

# The Spread of Tea from Taiwan and the Chinese Distribution Network in Colonial Java

KUDŌ Yūko

## Introduction

Tea is a very popular drink in Java, Indonesia. Tea with the scent of the jasmine flower is preferred, especially in Central Java. This kind of tea is called Javanese tea, and its production area extends to localities on the north coast of Central Java, such as Pekalongan and Tegal.<sup>1)</sup> Given that Java has a long history as a major producer of tea, the custom of drinking tea seems to be natural. However, the tea produced at the large plantations during the Dutch colonial period was meant for export to Europe and Australia and was different from the Javanese tea consumed by the local people.

The origin of the Javanese tea is *pouchong* 包種 tea, which was not a locally produced variety, but a kind of Chinese tea imported from Taiwan. It was essentially oolong tea flavored with the aroma of jasmine and other flowers.<sup>2)</sup> Around the turn of the 20th century, *pouchong* tea began to be imported from Taiwan to Java and was mainly distributed in the principalities of Yogyakarta and Surakarta, thereby becoming popular as the preferred tea of the Javanese.

This paper will analyze the process of importation and distribution of *pouchong* tea in Java. From the 1900s to the 1920s, when the import of *pouchong* tea was flourishing, the economy of the Netherlands Indies achieved rapid growth, supported by exports of primary products (Booth 1998: 34–38, 105–113; Kanō 2004). *Pouchong* tea was introduced during this period as a new favorite beverage, and its use spread in Java with changes in social culture and lifestyle. When the Netherlands Indies is positioned within the intra-Asian trade structure, it can be seen that Java supplied primary products to the international market, while at the same time importing large quantities of daily foods and consumer goods.<sup>3)</sup> *Pouchong* tea was one of the typical products distributed in this structure, so it would be useful to elucidate the characteristics of intra-Asian trade. It also carries significance in terms of demonstrating the types of commercial networks used by Asian merchants who played a significant role in the trading structure. Chinese merchants dealing in *pouchong* tea moved

around in Taiwan as well as Java across colonial boundaries, acquainting themselves with the systems they could use in each colony.

This paper analyzes the distribution of *pouchong* tea in Java from the beginning of the 20th century to the 1930s from the following viewpoints: first, the business is analyzed from the perspective of the economic and trade structure within Asia, focusing on the market and demand for and the consumption and distribution of *pouchong* tea in Java. With respect to the production and distribution of *pouchong* tea in Taiwan, many studies have been conducted from the viewpoint of the Japanese colonial economy, and they have pointed out the importance of *pouchong* tea as a major export product that supported the colonial economy, with the largest export destination being the Netherlands Indies (Yamada 1996: 55–77; Kawarabayashi 2003; Xu 2005). However, there are few studies focusing on the consumption angle. Therefore, in this paper, I focus on the demand for *pouchong* tea and its distribution in Java.

Second, the focus is on the merchants who participated in the tea trade. Chinese merchants, especially a group of cross-boundary people called the *Taiwan Sekimin* who held Japanese nationality were mainly involved in the *pouchong* tea trade. Some research has been conducted from the viewpoint of the legal system with respect to the *Taiwan Sekimin* (Lin 2001; Yoshida 2002; 2019; Tjiok-Liem 2009), but I will focus on their role in economic activities, and clarify their motivation for engaging in the *pouchong* tea business from the perspective of their relationship with Japan and the local community.

Finally, I will discuss the characteristics of the *pouchong* tea market in view of the Javanese economic structure. Analyzing the relationship between the local tea market and the tea industry in Java, and the process of local production will reveal the characteristics of the colonial economy in the Netherlands Indies.<sup>4)</sup>

## 1. *Pouchong* Tea in Java

### 1. 1. The Spread of *Pouchong* Tea

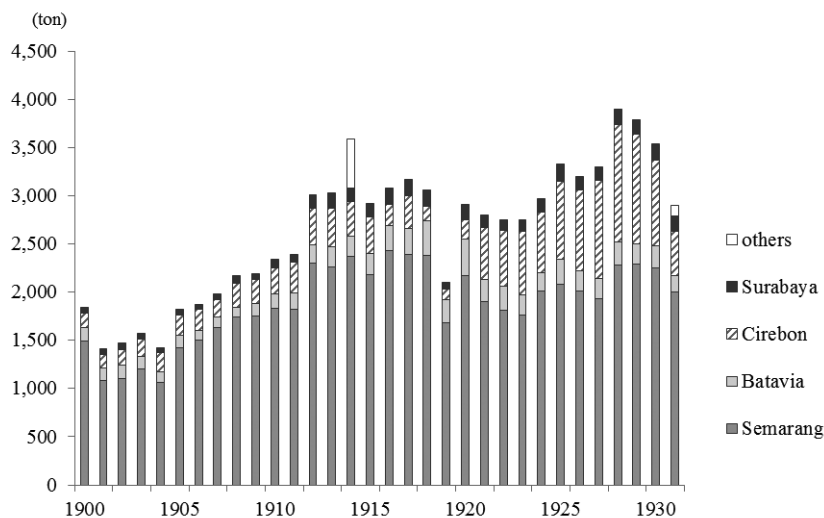
The Javanese people loved fragrant flowers in general, and the jasmine flower, which was locally called *melati*, in particular. This flower was often used as a decoration in a bride's hairdo, and jasmine-scented incense was used by Muslims in their worship and rituals held every Friday. Upper class families followed the practice of using jasmine-scented costume boxes.<sup>5)</sup> Tea was originally a luxury beverage among the Chinese in Java. Given their preference

for the scent of jasmine, *pouchong* tea was introduced to the local people through intermarriages between Chinese men and Javanese women, and its use spread rapidly as its flavor appealed to the Javanese.

*Pouchong* tea had been produced in Taiwan since the late 19th century. The tea industry in Taiwan, which had grown since the opening of the port in 1858, initially started with oolong tea produced by the British for the American market. However, because of the slump in exports since 1870, the oolong tea that was in stock was processed into a different tea by reducing the fermentation degree of the tea leaves and adding the aroma of the jasmine flower. It was the beginning of *pouchong* tea. At the end of the 19th century, the production of *pouchong* tea was only about 10% of Taiwan's total tea production, but the output increased from the mid-1900s to the 1920s until it antagonized the export of oolong tea. Whereas oolong tea was oriented to the United States, *pouchong* tea was exported to Southeast Asia via the distribution network of the Fujian Chinese. In other words, *pouchong* tea was an industry that had developed after the Japanese era in Taiwan, and spread on a sales channel different from the one used for traditional oolong tea.

