

Robert Kuok: Businessman and Philanthropist

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Abstract

Robert Kuok is ranked as the wealthiest businessman in Malaysia. He is also a most generous philanthropist. This paper traces how Kuok gained enormous wealth by turning a small family business into one of the world's largest trading company in rice, sugar, palm oil and diversifying into hotel, insurance, and transport.

As his wealth grew, Kuok set up the Kuok Foundation which over the years has given out millions of ringgit in scholarships and study loans to thousands of university students. Kuok has also donated millions for the setting up of Xiamen University branch campus in Malaysia and to Universiti Tunku Abdul Rahman. He has also funded research in science, medicine and technology.

This trait of philanthropy of Kuok is common among Chinese businessmen in Malaysia. These Chinese businessmen funded schools and welfare programmes of the community. But of the Chinese businessmen, Kuok is foremost in creating foundations to manage, invest, and dispense funds for education and other philanthropic purposes.

Key words: Chinese business, sugar trading, the state, philanthropy

Introduction

Robert Kuok Hock Nien, born in Johor Bahru in 1923, is reportedly the richest man in Malaysia and among the wealthiest in Asia today. He has built a business empire through three holding companies-Kuok Brothers Malaysia, Kuok Brothers Singapore and Kerry Properties Ltd in Hong Kong. Through these, Kuok became the world's largest palm oil producer and is extensively into flour, shipping, properties and hotels, including the luxury Shangri-La chain. Kuok's business covers more than 50 countries with a focus in Southeast Asia and China. In 2017 Forbes estimates Kuok, once dubbed 'Sugar King', to be worth US\$13.9 billion (Sia, 2010).

Much has been written about his business success. But rarely publicized is the fact that he is also among the most generous of philanthropists. Over the years Kuok has donated vast

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sums of money to various social and educational bodies. Kuok not only shuns publicity about his business life but also his philanthropic contribution, that is, until he revealed in his recently published memoir of his plans to set up new charity foundations.

Kuok had on one occasion spoken of his wealth and his reasons for helping others. When celebrating the sixtieth year of the Kuok family business, he paid tribute to those who in the early years had helped build the Kuok business. He expressed his gratitude but also a regret that those pioneers did not enjoy the rewards of the company's subsequent success. Consequently, he set up a foundation to repay them by providing assistance to their descendants:

I would like on this special occasion to pay tribute to them and in particular to those who were with us in the early days; many of whom are no longer here. I have already mentioned Lau Teo Chin (Ee Wor) and Kwok Chin Luang (Ee Luang) and Othman Samad (Kadir), there are others like Lean Chye Huat, who is not here today due to failing eyesight, and Yusuf Sharif who passed away in his home country India about one and a half years ago and the late Lee Siew Wah, and others who all gave solid and unstinting support and devotion to the Company. It saddens me that in those early difficult years these pioneers did not enjoy significant and substantial rewards but such is the order of things and a most unfortunate aspect of capitalism. However through our Group and employee Foundations, today we are able to help their descendants whenever there is a need to (Kuok, 2009).

Beyond repaying his employees, both past and present, Kuok saw a wider social commitment. He accepted a public responsibility in sharing wealth with the community:

Wealth should be used for two main purposes. One: for the generation of greater wealth; in other words, you continue to invest, creating prosperity and jobs in the country. Two: part of your wealth should be applied to the betterment of mankind, either by acts of pure philanthropy or by investment in research and development along the frontiers of science, space, health care and so forth.

Education is one of the areas which has received considerable funding from Kuok; and the Kuok Foundation is the earliest of his foundations to dispense such support. Since then he has set up three other foundations. In his recent memoirs, Kuok wrote that he has since established the Zheng Ge Ru Foundation in Hong Kong and the Joyce M. Kuok Foundation in Hong Kong. The Zheng Ge Ru Foundation is named after Kuok's mother and the Joyce M. Kuok Foundation is named after Kuok's first wife. Kuok further disclosed that he had set up a trust to honour his present wife Pauline. He has added his name to the trust and the He Nian-Po Lin Trust would one day be converted into a full foundation.

