actively to the port town's progress. Although they could no longer compete with the financial clout of European companies that had arrived in droves, the fact remained that the Malay traders could hold their heads high knowing that they had made their name in history as the people who answered Light's clarion call during Penang's desperate hour of need and saved it from abandonment.



Malay merchants used smaller and more manoeuvrable boats to their advantage in bringing local produce to Penang.