*Pouchong* tea's largest market was the Netherlands Indies, accounting for more than 60–70% of exports from Taiwan to Southeast Asia (Yamada 1996: 64; Kawarabayashi 2003: 56–73). In Java, the volume of tea imports almost doubled in the last decade of the 19th century and continued to increase after the commencement of the 20th century. It is difficult to specify the exact volume of *pouchong* tea imports from the trade statistics of the Netherlands Indies, but it seems to have occupied a considerable part of the imports by the end of the 19th century, because Taiwan had begun exporting in full swing since around 1897. Initially, the tea was exported from Taiwan via China or the Straits Settlements, but exporters switched to a direct route to Java from the mid-1910s, with the total volume of exports reaching about 2,855 tons in 1917 (Kawarabayashi 2003: 70). As the amount of tea imports in Java in the same year was 3,166 tons, it could be said that *pouchong* tea accounted for almost 90% of Java's tea imports.

Consumption of *pouchong* tea was heavily concentrated in Central Java, especially the principalities of Yogyakarta and Surakarta, which were the centers of Javanese culture.<sup>6)</sup> Therefore, the main port of importation was Semarang, the doorway to the principalities and the largest port in Central Java. The volume of imports into Semarang accounted for 70–80% of the total (Figure 1).<sup>7)</sup> About half of the tea that arrived in Semarang was transported to the principalities, while the rest was consumed in Semarang and neighboring towns such as Banyumas, Pekalongan, Madiun, Kedu, and Rembang.

**Figure 1. Volume of Tea Imported into Java by Port**

Sources:

1900–1908: *Statistiek van den handel, de scheepvaart en de in- en uitvoerrecht in Nederlandsch-Indië, 1900–1908*, Batavia: Department van Financien, 1901–1909.

1909–1923: *Statistiek van den handel, en de in- en uitvoerrecht in Nederlandsch-Indië, 1909–1923*, Batavia: Department van Financien, 1910–1924.

1924–1930: *Jaaroverzicht van den in- en uitvoer van Nederlandsch Indië, 1924–1930*, Batavia: Centraal Kantoor voor de Statistiek, 1925–1931.

The second largest port, Cirebon, received about 10% of the total import volume. Cirebon is located at the border between West and Central Java on the north coast, and houses a royal palace of the Sultan, who was closely related to the Chinese and welcomed the princess from the Ming Dynasty in the 15th century. Despite its large Chinese population, the area had a strong Javanese cultural influence. The remainder was imported via Batavia (present-day Jakarta) and Surabaya, which accounted for about 5% each. In the western and eastern parts of Java, most of the imported tea was not from Taiwan, but from Anxi and Guangdong and intended for Chinese consumption,<sup>8)</sup> while local people preferred drinking coffee or cocoa over tea (Mitsui Bussan Taipei Shiten 1914: 40–41; Taiwan Sōtokufu Shokusanryoku 1936: 15–18).

At the same time that the import of *pouchong* tea started to increase, the Netherlands Indies had been one of the world's leading production centers of tea. Tea seeds had been brought in from Japan and China in the 1680s, but production did not expand because the crop was vulnerable to disease and cold weather damage. Following the success in transplanting Assam seeds in 1877, large-scale cultivation began. Tea plantations were developed mainly by

British capitalists in the region of Preanger in West Java. Tea leaves were processed into black tea, most of which was exported to Europe and the United States (Bie 1924: 40–59; Stuart 1924a: 19–39). Black tea production grew rapidly. The Netherlands Indies became the third largest exporter in the world after British India and Ceylon in the 1920s. Tea, as a major export product in Java, became an important commodity after sugar (Altes 1991: 161).

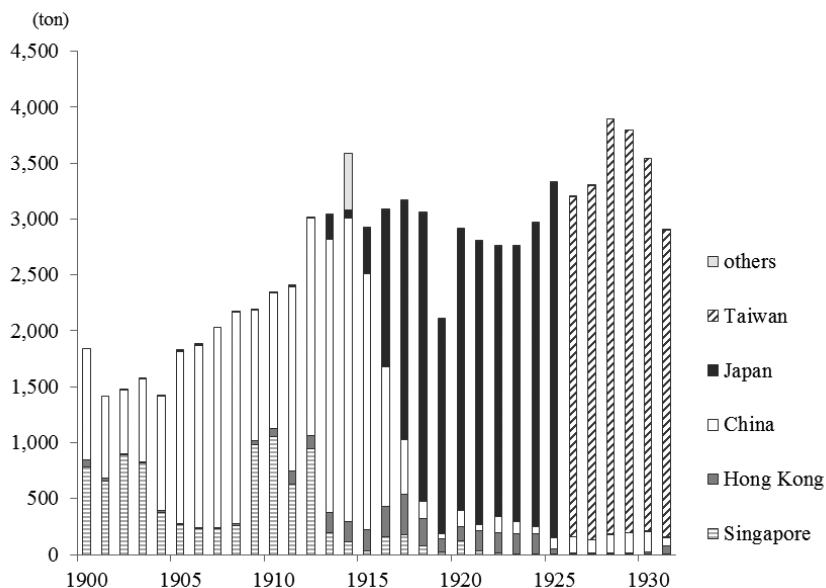
The international price of tea continued to rise until the 1920s, and profits from exports were so huge that tea producers in Java showed little interest in the domestic market, as only a small portion was consumed by European and American residents there (Mitsui Bussan Taipei Shiten 1914: 24–36). In other words, the tea economy in Java was clearly divided into two: production of tea for export and importation of tea for consumption by local people.

### 1. 2. *Pouchong* Tea Trade between Taiwan and Java

For Java, tea accounted for only a small percentage of its overall imports, i.e. less than 1% of the total.<sup>9</sup> However, for Taiwan, it was the most important item exported to Java. In 1912, the total value of exports from Taiwan to Java was 1.33 million yen, 99% of which was from *pouchong* tea exports. Furthermore, the value of combined exports via China, Hong Kong, and Singapore to Java reached 2 million yen (Taiwan Sōtokufu Minseibu Tsūshinkyoku 1916).