According to Kuok in his memoirs, the foundations invest and manage the assets he donated. The proceeds are dispensed to help the needy and the underprivileged. The Kuok Group trust as well as the other three foundations hold significant blocks of Kuok Groups' shares (Kuok, R., 2017).

It is not possible to know how much Kuok has given over the years but those gifts he had made and have been reported amount to hundreds of millions. Some idea of the size of his financial gifts can be gauged from two of his donations that were reported in the media. These were his contribution of RM100 million to the setting up of Xiamen University branch campus in Malaysia and nearly RM100 million to Universiti Tunku Abdul Rahman (*The Star*, 4 October 2013).

Any attempt to fully understand Robert Kuok the man therefore requires a study of Kuok's philanthropic efforts. Kuok's philanthropy may be viewed in the context of Chinese business community and culture (Lin, X., 2017). An important feature of Chinese business, whether they are large or small, has been their social contribution to society. Whether as individuals or as part of an association, which most are members of, Chinese businessmen are noted for their regular financial gifts to the Chinese community. It is the support they gave which enabled the establishment and functioning of various dialect, district, and clan associations in Malaysia. Out of these financial contributions were schools, hospitals, and orphanages set up.

Chinese merchants saw the need to give their support especially in the early years under British rule in Malaya when there was little government help for Chinese education and social amenities such as clinics and welfare (Yen, 1986; Chung and Hamilton, 2009). While many of the merchants had little formal education, they recognized the value of schools for the community and saw them as a route out of poverty. The schools were also institutions for the preservation of the community's language and culture. For the philanthropic role they played, Chinese merchants gained leadership positions in the community.

It is within such a historical context that Kuok's philanthropy could be understood. More than that, his generosity could be further explained by the family background, the environment he grew up in, and the nature of his business approach.

The Rise of Robert Kuok

The generosity of Robert Kuok is a trait that was evident in the family. When the senior Kuok passed away in 1948, Robert and Philip Kuok together with their mother set up a new company called Kuok Brothers to take over the business of the father's Tong Seng Company. Instead of limiting Kuok Brothers to the immediate family members, three cousins who had been helping out in Tong Seng were given shares and business positions. The decision to include them in the new company was made by Kuok's mother. Furthermore, Kuok's mother insisted that the mistress of the senior Kuok was given shares in the new family company (Kuok, P., 1991).

Kuok's mother was educated, which was uncommon in those days for women. In his memoirs, Robert Kuok acknowledged that his mother inculcated values which were important in his life and business, and that he consulted her in all important decisions. Kuok's parents ensured that he went to the premier English-language school, the English College to study and insisted that he did a stint of Chinese language studies before proceeding to Raffles College, the institution that later became the University of Malaya (Chua, 2000). Kuok's father developed close relations with the Johor palace and ran a fairly successful business. Through this he gave his children a good start in life. One son, Philip, served as Malaysia's ambassador while another brother William, however, was killed in the Malaysian jungle fighting what he believed to be a war of liberation against British colonialism (Puthuchear, 1998). It was Robert Kuok who carried on the family business tradition.

Kuok already showed early business acumen. He writes in *A Memoir* how he saved four out of the five cents he was given by his mother for daily pocket money, earning extra income by auctioning off damaged rice from Mitsubishi with whom he was working during the war, and later buying bales of cigarette paper from the surrendering Japanese using worthless Occupation currency and selling them at huge profits.

Robert Kuok grew up in a Malay state different from others. Johor had come under British influence earlier than others but maintained a more autonomous status. It had its own military force, customs, police and civil service. Johor's rulers invited Chinese to open the state, particularly in gambier cultivation, and granted land titles to them under the *kangchu* system. But to avoid the factional fighting that took place among the Chinese in Perak and Selangor, the sultans disallowed secret societies and insisted on only one organization, the Johor Chinese Association to represent all the Chinese groups in the state (Trocki, 1979).

Johor Bahru, where the Kuoks stayed and did business, was a more multi-ethnic town in composition. Half the population was Malay unlike other major towns which were predominantly Chinese. Equally significant, the English College in Johor Bahru, where Kuok studied, had almost equal number of Malays and non-Malays, a policy laid down by the sultan (Lim, P., 2009).

