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Revenue vs Morality: British Policy towards Chinese Gambling in the Federated Malay States to 1912

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Abstract

One of the most important sources of revenue for the early government of the Protected Malay States was the farms that gave the prominent Chinese businessmen who held them the exclusive right to operate gambling houses and issue passes for gambling in other places. Initially, British officials had no qualms about deriving so much revenue from the gambling losses of the Chinese workers who were the target of these farms. In 1894, however, they were forced to defend the farms when the Colonial Office asked the authorities in Malaya to look into the possibility of abolishing the farms. Most officials argued that, far from encouraging gambling, the farms actually restricted gambling. In keeping with the view that Chinese were born gamblers they claimed that any attempt to abolish the farms would merely drive gambling underground and foster lawlessness. In the end the Colonial Office acquiesced and the gambling farms continued to provide the Federated Malay States (FMS) with a large source of income for several more years. In 1905, however, an anti-gambling petition signed by nearly all the leading Chinese businessmen forced the government to reconsider its policy. After first introducing a number of reforms to the farms, the government decided in 1911 to replace the farms with licensed gambling houses, and the following year it prohibited gambling altogether. But the structure of the revenue system of the FMS remained in place, as the government came to rely on its opium monopoly as the most effective means of extracting revenue from Chinese workers.

Key words: gambling, Chinese workers, revenue farms, Federated Malay States, British colonial policy

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Introduction

One of the most important sources of revenue for the early government of the Protected Malay States was the gambling farms. The export duty on tin and the import duty on opium were larger sources of revenue, but, according to an estimate made in 1894, gambling farms still accounted for about one-eighth of the government's total income (CO273/194b). In brief the gambling farms operated in the following manner. Every three years the Resident of each state called for tenders for what was known as the "general farm", which was made up of the pawnbroking and spirit (alcohol) farms as well as the gambling farm. The gambling farm, by far the most lucrative of the three, consisted of the exclusive right to operate gambling houses and to issue passes for gambling in other places. Leading Chinese businessmen submitted tenders stating how much rent they were prepared to pay the government each month for the general farm. All other things being equal, the government awarded the farms to the highest tenderer, but the monetary value of the tender was only one consideration. Officials often awarded the farm to a businessman who perhaps had not offered the highest rent but who could be expected to invest capital and import labour to develop tin mining in the district for which he would hold the farm. The reasoning here was that a mine operator who also held the farm would have a powerful incentive to bring in more workers from China because he could, once he had paid his fixed rent to the government, profit from the pawning, drinking, and gambling of these workers. To put it somewhat differently, a mine operator could use the farm as a way of reducing his labour costs, which because of the labour-intensive nature of Chinese mining methods constituted his greatest expense. As for the government, it could look forward to increasing revenue from the export duty on tin and, when the farm came up for renewal, higher bids and therefore higher rents from the farm.[1] Having made his decision about the tenders, the Resident signed a contract with the successful tenderer, now the "farmer". As far as gambling was concerned, the farmer was bound by his contract to observe certain rules and regulations. He was, for example, forbidden to conduct lotteries, in some places the farmer was required to exclude Malays from gambling houses, and he was supposed to get the approval of a government officer before issuing a pass for gambling in places other than the recognized gambling houses, but for the most part he was left to his own devices. In fact, his contract granted him certain powers to protect his monopoly.

As this description suggests, those officials most closely involved in the administration of the Malay States had no qualms about the morality of the gambling farms. Presumably they believed, or at least paid respect to the notion, that gambling was a vice. As expressed by a commission that in 1886 investigated gambling in the Straits Settlements, where most forms of gambling had been illegal since the abolition of gambling farms in 1829, gambling brought about such evils as "the sapping of the springs of industry [and the] promotion of idle and worthless habits, with their concomitant temptation to crime" (CO273/143a). But unlike the authors of the gambling commission's report officials in the Malay States did not regard

gambling farms as the source of such evils. They accepted that lotteries were pernicious because they exposed everyone—young and old, men and women, Malays and Chinese—to the temptations of gambling, but, as mentioned, these were expressly forbidden under the farm's rules. Thus, the farms posed no moral dilemmas. Nor for that matter was there any need to defend or explain the farms. The farms had existed long before the British took over the administration of the Malay States in the 1870s, and, it was assumed, they would continue to exist for a long time to come.