For the Japanese Empire, the export of *pouchong* tea held a prominent position. At the beginning of the 20th century, the Japanese balance of trade with the Netherlands Indies was unfavorable with a large excess of imports over exports, as Japan had been importing large amounts of sugar, while exports from Japan were overwhelmingly small, with only matches and coal being exported. However, when Taiwan's trade statistics were included, the export value of *pouchong* tea exceeded that of coal and became the second highest after matches (Taiwan Sōtokufu Minseibu Tsūshinkyoku 1916). In order to improve Imperial Japan's trade balance and to develop Taiwan's economy, promotion of *pouchong* tea was crucial.

It was only after the mid-1910s that *pouchong* tea was exported directly from Taiwan to Java (see Figure 2). Until then, *pouchong* tea produced in Taiwan was transported from Tansui, the northern port of Taipei, to Xiamen in mainland China first, and then exported to Java via Hong Kong or Singapore. The trade statistics of the Netherlands Indies show that direct imports from Taiwan started after 1910.<sup>10</sup> From 1918 onwards, 80% of the tea imported by Java came directly from Taiwan, and by the mid-1920s, Taiwanese tea accounted for more than 90% of Java's imports. Because the remaining 10% was another

**Figure 2. Volume of Tea Imported into Java by Port**

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1900–1908: *Statistiek van den handel, de scheepvaart en de in- en uitvoerrechten in Nederlandsch-Indië, 1900–1908*, Batavia: Department van Financien, 1901–1909.

1909–1923: *Statistiek van den handel, en de in- en uitvoerrechten in Nederlandsch-Indië, 1909–1923*, Batavia: Department van Financien, 1910–1924.

1924–1930: *Jaaroverzicht van den in- en uitvoer van Nederlandsch Indië, 1924–1930*, Batavia: Centraal Kantoor voor de Statistiek, 1925–1931.

kind of Chinese tea, almost all of the *pouchong* tea was exported directly from Taiwan. In other words, the mid-1910s was a turning point as a direct export route for *pouchong* tea from Taiwan to Java was established.

The Government-General of Taiwan (Taiwan Sōtokufu 台湾総督府), through the Bank of Taiwan, had been promoting exports aggressively since the early 20th century through financial system reforms, harbor improvement, and shipping route development. First, a gold standard system like Japan's was introduced in Taiwan in 1904. As a result, transactions with the Netherlands Indies, which had already shifted to the gold standard in 1877, were no longer affected by fluctuations in gold and silver exchange rates. In addition, a currency trading system was developed between Taiwan and Southeast Asia, and Taiwanese tea merchants started receiving credit facilities from influential Taiwanese persons (Taiwan Ginkō 1919: 420–421; Yamada 1996: 65).

At the same time, the Government-General of Taiwan developed the port in Keelung, located in the northern part of Taiwan, to enable large steamships

to dock. In 1912, *Nanyō Yūsen*, a Japanese steamship company, opened a new route between Japan and Java via Keelung. This route was established after the Government-General of Taiwan negotiated with the Japanese Ministry of Communications to promote the export of *pouchong* tea (Nakamura 1981: 244). On the onward route, the ships loaded miscellaneous goods and coal in Japan, and *pouchong* tea in Keelung, before heading to Hong Kong, Singapore, Batavia, and Semarang. On the return route from Surabaya to Kobe via Hong Kong, the ships transported sugar from Java to Hong Kong and Japan. Until the new route was opened, tea was exported from Tansui Port via Xiamen to Java, a route that involved hefty fees, took more days, and caused significant damage to the tea during transshipping. With the opening of the new route, it became possible to export directly to Java without going through China.

The Government-General of Taiwan also tried to increase sales of *pouchong* tea in Java. The colonial exhibition that was held in Semarang in 1914 became an excellent opportunity for sales promotion. This event was the first large exhibition organized in the Netherlands Indies to commemorate the 100th anniversary of the Netherlands' independence from France, and was held for about three months from August 20, 1914 (Heel 1916). The Japanese government, led by Ukita Gōji, the second Consul General in Batavia at that time, had been preparing for exhibitions since 1912 to promote various Japanese products. In October 1913, the Government-General of Taiwan also sought participation, and made a hurried decision to exhibit Taiwanese products. Because counterfeit *pouchong* tea mixed with locally produced tea had already spread in Java, the Taiwanese side needed to take steps to curb the sale of counterfeit products and support the expansion of pure *pouchong* tea (Kawanishi 2006: 23).

At the colonial exhibition held at a vast site in the suburbs of Semarang, Japanese companies exhibited their products, such as ceramics, matches, and textiles at a special Japanese building. Next to the Japanese pavilion was the Taiwanese café, which was built by Japanese carpenters sent from Japan and where Taiwanese women served *pouchong* tea. This promotional event was so successful that it boosted exports from Taiwan significantly. Taiwan's export volumes increased from 76 tons in 1914 to 413 tons the following year, and to 1,400 tons in 1916 (Nemoto 1942: 1–2).

Furthermore, Japanese shipping company *Ōsaka Shōsen* opened the new *Nanyō* (southern) route. This was achieved under the direction of the Taiwan Governor's Office with the main purpose of exporting *pouchong* tea (*Ōsaka Shōsen* 1966: 288–295). Prior to the opening of this route, maritime officer Hoki, who conducted a shipping survey, suggested the necessity for a new route

from Keelung to Semarang because of the importance of Java as a huge market for *pouchong* tea. Although *Nanyō Yūsen* had already opened a direct route between Japan and Java via Taiwan as mentioned above, there was no room to load more cargo from Taiwan because the export volumes of *pouchong* tea and Japanese products were increasing during the First World War. Thus, there was an urgent need for a new direct route from Taiwan to Java (Taiwan Sōtokufu Minseibu Tsūshinkyoku 1916). With *Ōsaka Shōsen*'s opening of the new route, *pouchong* tea could be exported directly to Java without transshipment in China or Singapore. About 3,000 tons of tea were exported annually in the 1920s.