Kuok therefore grew up in an environment that was more multi-ethnic than that experienced by other Chinese business or political leaders. Kuok's classmates in the English College included Hussein Onn (the third Prime Minister), Ungku Abdul Aziz (University of Malaya's first Malaysian Vice-Chancellor), Ismail Ibrahim (Armed Forces Chief of Staff) and Sujak Rahiman (Director of the Institute of Literature and Language). His early socialization was therefore within a multi-ethnic milieu and he developed friendship with those who were to become very powerful and influential later on (Ooi, 2006).

Kuok's political education was also shaped by events and developments in Johor Bahru. It was in Johor Bahru that inchoate Malay nationalism gained full expression following strong Malay protests against the Malayan Union, a plan to unify the political entity of all the states in Peninsular Malaya and to extend citizenship and rights to all races. There were even calls

for the Johor sultan to abdicate because he had signed the Malayan Union Agreement (Ramlah, 1992). These events must have created a deep impression on Kuok, as a young man, and which allowed him an appreciation of Malay political power and of multi-ethnic efforts towards independence.

Thus, Kuok lived through a critical period of political transition in Malaysia's history. He grew up under British colonial rule. Then in 1941 while studying at Raffles College, Singapore, the Japanese military occupied Malaya. Kuok then 18 years of age returned to Johor Bahru and found a job at the local office of Mitsubishi Corporation, the Japanese trading company that was given a monopoly of rice imported into Johor. Kuok subsequently headed Mitsubishi's rice department.

When the British military returned at the end of 1945, Kuok and his father won the contract to supply fresh produce to 50,000 Japanese prisoners of war. Subsequently the Kuoks were appointed as distributor of essential foodstuffs for south Johor. Through all these, Kuok gained business experience and connection. Thus, when the British began withdrawing from the region, the Kuoks had the experience and the networking to take up new business opportunities in a changing political and economic environment.

Expanding Kuok Business

After taking over the trading business of Tong Seng and Co. Kuok Brothers found that the rice trade was a very competitive one especially as it was then dominated by the majority Teochews in Johor Bahru. Robert Kuok soon shifted to the sugar trade, a sector where the Chinese traditionally had not been strong. The distribution of sugar in Malaya then was controlled by Guthries and Company, a British trading house, which acted for Tate and Lyle, the largest British sugar combine. Command of English was essential in an industry where much of the transactions were in the international market, and this gave Kuok an edge over most of the Chinese businessmen who knew little English (Gomez, 1999).

Kuok's entry into the sugar trade was helped by three major factors. The first of these was the decolonization process in the 1950s. As the British began withdrawing from Malaya, the agency houses which dominated trade and business in Malaya declined in importance (White, 2004a). At the same time, to get around Guthrie-Tate and Lyle's control of sugar import, Kuok sourced the commodity from India which was just then opening its market. Indian sugar was also cheaper. Later, Kuok imported sugar from Cuba. Gradually, Kuok overtook and eventually replaced Guthrie as the main importer and distributor of sugar in Malaya.

Secondly, Robert Kuok is a Fuzhou, a very small dialect group among Malaysian Chinese. The major dialect groups are the Hokkiens, the Hakkas, the Teochews, the Cantonese and the Hainanese which together constitute well over 90 per cent of the Malaysian Chinese leaving the Fuzhous and other minority dialect groups at much less than 10 per cent. The Fuzhous, concentrated in the small town of Sitiawan, and in the East Malaysian state of Sarawak

particularly Sibü, were mostly Christians, Methodists in particular, having been settled as colonists. Thus Kuok, who grew up in Johore Bahru, where there were very few Fuzhous, is not only a member of a minority dialect group, but being a non-Christian, a minority of a minority (Del Tufo, 1949).

The major dialect groups intermix their dialect group organizations with the particular business they specialize in. The various businesses structured the main Chinese commercial body, the Chinese Chamber of Commerce, along dialect group lines. This Chamber is often seen as the “voice” of the Malaysian Chinese. And the leaders of this Chamber from the majority dialect groups are perceived as representing the Chinese, and hence have less freedom to develop inter-ethnic links.

Kuok, being from the Fuzhous, was unable to break into those Chinese businesses dominated by the big dialect group. He had to go outside the system to gear his business venture and structure outside the dialect group system. He had to settle for sugar trading which enabled him to develop contacts in India and Cuba, places not normally within the diasporic network.