The Colonial Office's Challenge

Early in 1894 this state of mind received a sharp jolt when the Secretary of State for the Colonies, Lord Ripon, wrote to the Governor of the Straits Settlements, Sir Charles Mitchell, who was also the High Commissioner for the Protected Malay States, asking him to look into the possibility of abolishing the gambling farms, particularly if it could be demonstrated that the farms encouraged gambling. Mitchell's first response was to write privately to the Assistant Under-Secretary, Edward Fairfield, to find out whether he really needed to respond to the despatch. The gambling farm was, he wrote, "an excellent institution" by which "a large revenue is taken with the cheerful assent of everyone concerned" (CO273/194a). In his reply Fairfield made it very clear that Lord Ripon did expect the Governor to look into the matter, as the farm was "a thing he could not undertake to defend if it were publicly challenged". In stark contrast to Mitchell, Fairfield described the policy of farming out the monopoly for gambling as one "of sharing in the profits of Gambling and sanctioning a system which affords a strong temptation to officials on the spot to administer it so as to foster this vice of gambling and impoverish the Chinese Labouring Class" (CO273/194b). Shortly after this letter was sent, Lord Ripon informed Mitchell by telegram that the Perak general farm, for which tenders were being called, should be leased for less than the usual three years. The clear implication was that once the new contract had expired the Colonial Office would demand the abolition of the gambling farms (CO273/194c). Faced with this direct challenge to the gambling farms, Mitchell, the Residents of the various states, and the Colonial Secretary produced several lengthy letters and reports that provide an excellent basis for studying how officials "on the spot" in the Malay States viewed their task as the representatives of imperial Britain. I will first outline what I perceive as the overwhelmingly dominant view.

Those officials who expressed the dominant view rejected the suggestion that the gambling farms encouraged gambling. In fact, they insisted, the farms *restricted* gambling. It was in the interests of the farmer to prevent any gambling from taking place except on his premises. Moreover, the gambling houses were only open certain hours and nothing was done to attract attention to them. The assumption made by most officials was that the Chinese were by nature "habitual gamblers" (CO273/202a). The Chinese in the Malay States were, they said, particularly prone to gambling because they were engaged in mining, which in and of

itself was a risky undertaking. Furthermore, it had to be recognized that these miners were single men living alone without the company of women. In these circumstances the gambling houses "are now the daily resort and the sole amusement of thousands of hard-working men" (CO273/202b). Thus, the government might pass legislation prohibiting gambling, but the Chinese would gamble anyway. Public gambling was illegal in the Straits Settlements, but, officials pointed out, the Chinese gambled surreptitiously. If the Straits government had been unable to suppress gambling, then, reasoned officials, the government could not possibly suppress it in the Malay States, where Chinese mining camps were spread out over a vast area. It also had to be acknowledged, officials stated, that the Malay States did not yet have a proper police force with which to enforce a prohibition. Even if it did have a large number of police, there was the very real danger that a ban on gambling would corrupt the police, as had happened in the Straits Settlements. If by some means the government actually succeeded in suppressing gambling, many Chinese would leave the Malay States, thereby destroying the prosperity of the States. Since, according to officials, no such prohibition could be enforced, the Chinese would continue to gamble. Because they would no longer do so under the auspices of the farm, however, cheating, of which they said there was now none, would become common, fights would take place, and there might even be serious riots. In brief, declared the Governor, the present system "prevents the disintegration of society" (CO273/202a).

As those who expressed the dominant view acknowledged, the government derived a great deal of money from gambling, but, they argued, there was no point in abandoning a valuable source of revenue when prohibition would prove not only ineffective but destructive. This revenue was badly needed at a time when the states were just beginning to be developed. In any case, officials suggested, it was hardly fair to attack the gambling farms in the Malay States when Her Majesty's government in Britain collected revenue from "the English lower orders" by means of a tax on alcohol (CO273/202a). It was, moreover, hypocritical to attempt to prevent the Chinese in the Malay States from gambling when speculation in shares, betting on horses, and playing cards were acceptable, or at least legal, activities. As the Resident of Perak, Frank Swettenham, put it, in presenting the views which he claimed were those of the "natives" of the state but which were clearly his own as well, it would be intolerable to interfere with an old and "comparatively harmless practice…by which a section of the population contributes to the revenues of the State by a percentage on the characteristic Chinese desire to make a possible large gain on the certainty of a small risk" (CO273/202c).