## 2. *Taiwan Sekimin* and Japan's Economic Penetration

The spread of *pouchong* tea in the Javanese market was largely due to the collaboration between the public and private sectors. While the Government-General of Taiwan and the Bank of Taiwan played a significant role in promoting the export of *pouchong* tea, traders and merchants in both Taiwan and Java took care of the manufacture, trade, and distribution aspects. The link connecting the public and private sectors was a group of Chinese people who had Japanese nationality called the *Taiwan Sekimin*.

The *Taiwan Sekimin* were overseas Taiwanese who became Japanese subjects after the possession of Taiwan by Japan (Nakamura 1980). In the Netherlands Indies, the legal status of the Japanese had been raised to the same level as Europeans since 1899. With the enforcement of this regulation, Taiwanese people living in Java could also enjoy European status because they were identified as Japanese. To benefit from this system, many Chinese who came from Fujian were eager to get the *Taiwan Sekimin* status because they had cultural homogeneity with Taiwanese people.<sup>11)</sup>

According to a report in 1909 by Someya, the first Consul General in Batavia, most of the *Taiwan Sekimin* originally lived in Java without any differences in language and customs from the local Chinese.<sup>12)</sup> A 1915 survey of Japanese living overseas (Table 1) reported that there were 109 *Taiwan Sekimin* in the Netherlands Indies, with the most common occupation being tea trade with 20 tea merchants, 10 of whom were living in Semarang.<sup>13)</sup>

Among the *Taiwan Sekimin* who traded in *pouchong* tea in both Taiwan and Java was Kwik Djoen Eng 郭春秋. He was a wealthy and influential Chinese merchant in Semarang who took advantage of his status to develop his business. For instance, Kwik asked the Taiwan Governor's Office to encourage the exhibition of *pouchong* tea at the Colonial Exhibition in Semarang.<sup>14)</sup> When the



**Table 1. The Number of *Taiwan Sekimin* in the Netherlands Indies by Occupation in 1915**

Occupation	Batavia	Semarang	Surabaya	Others in Java	Outer Islands	Total
Tea merchant		10	2	7	1	20
General merchant	1	1	5	8	1	16
Sugar merchant		2				2
Commercial	1	2		4		7
Plantation				5		5
Kimono merchant	3					3
Agriculture	1					1
Medicine				1		1
Goldsmith			3			3
Restaurant		1				1
Shop clerk		2	2	1		5
Inoccupation	1		1	19		21
Unidentified	2	1	3	17	1	24
Total	9	19	16	62	3	109

Source: Diplomatic Archives of the Ministry of Foreign Affairs, 7.1.5.4-16 (JACAR Ref. B13080365100).

Japanese observation team comprising 60 politicians and businessmen headed by Nitobe Inazō visited Semarang in 1916 to commemorate the opening of the new shipping route by *Ōsaka Shōsen*, they received a courteous welcome from the *Taiwan Sekimin* living in Java, including Kwik Djoen Eng, Gan Kang Sioe 顏江守, and Lie Kiem Sioe 李金周. They paid thousands of guilders for a welcome banquet to show their appreciation to the Japanese emperor for making them first-class subjects. Kwik invited Nitobe and Japanese government officials to his luxury villa in Salatiga and entertained them.<sup>15)</sup>

It is clear from their positive reception that the *Taiwan Sekimin* considered the *pouchong* tea business to be a very big opportunity that should receive strong support from the Taiwanese government in terms of finance, shipping, and sales. Making use of this public support, Chinese tea merchants in Java led by the *Taiwan Sekimin* introduced *pouchong* tea to the local market.

Kwik Djoen Eng was born in 1860 in Tong'an District, Fujian Province. He came to Java at the age of 16 and worked in the Yogyakarta branch of trading house Kwik Hoo Tong 郭河東, which was run by his uncle. At first, Kwik Hoo Tong dealt in local products and miscellaneous goods, mainly in Surakarta and Yogyakarta. The company was registered as a corporation under Dutch law in 1894, and it moved its head office to Semarang in 1907. Kwik Hoo Tong expanded its business to sugar trading with Kwik Djoen Eng's management skills, and became one of the leading Chinese companies in Java. *Pouchong* tea was one of Kwik Hoo Tong's main businesses and was carried out

in cooperation with the branch in Taiwan, *Jinxiang* 錦祥, that had opened in 1887 (Lin 1934: 18–19; Post 2002; Kawarabayashi 2003: 80; Kudō 2005).

Lie Kiem Sioe was also a wealthy merchant in Yogyakarta who also dealt in *pouchong* tea. It is interesting that these two tea merchants had lived in Java for a long time and run various businesses before obtaining their *Taiwan Sekimin* status.<sup>16)</sup> Their business networks in Java had already been established and they were familiar with the trading practices among the local Chinese. The *pouchong* tea business was a new opportunity for them, and the *Taiwan Sekimin* saw a great advantage in connecting the tea produced in Taiwan with the Javanese market, about which they were knowledgeable.

In the middle of the 1910s, the relationship between Japan and the *Taiwan Sekimin* in Java developed beyond *pouchong* tea into a more proactive alliance. This was due to the growing Japanese interest in Southeast Asia's economic expansion following the First World War. The Japanese political and business circles expected the *Taiwan Sekimin* to play the role of a bridge between Japan and Java. Consul Ukita in Batavia, made the following recommendation to the Ministry of Foreign Affairs in Japan concerning trade promotion and collaboration with the *Taiwan Sekimin*.

There are *Taiwan Sekimin* who have influential power among the Chinese there, such as Kwik Djoen Eng (Kwik Hoo Tong Kongsu, *Jinmao*) and Gan Kang Sioe in Semarang, and Lie Kim Sioe in Yogyakarta, so if we cooperate with them, the mutual benefits would not be small.<sup>17)</sup>

The *Taiwan Sekimin* in Java also accepted the cooperation with Japan and strengthened their capital ties. As a result, two companies were established under the leadership of the Bank of Taiwan, the *Kanan Ginkō* (South China Bank) and *Nanyō Sōko* (Nanyang Warehouse). In both companies, Kwik Djoen Eng and other major Chinese elites in Semarang were listed as executive board members or shareholders (Nanyō Sōko 1936). Through these alliances, the Japanese government could promote economic expansion in partnership with the local Chinese, while the *Taiwan Sekimin* could develop their business in *pouchong* tea and other products.