The founding staff members of his company, the Kuok Brothers Sdn. Bhd., began with five of whom two were non-Chinese. The two were an Indian and an Indian Muslim. It is almost inconceivable for any Chinese business then to have founding staff outside their dialect group (Kuok, R., 2009). The consequence of this is that Kuok was not constrained by considerations of dialect group loyalties and was able therefore to recruit management on a professional basis. He thus was earlier than most to recruit Malays in his organization.

As Kuok Brothers expanded, members of the Kuok family held major positions. Philip Kuok, the brother, was for a while chairman of the company and when he took up government positions, Leslie Cheah the brother-in-law assumed the post. A nephew-in-law, Richard Liu Tai Fung was Robert Kuok’s closest and most trusted staff member who helped build up Malayan Sugar Manufacturing (MSM) and Federal Flour.

Third, at the end of 1958, Mitsui Bussan Kaisha and the Nissin Sugar Refinery approached Kuok for a joint venture to establish a sugar refinery at Prai. The Japanese had first approached Lee Kong Chian, a prominent Singapore businessman, who referred them to Kuok since the latter was dealing in sugar. Kuok having worked for a Japanese company during the war had the necessary experience in dealing with Mitsui Bussan Kaisha and Nissin Sugar Refinery.

The State and Kuok Business

It was the state that provided an initial boost to Kuok’s business. With independence in 1957 the new Kuala Lumpur government introduced investment policies under the *First Malaya Plan (1955-1960)* to encourage greater diversification of industries. The most important of these was the Pioneer Industries Ordinance 1958 which gave incentives to local and foreign investments. There had been concern among some leaders that with independence, British business was leaving the region and no new Western investment was

coming in. Furthermore world prices for tin and rubber, the two main exports, had begun to dip and were a major concern for the government. Under the Pioneer Industries Ordinance 1958 incentives were given to local and foreign investments. Industries granted “pioneer status” were given income tax relief and this include tax allowance for capital investment. This status was granted for five years at the end of which a review was made and renewal possible (White, 2004b).

Yet to say that Kuok was a crony of the state may be an over-simplification. This was a critical period of transition where the state needed local investors to create jobs and to stimulate the economy. The state was looking for reliable entrepreneurs to embark on economic projects it identified as of critical value. Kuok was seen as capable. So when the government wanted to create its own shipping line, it called on Kuok Brothers. Kuok had earlier bought Rickwood and Company which held several agencies and these included package handling and the shipping of machinery from Singapore to Port Dickson. Furthermore, Kuok had been chartering vessels to transport bulky raw sugar. Kuok Brother Sdn.Bhd. became one of the major shareholders of the Malaysian International Shipping Corporation (MISC) when it was formed in 1968. Kuok was appointed the first Chairman of the company (Sia, 1993).

His expertise and business connections were sought by the state in other areas. Kuok was trusted as he was close to senior Malays he had grown up with in Johor Bahru. Secondly, the government was comfortable with Kuok who was not linked to powerful dialect-based Chinese merchant groups. Thus, Kuok was included in the founding boards of PERNAS, the state trading company, and Bank Bumiputra, a bank for Malays set up by the government. He was chairman of Malaysia Airlines when the split of Malaysian-Singapore Airlines was decided. He also chaired the Malaysia Tourism Board (Kuok, R., 2017).

Meanwhile, Kuok and the two Japanese partners, Mitsui Bussan Kaisha and Nissin Sugar Refinery, set out to establish MSM at Prai. Later Kuok established the Federal Flour Mills Berhad. He gained pioneer status for the two businesses. These two industries formed the early foundation of Kuok’s success and wealth. Kuok was to further benefit from the *First Malaysia Plan* under which the government specified that the sugar and flour industries were to be protected. A number of Free Trade Zones had also been created, one of which was in Prai, where foreign or local firms manufacturing for export could import machinery and new materials free of duty. Likewise, export was also exempted from duties. In addition, Kuok’s companies including Perlis Plantation were exempted from company tax, relief from payroll tax, investment tax credit, and accelerated depreciation under the Investment Incentives Act of 1968.