This then was the reasoning most officials used to justify the gambling farms. I think it can be said that if one were to accept some of its premises, such as the idea that gambling was inherent to the Chinese, this reasoning had a certain internal logic. At the same time it was based on a fair measure of self-deception. The evidence contained in official reports of the period, including some of those prepared in defence of the farms, indicates very strongly that the holders of gambling farms used every means possible to encourage gambling. Indeed, it would have been surprising if they had not done so, for the impetus behind farming was that

the farmer would attempt to extract as much money as possible since he could keep for himself whatever he collected over and above his obligations to the government. It was standard practice for an employer to obtain a pass from the farmer to open gambling tables at the time he paid his workers (which was once or twice a year), for the farmer then to provide and run the tables, and for the farmer and the employer, if they were not the same person, to share in the profits. This arrangement comes through quite clearly in one of the reports written in 1894 (CO273/202b), as it does from evidence presented to the gambling commission in 1886 (CO273/143b).

Nevertheless, if we consider the situation in which officials governed in the Malay States it is understandable that they genuinely believed, or found it very easy to convince themselves, that the farms restricted gambling. Put simply, the gambling farms were almost irresistible as a source of revenue, not only for the routine administration of the Malay States but also for fulfilling the plans officials had for the development of the states. The gambling farms provided a highly effective means of raising money from a highly transient population that at this point was still largely controlled by the leading Chinese businessmen rather than by British officials, among whom were just two or three who could speak Chinese. Moreover, as in the case of the other farms, the gambling farms enabled the government to raise a large revenue with virtually no investment at all on its part, in marked contrast to, say, railways, which the government was beginning to build. As Fairfield suggested in his response to Mitchell, the gambling farms were not the only possible means of meeting the government's needs: the government could have compensated for the loss of the gambling farms, and in the process taxed the same group of people, by increasing the cost of opium to consumers (CO273/194b). But the sheer convenience of the gambling farms made them easy to justify in the circumstances then existing. If we accept, at least for the sake of argument, that morality is shaped by circumstance, then the dominant view regarding the gambling farms makes sense in relation to the social and administrative context in which officials operated.

Even so, the dominant view was questioned by one official, W.H.Treacher, the Resident of Selangor, who endorsed one of the conclusions of the Straits gambling commission that a farm had the effect of encouraging gambling. According to Treacher, Chinese mine workers had not been accustomed to gambling before their arrival. After earning some money in the Malay States, they "are induced to visit the gaming houses licensed by the Government either by the example of their acquaintances or by the solicitations of those who desire to fleece them". Treacher argued that it would be possible to call on the support of employers and headmen to suppress gambling. As evidence, he reported that some of the leading Chinese in Selangor, including the holders of the general farm, who were two of the leading mine operators, advocated the prohibition of gambling. Finally, unlike other officials, Treacher was able to imagine at least some change in the prevailing relationship between the leading Chinese capitalists and the great mass of Chinese workers. Thus, while agreeing that the government badly needed the revenue the gambling farms had produced, he put forward the view that "eventually the real prosperity of the country would be enhanced by the prohibition of

gambling, the money now lost by the many and falling into the hands of the few being spent in the country in more legitimate ways, or being taken back to China by the successful emigrants and so advertising the name of Selangor in China and swelling the number of our Chinese Immigrants, who are the mainstay of the State" (CO273/202d).