### 3. *Pouchong* Tea and Chinese Merchants

How was the actual trade and distribution of tea done? Focusing on the involvement of the Chinese, we analyze the activities by classifying them into three stages: 1) export from Taiwan, 2) import into Java, and 3) wholesale and

retail.

### 3. 1. Export from Taiwan

In the early days of Japan's rule in Taiwan, exports of *pouchong* tea to Southeast Asia were mainly carried out by Chinese merchants based in Xiamen who set up tea trading houses in Taipei. According to a 1906 report by the Japanese Consul in Xiamen, there were two types of tea merchants, one that dealt in Taiwanese tea and another in Fujian tea. As to *pouchong* tea merchants, the report listed 20 names: *Jiancheng* 建成, *Jianxing* 建興, *Yongyu* 永裕, *Zuiyuan* 瑞源, *Jinxiang*, *Qianli* 乾利, *Chengji* 成記, *Shifang* 實芳, *Wenchuan* 文川, *Jiande* 建德, *Zhenchun* 振春, *Yinglin* 英林, *Fengyu* 豐裕, *Yucheng* 裕成, *Yaoji* 耀記, *Caiji* 彩記, *Kunji* 昆記, *Quanmei* 泉美, *Taifa* 泰發, and *Yiheyuan* 怡和源.<sup>18)</sup>

Many of these tea merchants in Xiamen moved to Taiwan after the 1910s when the Taiwan government started promoting tea exports. There they established a major *pouchong* tea house that also ran an export business (Kawarabayashi 2003: 24–27; Murakami 2013: 326–328). Table 2 shows the tea merchants who had offices in both Xiamen and Taiwan as of 1911 and 1912. Most of merchants in Taiwan possessed Japanese nationality, but in Xiamen, there was a mixture of both Chinese (Qing) and Japanese nationalities. Nevertheless, all of them had a business relationship with Javanese tea merchants in Semarang, Cirebon, or Surabaya. As will be described later, *Jiancheng*, *Yongyu*, *Zuiyuan*, and *Jinxiang* were major tea dealers in Java (Xu 2005: 161–168). The fact that the *Taiwan Sekimin* tea merchants in Java had relations

**Table 2. Major Tea Merchants in Xiamen and Taiwan**

Xiamen (1911)		Taiwan (1912)		Export destination
Trade name	Nationality	Trade name	Nationality	
Yongyu 永裕	Japan	Yongyu 永裕	Japan	Semarang, Cirebon (Yiyu 義裕)
Zuiyuan 瑞源	Qing	Consigned to Zhenji 珍記		Semarang (Zuiyuan 瑞源)
Jinxiang 錦祥	Japan	Jinxiang 錦祥 (Kwik Hoo Tong)	Japan	Semarang (Jinxiang 錦祥)
Wenchuan 文川	Qing	Wanyuan 萬源	Japan	Semarang (Zuihe 瑞和)
Shifang 實芳	Qing	Zhenji 珍記	Japan	Semarang (Consigned to Zuiyuan 瑞源)
Jiancheng 建成	Japan	Jiancheng 建成	Japan	Semarang, Cirebon, Siam (Jiancheng 建成)
Qirui 啓瑞	Qing	Faji 發記	Japan	Semarang (Consigned to Jiancheng 建成)
Jianxing 建興	Qing	Jiangtai 建泰	Japan	Semarang (Zhenlongxing 振隆興)
Yaoji 耀記	Japan	Chenji 辰記	Japan	Semarang (Yongmianli 永綿利)
Chengji 成記	Spain	Chengji 成記	Spain	Semarang (Chengji 成記)
Jingmao 景茂	Qing	Jingmao 景茂	Japan	Cirebon (Jingmao 景茂)
Zhenchun 珍春	Qing	Zhenchun 珍春	Japan	Cirebon, Surabaya (Zhenchun 珍春)

Source: Xu 2005: 161–168.

with merchants of Japanese nationality in Xiamen shows that the tea business was dominated by people of Japanese nationality in all three places, Java, Taiwan, and Xiamen.

Since the 1920s, export of *pouchong* tea from Taiwan had been dominated by the *Taiwan Sekimin*. Among them, Kwik Hoo Tong handled one-third of the business, while *Yongyu*, *Jiancheng*, and *Jinji* 錦記, which had established their bases in Java, also increased their export volumes (Xu 2005: 169).

### 3. 2. Import into Java

In 1914, Mitsui & Co. conducted a detailed survey of the *pouchong* tea business in Java. According to the report, there were 21 tea merchants that dealt in *pouchong* tea: 11 in Semarang, six in Cirebon, and four in Surabaya. Some of these had operations in more than two cities (Table 3). Of them, five merchants were *Taiwan Sekimin*: *Yiyu* 義裕, *Jinxiang*, *Jiancheng*, *Chenji* 辰記, and *Zhenchun* 珍春. Others had headquarters, branch offices, or union relations with the tea house in Taiwan. It was also common for trading between Taiwan and Java to be carried out within their group (Mitsui Bussan Taipei Shiten 1914: 45–47).

In terms of the transaction volume, tea dealers in Semarang accounted for

**Table 3. Major Tea Merchants in Java in 1914**

Semarang	Cirebon	Surabaya	<i>Taiwan Sekimin</i>	Transaction boxes/year	Business in Java
Yiyu 義裕	Yiyu 義裕		○	31,000	tea
Zuiyuan 瑞源				29,000	tea, sugar, soybean, sundry goods
Jinxiang 錦祥			○	17,000	tea, rice, sugar, soybean, etc.
Zuihe 瑞和				17,000	tea, soybean, sundry goods
Zenji 珍記				12,000	tea, sugar, sundry goods
Jiancheng 建成	Jiancheng 建成		○	12,000	tea, medicine
Faji 發記				12,000	tea
Zhenlongxing 振隆興				10,000	tea, rice, sugar, sundry goods
Yunsheng 允盛				4,000	tea
Yongheji 永和記				2,500	tea, sugar, sundry goods
Chengji 成記				2,500	tea, sugar, soybean
	Jingmao 景茂			8,000	tea
	Wenyu 文裕			2,500	tea, rice, sundry goods
	Zuicheng 瑞成			4,000	tea, rice, bean, salted fish
	Zhenchun 珍春	Zhenchun 珍春	○	8,000	tea
		Wanfengxing 萬豐興		2,000	tea, sugar
		Meicheng 梅成		1,000	tea, sugar
		Yihe 義和		1,500	tea, tobacco
Total				176,000	

Source: Mitsui Bussan Taipei Shiten 1914: 45–47.

the major share, while the shares of merchants in Cirebon and Surabaya were generally small. The 11 tea merchants in Semarang handled about 150,000 boxes, accounting for 85% of the total imports (Mitsui Bussan Taipei Shiten 1914: 45–47).