It is important to note that Kuok was sensitive even before the affirmative NEP was introduced in 1971 to encourage more Malay economic participation. Even without the state’s stipulation of a required quota of Malay participation in his companies, Kuok had already invited significant Bumiputera participation. This was more than just tokenism. Kuok was guided by several considerations. Firstly, Malay participation was drawn from his old

Johor connection particularly the royal family. He appointed Tengku Suleiman ibni Tengku Abu Bakar as General Manager and Director of Perlis Plantation Bhd. and Tunku Osman Ahmad as Chairman of Pelangi Bhd. Tengku Suleiman is a grandson of Sir Sultan Ibrahim of Johor and is the cousin of the late Sultan of Johor. Thus the close links between the Johor royalty and Kuok's Tong Seng was maintained. His school-mate Tan Sri Taib Andak who became chairman of FELDA and Malayan Banking, was made a director of Federal Flour Mills while Tun Hussein Onn and Puan Norashikin binti Dato M. Seth, wife of Tun Dr Ismail were shareholders of MSM (Heng, 1997a).

For the MISC, the other partners were Lembaga Urusan dan Tabung Haji (LUTH) and Frank Tsao and Co. LUTH was also a major shareholder in Federal Flour Mills Bhd. Kuok formed Perlis Plantation Bhd. with the Perlis state government in cane planting. The state government alienated 4,452ha (11,000 acres) of land for the plantation (*Malaysian Business*, 1993; Lim, E.H., 1987). PBB then partnered the Federal Land Development Authority to set up a sugar refinery. Finally, Kuok Brothers and Peremba, the investment arm of the Urban Development Authority built the Shangri-La complex in Kuala Lumpur.

Kuok Moves to Hong Kong

In the late 1970s, Robert Kuok made a strategic move in his career by relocating to Singapore. Not long after, he shifted to Hong Kong where he has remained ever since. In Hong Kong, he bought Kerry Properties Ltd in 1977 (Kerry Properties, 2017). The company developed properties in Hong Kong and later in China. Kuok also took over the influential *South China Morning Post* from Rupert Murdoch in 1983. He has since sold the paper to Jack Ma of Alibaba Group. He retained his Malaysian investments business such as sugar, palm oil, hotels, and transport which make up a substantial part of his business and wealth. From Hong Kong he extended his interests to China, Indonesia, the Philippines, and elsewhere. His investments in China are very diversified and include supply of edible oil and for a while, held the Coca-Cola franchise for China (*The Straits Times*, 1993; Witcher and Ubels, 1996).

Kuok's move was significant given its timing. In an interview given to a Singapore TV station Kuok explained that his move was a business decision (Television Corporation of Singapore, 1996). He likened his business in Malaysia to being a small fish in shallow waters with few opportunities for expansion. He disclosed that his sugar business in Malaysia was growing at only 2 per cent per year.

It is likely that there were other considerations. The first of these was the New Economic Policy. Introduced in 1970 by the government, it was an affirmative action policy that required non-Malay companies to set aside 30 per cent of their equity for Malays or Bumiputeras (Heng, 1997b; Lin, M.H., 2001). At the same time preference was given to Bumiputera-majority companies when government contracts and concessions were granted. Kuok could foresee the course the NEP would take. In September 1975 he expressed to then Deputy Prime Minister, Hussein Onn his concern at how the NEP was implemented.

Perhaps Kuok could see the passing of an era he had grown up in. The group of Malays he highly respected and was close to such as Tun Ismail passed away in 1973. Tun Razak was already a sick man. Hussein Onn who succeeded Tun Razak as Prime Minister had heart problems. Among senior non-Malays, the highly competent Finance Minister Tun Tan Siew Sin stepped down in 1974. Deep down Kuok sensed that the Malaysia he grew up in and loved was changing (Kuok, R., 1991).