Treacher's views made no impact whatsoever on his fellow officials in Malaya. They did, however, recognize that unless the government appeared to go some way to meeting "the views of a powerful, almost political party in England" it might be forced to prohibit gambling altogether (CO273/202e). Most of them therefore suggested a few reforms to the farms. For its part, the Colonial Office capitulated. It accepted the argument that it would be impossible to enforce a prohibition of gambling, particularly if implemented suddenly. The Colonial Office granted the Residents permission to relet the farms for a three-year term on the understanding that the future of the farms would again be considered at the end of the term. In the meantime officials were to bring in, at their discretion, some of the reforms they had suggested, including reducing the number of hours gambling houses could be open and restricting the freedom of farmers to grant passes for gambling outside the recognized houses. In view of how much pressure the Colonial Office had put on officials in Malaya, all this was a huge retreat, but in minutes written for internal discussion officials in the Colonial Office took refuge in the notion that "we cannot legislate for purely Native States as if they were civilized and European". "We can", wrote one, "use the fiction that we advise but do not govern as a reply to objections in Parliament" (CO273/202f). In 1898, near the end of the three-year term of the farms, the Governor simply conveyed to the Colonial Office a letter from Sir Frank Swettenham, now the Resident General of what had become the Federated Malay States (FMS), stating that there had not been a single complaint about the farms and that "the best and wisest course" was the present policy (CO273/241a). By this time the Colonial Office had fully acquiesced to the dominant view about the farms. "We are not", wrote one official in London, "bound to force on these Protected States our own ideas about State regulation of such a vice as gambling with the certain result of increasing the practice in a more serious and dangerous form while depriving the States of a considerable revenue which they cannot spare" (CO273/241b). [2]

Whatever the moral issues involved, the gambling farms were indeed excellent money spinners. From the 1890s to the early years of the twentieth century the government's income from the gambling farms kept pace with the rapid rise in total revenue. In 1897 gambling accounted for $700,000 out of a total revenue of $8,300,000. By 1905 it accounted for $2,100,000 out of a total of $24,000,000. The government was not the only one to profit from the farms. During these years the leading revenue farmer, Loke Yew, became fabulously rich, in large part because of the farms and the way he linked them to his tin mining operations. Thus, the government's income from gambling constituted only part, perhaps even the smaller part, of the total amount of money gambled away by Chinese in the Malay States.

The Anti-Gambling Petition

In 1905 the question of the morality of the farms re-emerged in what was for most officials a completely unexpected manner when virtually all the leading Chinese businessmen in the FMS signed a petition calling on the government to abolish the farms and prohibit gambling. According to the petitioners, the gambling farms "have been the direct cause of the degradation of tens of thousands of [our] countrymen" and responsible for "fully three-fourths of the crimes perpetrated within the Federated States". Gambling, they proclaimed, "is the most fertile nursery of covetousness, envy, rage, malice,…falsehood, and foolish reliance upon blind fortune" and "robs habitues of the finest senses of honour and of the greatest and most irrevocable treasure—time" (CO273/321a). Most officials treated the petition with at least some scorn. They noted that it had been initiated by European missionaries and young Chinese reformers rather than by the leading signatories. The leading signatory, Foo Choo Choon, had in fact simultaneously submitted a tender for the Perak general farm and had recently been on a gambling spree in Penang. One official suggested that Foo had used the petition as a means of tricking Loke Yew into not tendering for the Perak farm.[3]As for the request being made, officials regarded the petitioners as extraordinarily naive, for the big mine operators, most of whom had signed the petition, would soon have to deal with fights among their workers, who would begin gambling illegally without the regulating influence of the farm. Nevertheless, officials had to acknowledge that regardless of the sincerity and wisdom of the signatories the government could no longer insist that the Chinese would be implacably opposed to abolition and prohibition. Moreover, even those officials who still believed strongly that the farms provided the only way to regulate and restrict gambling no longer depicted them as "an excellent institution" as Mitchell had referred to them just a decade earlier. The Secretary for Chinese Affairs described how the gambling houses used bright lights, music, and theatrical performances to induce "the ordinary coolie" to gamble (HCO1292/1905). And the Resident of Perak commented that because the holder of the gambling farm also controlled the pawnbroking farm, a gambler "may practically gamble the clothes off his back" (CO273/321b). It is clear that by 1905 officials had a far better idea of what was going on than they had in 1894 or at least were more prepared to see things that they had preferred to ignore earlier. The bureaucracy was growing, and there were many more Chinese-speaking officials. At the same time, however, officials were not aware of, or prepared to acknowledge, that the unlimited right to issue passes for private gambling that the farmer still enjoyed gave him the means to promote gambling virtually anywhere. As a consequence most officials believed that the right thing to do was to reform rather than change radically the gambling farms.