It should be noted that many of the tea merchants in Java handled not only tea, but also another agricultural products such as sugar, rice, or soybean. There were only four merchants that specialized in tea alone: *Yiyu* and *Yunsheng* 允盛 in Semarang, and *Jingmao* 景茂 and *Zhenchun* in Cirebon. As already mentioned, Kwik Djoen Eng, a well-known *Taiwan Sekimin*, had been operating *Jinxiang* in Java since the 1880s. He was known as a trader of sugar and rice, rather than tea, and was regarded as one of four major Chinese sugar traders in the 1910s (Kudō 2013: 93–99). However, the sugar trade was largely influenced by speculation factors, and profits were fluid, while the trade in *pouchong* tea was highly reliable and became a stable source of revenue throughout the 1920s.<sup>19)</sup>

There were influential Chinese tea merchants in Semarang who were not *Taiwan Sekimin*. For example, *Zuiyuan* was a tea trading house led by Tan family, a famous opium farmer. His trading house was reorganized as a limited liability company in 1903 by Tan Yoe Tjie and Khouw Hong Tjioe, who is believed to be from Tan Hong Yang's family (*Handboek* 1905: 614; Liem 1936: 105–116; Franke, et al. 1997: 356). Because *Zuiyuan* registered a trademark for tea in 1900, it might have dealt in *pouchong* tea in the early 20th century.<sup>20)</sup> The business base in Xiamen bought tea from *Zhenji* 珍記 in Taiwan, and then exported it to Java.

*Zuihe* in Semarang, a joint venture with *Wenchuan* in Xiamen, was a trading firm run by Tjan Pit Sing who handled soybeans and sundry items in addition to tea. Tjan Pit Sing also founded Handelsmaatschappij Soei Djoe in 1911 to produce and sell tobacco products. These merchants had their business bases in Xiamen, and their managers were of “Qing nationality” (Xu 2005: 161). They received credit facilities from financial institutions in China known as *Qian-zhuang* 錢莊 (Mitsui Bussan Taipei Shiten 1914: 51).

In addition to these tea merchants that had long been based in Java, there were also traders who had newly entered Java from Taiwan. They originally operated tea businesses in Xiamen and Taiwan, and Java was positioned as a sales market. Therefore, they consigned sales of tea to local Javanese merchants, and the direct sales channels were directed outside the principalities. Unlike the established tea merchants in Semarang who dealt in various products, the new merchants specialized only in the tea business. Typical examples were Taiwan's leading tea merchants, such as *Chen Chaojun* 陳朝駿 and *Chen Tianlai*

陳天来.<sup>21)</sup>

*Chen Chaojun* was an adopted son of *Chen Yulu* 陳玉露 from Penghu Island. *Yulu* initially traded in oolong tea in Fujian, but after *Chaojun* took charge of the management in 1900, he expanded the sales channel to Java under the name of *Yiju*. In Taipei, *Chen Chaojun* was appointed as the chairman of the Taipei Tea Business Association (Xu 2005: 148).

*Chen Tianlai*, who ran *Jinji*, was born in Taipei in 1872 and started tea production in 1897. Like *Chen Yulu*, he initially produced oolong tea, but switched to *pouchong* tea after 1912 by establishing sales offices in Semarang and Cirebon (Xu 2005: 149). He sent his eldest son *Chen Qingsu* 陳清素 to Java, and expanded the sales network to localities on the north coast of Java, such as Cirebon, Pekalongan, and Tegal (Lin 1934: 268–272).

*Li Zhi* 李執, a Batavian businessman, was born in Anxi, Fujian Province. He went to Taiwan in 1892 and became a tea exporter. After changing his nationality to *Taiwan Sekimin*, he opened *Shengde* 勝德 in Batavia to conduct *pouchong* tea business. After making huge profits in the business for 25 years, he returned to Kulangsu in Xiamen in the mid-1930s, and then devoted himself to social work (Lin 1934: 408).

Generally, *pouchong* tea merchants in Java in the early 1910s were Fujian Chinese who had relatives or business partners in Taiwan. Based on the examples above, the merchants could be categorized into two types. The first category included those that already had a mainstream business and established network in Java, and also had knowledge of Javanese preferences. They initially imported tea from Xiamen, and then switched to Taiwan. The second category included tea specialists who had found potential in the Javanese market and expanded their business from Taiwan. As newcomers, they expanded their sales channel along the north coast to develop new markets, rather than the principalities, where the old Chinese merchants were already entrenched.

Until the mid-1910s, these various tea merchants were active in Java, mainly in Semarang, but in the course of conversion to direct imports of *pouchong* tea from Taiwan, the significance of the *Taiwan Sekimin* increased and they played an important role with strong support from the Taiwan side.