Secondly, as Malaysian Chinese businessmen began feeling the restrictive effects of the NEP and were looking to overseas for business opportunities, China under Deng Xiaoping was opening up its economy. The first special economic zones where foreign investments and industries were encouraged were in south China from where the early generations of Malaysian Chinese had immigrated. Malaysian Chinese saw great opportunities in China particularly in property development, education, and manufacturing (Peng, 2000)

Kuok's close ties with China started in 1973, when two Chinese officials met him in secret in Hong Kong to seek his help to overcome a dire shortage of sugar in China; Beijing lacking foreign exchange, could not make international purchases. Kuok obliged and set up a separate account to quietly trade in the sugar futures market and, with profits made, bought sugar for China (Tanzer, 1997). Furthermore, Kuok came to China with credentials as a very successful Southeast Asian Chinese businessman. By the 1970s and 1980s he was already very established and the leadership in China respected him. Indeed, Kuok came in the line of Southeast Asian Chinese of an earlier century whom Michael Godley described as the earliest Chinese capitalists and who tried to help China modernize (Godley, 1980).

It may be argued that it was Kuok's anticipation of China's opening of its economy more than the NEP that prevailed on him to move to Hong Kong. In Malaysia, his business position was secure and in all his companies he had strategic Malay partnership. He had built his business benefitting from the government's incentive policies which were equally available to others. He had made gains such as in sugar by shrewdly locating new sources and partners. More than many other Malaysian business, he had the reputation, the experience, the resources, and the connection to invest in wider regions (Kuok Brothers Sdn. Bhd., 2011).

Timing seems to have been a key element in his business success. Whether switching from trade in rice to the more lucrative sugar, going into the hotel business, or relocating to Singapore and then to Hong Kong, the decisions turned out to have been well timed. Business opportunities also seem to come his way. It will be recalled how he was approached by the Japanese and by the Malaysian government to enter into joint business projects. But probably the most unlikely but rewarding was the offer to enter into a partnership to build a hotel at Orange Grove Road in Singapore. With no knowledge of the hotel industry but having an appreciation of luxury hotels he had stayed in, Kuok agreed to jointly develop the Shangri-La Hotel in Singapore. This was to be the first of some 100 Shangri-La hotels, with a more recent addition in London. Shangri-La Hotel has become a brand name of luxury and quality-service

hotel. Kuok has since started another hotel chain, the Traders Hotel, for business travellers (*The Straits Times*, 1994).

But could he have anticipated that when he shifted to Hong Kong in 1974, China's economy was about to open? Certainly, the times that Kuok lived through were exceptional: British decolonization, expanding Japanese economic presence, economic transformation of Southeast Asia and the rise of China, and he grasped the opportunities they offered. His Kuok Group became part of those changes, contributing to and benefitting from them (Tanzer, 1994).

However, in 2009, Kuok disposed off PBB's entire sugar operations to FELDA. Kuok used part of the PBB sales proceeds to increase his holding in Wilmar International (Hazig, 2011). In 2010, through PBB and Wilmar International, Kuok acquired Australia Ltd's sugar business for RM4.73 billion. This gave Kuok control of half of Australia's raw sugar output and ensured that he remained a major player in the global sugar industry.

Wilmar International was set up by Martua Sitorus, an Indonesian, and Kuok Khoon Hong in 1991 to go into oil palm. Today Wilmar is the largest palm oil producer with an annual revenue of at least US\$45 billion. Khoon Hong is the nephew of Robert Kuok. Wilmar has a strong presence in China where it controls half of China's cooking oil supply. Wilmar International's business activities include oil palm cultivation, edible oils refining, oilseeds crushing, oleochemicals and biodiesel manufacturing and grains process and merchandising. It has over 450 manufacturing plants and an extensive distribution network covering China, India, Indonesia and some 50 other countries.

Kuok Philanthropy

Most of Kuok's philanthropic contribution has so far been managed by the Kuok Foundation. The Foundation was set up by the Kuok family in 1970. The decision for its establishment was guided by a belief that the family has a social responsibility to share its wealth and good fortune with the less fortunate (Kuok Foundation, 2017). More specifically the Foundation is to help alleviate poverty and to reduce the economic disparity between the rich and the poor. Thus, long before the idea of corporate social responsibility was widely recognized among big companies in Malaysia, the Kuok family was already well into the practice.

In setting up the Foundation's board, Robert and Philip Kuok included in it three people with whom the Kuoks were not only close to but also men who came from different ethnic background. The three were Abdullah bin Dato Haji Abdul Rahman, a lawyer; Dr Keshmahinder Singh, an eye surgeon; and Dr S.M.A. Alhady, a consultant surgeon. Over the years, membership of the board has changed.