As officials in Malaya discussed what to do, certain Members of Parliament who had received copies of the petition pressed the Colonial Office to act. One of them, Robert Laidlaw, who had extensive business interests in Malaya, went to "the very roots of the matter", as one nervous Colonial Office official put it, by asking why the FMS government continued to farm

out and profit from the gambling monopoly at a time when it had a substantial revenue surplus. The Under Secretary's reply, prepared for him by the Colonial Office, indicates just how much the Colonial Office had adopted the reasoning used by officials in Malaya. Since "in the case of the Chinese gambling is a national habit", total prohibition was out of the question. The government therefore had no choice but "to regulate the practice of gambling so that it may do as little harm as possible". The alternative to licensed gambling houses would be, he continued, "secret gambling hells…. A prohibition, which could not be made effective, would lead to the corruption of the native police force by bribery and blackmail" (CO273/322). He assured Parliament that the government was "anxious…to put an end to the existing system as soon as possible" but that it would be necessary "to accustom the Chinese population by degrees to the idea of prohibition".[4]

Reform and Prohibition

Over the next few years the FMS government brought in a number of reforms. The Suppression of Gaming Enactment, introduced first in Negri Sembilan and then in the other states as existing farm contracts lapsed, designated certain areas where gambling (of the type in which the "house" profits by having the odds in its favour or taking a commission on winnings) was prohibited. The enactment did not apply to the main towns and mining areas where most Chinese lived, but it did include many small towns and some plantation districts where Chinese worked. At the same time the government amended the farm regulations to prevent the farmer from doing such things as employing female croupiers that, according to officials, enticed people to the gambling houses. As the Resident of Perak had suggested in his comments on the petition, the different elements of the general farm tended to reinforce one another: the holder of the general farm did everything he could to encourage drinking and gambling because these led to more pawning which in turn made further drinking and gambling possible. According to the Resident of Negri Sembilan, the general farm was "a gigantic machine continuously working to enrich a few capitalists at the expense of the general public" (SS3709/1907). As a result of such sentiments, showing an awareness of "the general public" that did not exist a few years earlier, the government at first leased the pawnbroking farm separately but then abolished it and instead issued licences for individual pawnshops.

Up to this time most officials assumed that while the gambling farms should be reformed they were still a necessary, even if no longer "excellent", institution. Beginning in about 1909, however, a few of them began to attack the farms in an unprecedented fashion. By far the most prominent and influential of these was William Cowan, Protector of Chinese for Selangor and Negri Sembilan, who apparently had had a part in promoting the anti-gambling petition of 1905. In a series of memorandums Cowan brought the farms under the closest possible scrutiny. He described in great detail how the operators of gambling houses contravened the rule that gamblers should not be allowed to play on credit, how they tricked unsuspecting

gamblers into particularly risky games, and how they defrauded gamblers. And he demonstrated in a way that all his colleagues had to accept that the long-held notion that the farmer would stamp out private gambling because it infringed his monopoly was nothing but a sham. As Cowan showed, the farmer used his privilege of issuing passes for private gambling (at the nominal fee of 50¢) to promote and profit from gambling in every possible location without any of the restraints that applied to the recognized gambling houses. Thus, the farmer flouted the usual rules preventing women and children from gambling, restricting gambling to certain hours, forbidding the lending of money to gamblers, banning alcohol on the premises, and stipulating the games that could be played (see SS3292/1909, 3802/1910, and 3997/1910). In Cowan's words the farm system "undoubtedly has a tendency to encourage public gambling" and placed the Chinese community "at the mercy of the Farmers…whose one idea is to squeeze and fleece" (SS3231/1911). Having destroyed the whole justification of the gambling farms, Cowan concluded that they had to be abolished.