### 3. 3. Wholesale and Retail

*Pouchong* tea imported into Java was wholesaled to local merchants. In Semarang, importers sold to local wholesalers in Yogyakarta and Surakarta, who then resold to retailers on three-month credit terms. It was reported that the collection of sales money was so irregular that major importers always had

**Table 4. Wholesalers and Suppliers in Yogyakarta and Surakarta**

Wholesaler	Transaction boxes/year	Main supplier
<Yogyakarta>		
Jinmao 錦茂 (Kwik Hoo Tong)	10,000 Jinxiang 錦祥 (Kwik Hoo Tong)	
Shaoan 紹安	6,000 Zuiyuan 瑞源, Faji 發記	
Lie Kim Sioe 李金周	5,000 Yiyu 義裕, Zhenji 珍記	
Lu Yonglong 蘆永龍	4,000 Yiyu 義裕, Jiancheng 建成, Zuihe 瑞和, Zuiyuan 瑞源	
Chen Qingjing 陳清淨	3,000 Zuihe 瑞和, Yiyu 義裕, Zhenji 珍記, Zuiyuan 瑞源	
Li Zhengyuan 李正元	3,000	〃
Chen Saizhu 陳賽珠	2000	〃
Chen Xinmei 陳心美	1,500	〃
others	7,500	〃
<Surakarta>		
Jinmao 錦茂 (Kwik Hoo Tong)	5,000 Jinxiang 錦祥 (Kwik Hoo Tong)	
Zhangshengxing 張盛興	10,000 Wanyuan 萬源	
Jianchang 建昌	10,000 Jiangxing 建興, Zuiyuan 瑞源, Yuande 源德, Yuanmei 源美	
Xinmaoli 新茂利	5,000 Yiyu 義裕, Zuiyuan 瑞源	
others	10,000	

Source: Mitsui Bussan Taipei Shiten 1914: 45–47.

a large amount of outstanding accounts receivable. In the case of *Yongyu* for instance, accounts receivable reached 200,000 guilders and bad debts amounted 5,000 guilders each year (Mitsui Bussan Taipei Shiten 1914: 45).

Table 4 shows the relationship between major wholesalers and suppliers in Yogyakarta and Surakarta (Mitsui Bussan Taipei Shiten 1914: 47–48). Just like Semarang's leading tea importers, many of them were well-known merchants that traded in a variety of products. One example was *Jianchang* 建昌 in Surakarta. It was incorporated in 1900 as the first Chinese corporation there, and dealt in not only tea, but also various other products. The enterprise subsequently diversified into the real estate and finance businesses (*Handboek* 1905: 589).

Some reputed merchants that dealt in tea included Yap Hong Sing 葉鴻成, a Chinese Capitan of Yogyakarta, and Surakarta's Kian Gwan Ho 建源和, a company founded by Oei Tiong Ham 黃仲涵 in Semarang. From the trademarks they registered for *pouchong* tea packages, it is clear that major Chinese merchants in the principalities were involved in the tea business.<sup>22)</sup> In addition, Tio Poo Kia 張賽鏡, a *Taiwan Sekimin* in Surakarta, handled miscellaneous goods, sugar, and tea. He established Handelsmaatschappij Tio Poo Kia with the trade name Gie Hoo 義和 in 1918 (*Handboek* 1920: 1289), and became president of the Chinese chamber of commerce *Siang Hwee* 商会 in Surakarta (Lin 1934: 513).

Many of the local wholesalers bought tea from several tea importers in

Semarang, but only *Jinmao* 錦茂, which had operations in both Yogyakarta and Surakarta, purchased from *Jinxiang*, both of which were trade names for the business of Kwik Hoo Tong. It could be said that Kwik Hoo Tong had its own distribution network in Central Java. The business already had a large network across the principalities. Distribution of its tea brands “*Semar*” and “*Petrok*” named after characters in traditional Javanese puppetry, was widespread in the area, with more than 400 customers retailing the tea in Central Java.<sup>23)</sup> The advantages that Kwik Hoo Tong had in Central Java came from the consistent supply chain of *pouchong* tea, which was imported from Taiwan into Semarang, and sold to wholesale merchants in Yogyakarta and Surakarta via a broad sales network.

### 3. 4. The *Pouchong* Tea Business in Java

The trade in *pouchong* tea was a profitable business. For tea brand *Yiyu* sold by *Yongyu*, the initial purchase price in Taiwan was 15 yen per box (about 15 kilograms), whereas it was sold for 33 guilders in Java, yielding a profit 8 yen per box after deducting costs (Mitsui Bussan Taipei Shiten 1914: 42). *Yongyu*'s sales peaked in the 1920s when the annual sales volume exceeded 30,000 boxes, making a profit of at least 240,000 yen a year.

However, starting a tea business required a considerable amount of funds given the long-time interval between the purchase of raw materials and exportation, and between credit sales in the local market and collection of receivables. In addition, there was a lot of uncertainty over whether a trademark would be accepted by the local people. Around 70 percent of the transactions in Java happened in the half-year of the dry season from April to October, and the tea from Taiwan would be shipped based on the demand situation. Usually, the raw tea leaves were purchased from mid-April to mid-May during harvest season, and then blended with flavors depending on the shipping timing. Until the first half of the 1910s, export-related financial dealings were mainly conducted in Xiamen, where tea merchants obtained loans from *Qian-zhuang*, and repaid them on time, even though their days sales outstanding in Java was high at three to five months. Furthermore, the loans from *Qian-zhuang* were subject to exchange fluctuations (Mitsui Bussan Taipei Shiten 1914: 48–50). On the other hand, Taiwan had introduced the gold standard system like the Netherlands Indies, which encouraged the tea merchants to move from Xiamen to Taiwan because of the low risk of exchange fluctuations.

Sales of *pouchong* tea in Java were greatly influenced by the trademarks printed on the wrapping paper. Even for the same grade of tea, there was a big



difference in the selling price between an established trademark and a new one. Tea with new trademarks was sometimes forced to be sold below the cost. Javanese people preferred familiar, established brands over new brands even if they were of the same quality, which underscored the importance of building a brand image. Because it was difficult to take away the power of a trademark once established, counterfeiting often occurred, and several fake or look-alike trademarks appeared in the market, resulting in the spread of poor quality tea and a consequent decline in the reputation of genuine brands (Mitsui Bussan Taipei Shiten 1914: 42–43).

Under these circumstances, it could take several years for new trademarks to become popular and be sold at profitable prices. Considering the time interval between the purchase of raw materials in Taiwan and sale in Java, and the time taken to establish a trademark in the market, a tea business would have to make investments for several years before making a profit. It is clear that merchants who enjoyed the backing of profits from other businesses and had a secure sales network in the market had an overwhelming competitive edge in the *pouchong* tea business.

Trademark registration of Chinese tea in the Netherlands Indies was concentrated in two periods: the first from 1902 to 1904 and the second from 1912 to 1913. Most of the trademarks were registered by tea merchants in Semarang or wholesalers in local cities. In the early 1900s, trademarks for *pouchong* tea were indistinguishable from those of other Chinese tea such as oolong tea, but that gradually changed and *pouchong* tea was granted unique trademarks with Javanese motif, using Javanese or Malay characters. These localized labels would be more familiar to the local people.