The thrust of Kuok's philanthropic efforts is in education, health and social welfare. But by far the largest and most generous of his contribution has been made to education. This concern for education has to do with Robert Kuok's own background. His mother was educated and had

instilled in him traditional Chinese values of which learning was of importance. She saw to it that he studied Chinese before joining the Raffles College in Singapore. However, Kuok's tertiary studies were cut short by the war, and this must have led him to feel for those who missed out on education because of financial or other circumstances. Kuok also saw education as a means to help those trapped in the cycle of poverty to break out of it.

Hence, the earliest help given out by the Foundation were study loans, grants and scholarships to needy and deserving students in public and selected private universities, polytechnics, and nursing colleges in Singapore and Malaysia pursuing diploma and degree courses. Every year about 400 fresh study awards are given while about 1,000 have their awards renewed each year. Some 186 study grants are also given to those pursuing vocational training. Between 1970 and 2016, the Kuok Foundation gave out study aid to about 20,000 students amounting to nearly RM325 million. A number of scholarships were named after members of the Kuok family such as the Kuok Keng Kang and Kuok Khoon Hong scholarships or after Kuok's companies such as Wilmar International scholarships. Thousands in Malaysia have benefitted from the Kuok Foundation. Interestingly, many in the public associate the name of Kuok with the scholarship and not being aware of the significance of Robert Kuok or of the immense corporate extent of his companies.

Kuok's support for education has moved towards funding institutions to help them develop or expand their capacity. In 2003, Robert Kuok donated RM20 million to the building fund of Universiti Tunku Abdul Rahman (UTAR). He has since then made further contribution such as to UTAR's new medical faculty and a professorial chair in honour of his brother Philip (UTAR website, 2018).

Then in October 2013 during a lunch gathering in Kuala Lumpur given in honour of Xi Jinping, the Premier of China who was then on an official visit to Malaysia, it was announced that Kuok would donate RM100 million to the Malaysian campus of Xiamen University. The fund was for construction of a complex of buildings where the main university was to be. Kuok was present at the lunch but it was Tan Sri Ong Ka Ting, Malaysia's special envoy to China who made the announcement. Kuok has also donated to the Foon Yew school in Johor and to Peking University in China (*The Star*, 2011, 2013 and 2017).

Kuok has expanded his support to giving out research grants and professorial chairs to promote the advancement of knowledge. The first of these was a professorial chair in Food Technology that was named after Malayan Sugar Manufacturing, a company within the Kuok business group. Set up with an endowment of RM600,000 this was later converted into a research grant in 2006. In 1976, the Federal Flour Mills Berhad Chair in Biochemical Engineering was set up with an endowment of RM1 million. Named after one of its companies, the chair was subsequently converted into a scholarship fund named after FFM. In 2010 a grant of RM260,000 was made to UTAR for research on 'Anti-Chikungunya Virus Susceptibility Testing' using local materials. The most recent professorial chair created by the Kuok Group is the Tan Sri Dato Philip Kuok Professorial Chair in Agricultural Science at UTAR.

A Man of Influence

To what extent does Robert Kuok reflect the business, public profile and the philanthropic values of Malaysian Chinese? Kuok lived in exceptional times and here he differed from the typical successful Chinese business in Malaysia. He overcame what appeared to be a disadvantage of being a member of a minority dialect group by seeking other business possibilities not defined by dialect ties. Earlier than most and more than others, he relied on non-family members and on professional management to expand and diversify. He appreciated the political shifts taking place and benefitted by working with states and their institutions. It may be argued that Kuok was lucky that he was present at a time of political and economic transitions in Malaysia and later in China. Kuok managed to draw upon a sensitivity and alertness to evolving social and political environments.

The success of Kuok's business may also be explained by the fact that it was built upon trading of essential commodities largely protected by government control and from there extended to plantations. The sugar and flour business enabled creation of immense wealth and reputation that allowed him subsequently to move into the more competitive service sector of hotel. The nature of his business distinguished him from most other Chinese businessmen.