Cowan's attack came at a time when the revenue farm system as a whole was being dismantled in Malaya. The government had begun replacing the great opium farms of the Straits Settlements with a government-run monopoly. In the FMS the opium import duty farms had all been abolished by 1900 and replaced by government collection of the duty. By 1911 the government opium monopoly encompassed the FMS as well as the Straits Settlements. The collapse of the farm system should be seen in relation to the great economic and administrative changes that had taken place since the 1890s. Whereas the farms had once been the leading instrument for promoting investment, it was now Western limited liability companies that poured capital into the FMS. Whereas it had been assumed that the farm system had promoted immigration, a few officials now argued that the farms, particularly the gambling farms, discouraged immigration by impoverishing workers and giving the Malay States a poor reputation in China, which of course was the argument Treacher had advanced in 1894 (SS1973/1911). Whereas the government had had to rely on farms for revenue, it now had new (and generally more reliable) sources of revenue, such as the railways and the export duty on rubber. And, whereas the government had once had only a vague idea of what was going on within the area it purported to govern, it now could enquire quite literally into the nooks and crannies of the realm, as exemplified by Cowan's reports. Most importantly, the government now had the capacity, if it so chose, to run monopolies itself, as demonstrated most forcefully in the case of the opium monopoly, or even to contemplate the possibility of stamping out activities that it might declare to be illegal. In 1911 the gambling farms remained as "the only relic" of the revenue farm system (SS3802/1910).

The question then was what should replace the gambling farms. One possibility, of course, was to abolish the farms and declare gambling illegal, but I have no evidence that officials in Malaya seriously considered this. Instead, officials, most notably Cowan, believed that the government should license individual gambling houses after calling for tenders for each house. This arrangement would, they argued, have many advantages. Since the holders of licences

would not be able to grant passes for private gambling, gambling would be strictly confined to the gambling houses, where the police could ensure that all gambling took place according to the rules. At the same time much of the profit that had gone to the farmer would now go to the government. In brief, the government would have the best of all worlds, regulated and restricted gambling on the one hand and lots of revenue on the other. This was in fact the arrangement that the government introduced in January 1912. During 1912 the government collected nearly twice as much revenue from the licensed gambling houses as it had from the farms in each of the previous two years, when the farmers had got the farms on the cheap and made stupendous profits. It seems clear that most officials in Malaya regarded the licensing system as close to ideal, for they still firmly held the view that prohibition was impossible. As the recently retired Resident of Perak explained to the Royal Colonial Institute in March 1912, "you must either suppress [gambling], which is the euphonious term for prohibiting it, as has been done in the Colony of the Straits Settlements, or you must regulate it. No reasonable person, of course, supposes that it has been suppressed in the Colony, and no one, with any knowledge of Chinese, is so sanguine as to think that it can be suppressed in the Malay States" (Birch, 1912: 345).

Just six months later, however, the FMS government announced that it would prohibit gambling as of the first day of 1913. In introducing the Common Gaming House Enactment into the newly formed Federal Council, the Governor insisted that the decision had come "from this side, and not from the home government" (*Federal Council Proceedings*, 1912: B105). In fact, the Governor had recently been virtually directed to prohibit gambling as soon as possible by the Secretary of State, who had to deal with many embarrassing questions about the licensed gambling houses ever since tenders had been called for in Malayan newspapers (HCO1245/1912). Nevertheless, during 1912 officials in Malaya quite rapidly became more receptive to the possibility of prohibition. This was partly because they believed that despite the great revenue the government was collecting from the gambling houses gambling was declining among the Chinese. Far more importantly, it was because all the leading Chinese businessmen and many Chinese organizations, very much caught up in the revolutionary spirit in China at the time, strongly supported and on some occasions actively pushed the idea of prohibition. In sharp contrast to the leading Chinese, most members of the European community vigorously opposed prohibition. The leading English-language newspaper in the FMS argued that it was hypocritical to forbid gambling of the type the Chinese had engaged in but allow betting on horses and that prohibition would simply drive gambling underground (*Malay Weekly Mail*, 3 October 1912). European "unofficials" in the Federal Council supported the view that prohibition could not be enforced, for as one of them explained "the poor Chinese cooly is born to gamble", and that the enactment would "bring into existence the odious spawn of informers" and corrupt the police. While acknowledging that "the outside public" opposed the enactment, the Governor insisted that the government could not continue to take revenue from gambling when the leaders of the Chinese community all wished prohibition.[5] Thus, although the government

accepted certain minor amendments, the Federal Council passed the legislation late in November 1912.

Conclusion

For the government the loss of revenue was great, [6] but by this time the government's opium monopoly was providing an effective means of accomplishing the same end of taxing Chinese workers. The Chinese paid more for their opium, much as Fairfield had suggested in 1894. As a result, the government could claim to be discouraging consumption, but it also collected much more revenue from opium than it had previously. In fact, the increased revenue from opium more than made up for the loss of the gambling farms. Gambling was lost as a source of revenue, but what might be called the *structure* of the revenue system remained firmly in place. The burden of taxation still fell heavily on the Chinese working class.

Notes

1 For more on the farms and their relationship to the tin industry, see Wong, 1965; Sadka, 1968; and Butcher, 1983a.

2 The Colonial Office had in fact imposed its own ideas about state regulation of one other "vice", namely, prostitution, in 1894 when the Secretary of State ordered the state councils to repeal laws modelled on the Contagious Diseases Acts that required all brothels and prostitutes to be registered and prostitutes to submit to regular medical examinations. Officials in Malaya deeply resented this order, for they believed that the moral standards which had led to the repeal of the Contagious Diseases Acts in Britain could not be applied to the society they governed. As Swettenham argued in 1891, "morality is dependent on the influences of climate, religious belief, education, and the feeling of society." When praising the farms in his 1898 letter Swettenham slipped in the comment that unlike in the case of gambling he could give no assurance that "the best and wisest course" was being followed with respect to prostitution (CO 273/241a). At the time Swettenham and other officials were trying to persuade the Secretary of State to reconsider the order made in 1894 on the grounds that compulsory registration had protected prostitutes from exploitation. In the end the Secretary of State prohibited any formal system of registration, but he did permit the government to keep a list of "known" brothels and prostitutes and to introduce laws penalizing brothel-keepers who prevented prostitutes from taking their grievances to the Protector of Chinese or from getting treatment for venereal disease. Prostitution was an even more sensitive moral issue than the gambling farms for the Colonial Office, but even in this case officials in Malaya eventually succeeded quite well in pushing their point of view (Butcher, 1979: 195-196).

3 For more on the petition see Butcher, 1983b.

4 An important provision of the enactment, a direct result of the anti-gambling petition, which as the Legal Adviser put it "entitles the Government to claim support from an hitherto unexpected quarter", was that owners of mines and plantation were liable to be fined if gambling took place on premises under their control and they had not tried to prevent it (CO273/321c). In this respect the enactment resembled legislation in China.

5 *Federal Council Proceedings* (1912: B111, 114-115). To the comment that the Chinese were born to gamble the Chinese member of the council replied that "it is not true that the Chinese are born gamblers. They gamble because they are given a chance to do so" (1912: B113). There are strong hints in a number of sources that European mine and plantation operators feared that if the gambling

revenue were lost they would be expected to start paying more taxes, but none of the European unofficials on the Federal Council explicitly expressed this concern.

6 The government also had to meet the cost of setting up and running a department to police the enactment (HCO1348/1912).

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CO (Colonial Office, The National Archives, United Kingdom),
HCO (High Commissioner's Office, Arkib Negara Malaysia),
SS (Selangor Secretariat, Arkib Negara Malaysia).

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CO273/194a. Mitchell to Fairfield, private of 23 March 1894.

CO273/194b. Fairfield to Mitchell, 30 May 1894, in private of 23 March 1894.

CO273/194c. Telegram of 25 July 1894, in private of 23 March 1894.

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CO273/202b. W.E. Maxwell, "Memorandum by the Colonial Secretary", 9 July 1894, in confidential of 8 February 1895.

CO273/202c. F.A. Swettenham, "Memorandum by the British Resident, Perak", in confidential of 8 February 1895.

CO273/202d. "Memorandum by the British Resident, Selangor", 18 May 1894, and Treacher to Colonial Secretary, 27 July 1894, in confidential of 8 February 1895.

CO273/202e. Resident of Negri Sembilan to Colonial Secretary, 12 December 1894, in confidential of 8 February 1895.

CO273/202f. Minute by R.M., 24 March 1895, on Mitchell to Ripon, confidential of 8 February 1895.

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