With a background different from other Chinese businessmen and being one of the most respected overseas Chinese Kuok's help was often sought by political and business leaders (Brown, 2000). Kuok recalls how the director of the Malaysian Special Branch passed through him a message to officials in Beijing that ended Malayan Communist Party broadcasts beamed from China, and how he played an intermediary role between Malaysian and Chinese officials that led to the signing of the Hadyai Peace Agreement in 1989.

Kuok towers over all Chinese overseas businessmen, not just that he is the most successful but also because he commands wide respect that few others can. Indeed, it was to Kuok that Malaysian Chinese looked to for help in 1986 during an economic downturn when major Chinese cooperatives collapsed nation-wide resulting in the severe battering of the image of the Chinese business class. Kuok managed to steady the troubled Multi-purpose Holding, a huge and ambitious cooperative project, where thousands of Chinese had put their savings in, and that effort enhanced his standing in the community further. And when Tan Koon Swan, the President of the Malaysian Chinese Association, was charged in a Singapore court for Singapore Stock Exchange offences, it was Kuok who posted bail for him (Gale, 1985; Kuok, 2017).

Kuok's *A Memoir* offers invaluable lessons from his account of his style and strategy in growing Kuok Group's business, developing partnerships, diversifying into different products and services, entering new markets, and managing associates and employees. In *A Memoir* Kuok was frank as he expresses strong and, what some might consider, controversial views on how business should be conducted, of the world around him and of community relations and values. He is scathing of colonial rule in Southeast Asia, praises the Chinese overseas for their

hardworking qualities and contribution to the economies of host countries, and believes that the excesses of capitalism must be tempered by the egalitarian impulses of communism. He is proud of his Chinese heritage and of the homeland of his parents. But his heart remains in Johor Bahru (*The Malay Mail*, 2013; CCTV Interview, 2011).

Kuok wrote frankly about some of the stresses in the extended family but seemed confident that the succeeding generation is ready to take over. While Robert Kuok continues to be active, members of the third generation have moved into senior positions within the Kuok Group (*The Straits Times*, 1993b; Chanjaroen and Mellor, 2013). Kuok's eldest son Kuok Khoon Chen is chairman of Kerry Properties Ltd and oversees hotels, real estate and Coca Cola (Kuok Brothers and Kerry Properties Ltd). Another son, Kuok Khoon Ean, is chairman of the Hong Kong newspaper *South China Morning Post* but he manages also the Singapore/Malaysia operations particularly the edible oils business. One daughter Ruth is in charge of the group's charity foundations. Another daughter Kuok Hui Kwong was until recently CEO of the *South China Morning Post*. A nephew, Kuok Khoon Hong started and now heads Wilmar International which is the world's largest trader in palm oil and flour. Other nephews Kuok Khoon Ho, Edward Kuok Khoon Loong and niece Kay Kuok Oon Kwong are prominently engaged in Kuok Group's operations.

Conclusion

It is difficult to find many Chinese businesses in Malaysia today with the features and strengths of the Kuok Group. Many share with the Kuok Group the emphasis on education and traditional values. They contribute to schools and welfare programmes of the community. But only a few like Kuok have created foundations to invest and dispense funds for education and charity purposes. Kuok believes that wealth should be re-invested to generate more wealth. But a part of that should be used for the improvement of humankind. Kuok has a very generous understanding of this part of the contribution. It would seem that Kuok distinguishes between pure philanthropy and money donated for research and development in areas of science, medicine and technology that would benefit humankind.

There is a trait of generosity in the Kuok family as seen in the way the shares of the Kuok Group were initially allocated. Cousins and nephews were not excluded nor the mistress of the senior Kuok. It was also evident in Kuok handing over the gains he made in sugar futures trading to buy sugar for China facing an acute shortage of the commodity but had lacked foreign exchange to purchase needed supply. When MCA's Multipurpose Holding and Tan Koon Swan were in trouble, Kuok stepped in to help.

In following the dictum that charity begins at home, Kuok has a foundation that cares for children of the Kuok Group pioneers. He has another foundation that provides for welfare and medical care of employees of Kuok companies. Finally, there is a sentimental touch to Kuok's philanthropy. The charity foundations he has set up are named after three women he has great affection for: his mother, his first wife, and his present wife.

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