Kwik Hoo Tong and *Zuiyuan* actively registered 23 and 34 trademarks, respectively, which were certified by the colonial government during 1900–1914.<sup>24)</sup> Kwik Hoo Tong had adopted the Javanese traditional design early on when *pouchong* tea was gaining popularity. That, along with its wide distribution network in Java, were the main reasons why Kwik Hoo Tong's products could capture a significant market share in the local market.

#### 4. Shrinking of the Market and Local Production

The colonial government in 1918 imposed an economic embargo on the import of *pouchong* tea, which was dominated by the *Taiwan Sekimin*, but revoked it the following year after a campaign by the tea merchants and the Bank of Taiwan. Subsequently, imports expanded steadily, and in the second half of 1920, the annual volume reached more than 3,000 tons (Nemoto 1942: 7–11).

During the 1920s, export of black tea produced in the Netherlands Indies also developed significantly, with exports from Java alone reaching 60,000 to 80,000 tons in the mid-1920s, and 70,000 to 100,000 tons, including the outer islands (Altes 1991: 161). Due to the large profits from exports, the local tea industry mainly focused on export markets, rather than the domestic market. Therefore, Taiwanese *pouchong* tea maintained its market without being affected by the export-oriented tea industry in Java and the two coexisted without interfering with each other.

However, this equilibrium changed completely after the Great Depression. The *pouchong* tea business between Taiwan and Java, which was carried out by Chinese merchants, was forced to reorganize in the colonial economy that turned to protectionism after the 1930s.

The international price of tea began to decline around 1925, and the profit margins of producers were on a downward trend. In this situation, the Great Depression directly hit the tea industry in Java. Most of the European tea plantations in Java suffered losses, and some were forced to stop production. In 1930, a production restriction agreement was signed between the major tea producing areas: British India, Ceylon, and the Netherlands Indies. However, the effects of the agreement were limited because there were no sanctions against violators, and tea plantation by local residents was not party to the agreement, so the price of tea continued to fall. Therefore, in 1932, the Tea Commission in the Netherlands Indies proposed restrictions on tea exports to the British association, and agreed to implement the restrictions over the next five years. As a result, a production quota for each plantation and an export license system were introduced in the Netherlands Indies (Wilde, et al. 1936: 33–35).

At the same time, the colonial government launched a protection measure to limit the importation of tea, which accounted for the major share of consumption in Java, in order to divert tea leaves that could no longer be processed due to the export restrictions for consumption in the colony. In 1932, the customs duty and additional tax on imported tea were raised twice, with 60 guilders imposed per 100 kilograms of imported tea. This increase in tax alone exceeded production costs in Taiwan, forcing inferior quality *pouchong* tea out of business, while only intermediate and superior quality products could survive (Taiwan Sōtokufu Shokusanikyoku 1936: 106–108).

To compensate for the decrease in imports of Taiwanese *pouchong* tea, tea leaves harvested and stocked in Java were directed to local production of *pouchong* tea. In Java, *pouchong* tea had been produced on a small scale for a long time, but sales were sluggish because of their poor quality. However, due to the

tax imposed on imported tea, the price of Taiwanese tea was relatively higher, and Javanese *pouchong* tea started to be accepted by residents whose purchasing power had declined.

About 80% of the tea cultivated in Java was Assam tea from India, but there was also a Javanese tea variety, which had been transplanted from China before the spread of Assam tea or hybridized with Assam tea, and then cultivated in local tea plantations (Stuart 1924b: 88–95). These Javanese tea leaves were used mainly for the production of *pouchong* tea locally in Java. The local Chinese people started local production of *pouchong* tea in places where Javanese tea leaves could be harvested, such as Garut and Cirebon in West Java, and Salatiga in Central Java. Some European tea plantations rented out their facilities that had been shut down to Chinese producers free of charge subject to the purchase of their tea leaves in stock (Taiwan Sōtokufu Shokusankyoku 1936: 109).

Crude tea, which was primarily processed in Garut and other areas, was packed in burlap sacks and taken to Semarang, where tea merchants reprocessed it by mixing the tea with jasmine flowers. Jasmine was cultivated by local residents near the coast of Pekalongan in the western part of Semarang, under the guidance of the colonial government. It was a highly profitable horticultural crop that had been growing rapidly since the early 1930s. Jasmine flowers were added to tea, which was then dried and mixed with Taiwanese *pouchong* tea to enhance the fragrance, before being sold to wholesalers and retailers (Taiwan Sōtokufu Shokusankyoku 1936: 118–121).

Some of those tea producers have operations even today. The production of *Tong Tji*, a prominent trademark, began in the early 1930s in Tegal. The producers purchased tea leaves from Chinese plantations in Sukabumi and mixed them with jasmine and gambir. Initially their sales were limited around Tegal, but subsequently spread to other areas.<sup>25)</sup> “Trademark 999,” which is still popular in Surakarta, was launched by Tio Poo Kia, a *Taiwan Sekimin* who ran the trading company Gie Hoo that initially sold Taiwanese *pouchong* tea before switching to locally produced tea.<sup>26)</sup>

The production volume of local Javanese tea rose to 960 tons in 1933, exceeding the volume of imports from Taiwan, which totaled 900 tons that year. Although Javanese tea was inferior in quality and fragrance to Taiwanese *pouchong* tea, the price was lower than imported tea, whose prices were soaring due to the customs duty. Javanese tea was often sold under the same trademarks as Taiwanese tea as consumers preferred the familiar trademarks and could not distinguish it from Taiwanese tea. That is how locally produced tea penetrated the market in Java, while the amount of tea imported from Taiwan

in 1933 fell to about one-third of the volume three years before (Taiwan Sōtokufu Shokusanjyoku 1936: 107–108; Kawarabayashi 2003: 83–84).

The total volume of Javanese and Taiwanese *pouchong* tea supplied to the local market was only 1,860 tons, which was only about half the volumes in the 1920s, when imported tea volumes from Taiwan reached more than 3,000 tons a year. Even as the purchasing power of the local people declined after the Depression, the colonial government promoted the consumption of black tea, which had mainly been exported previously, in the domestic market. These factors led to a shrinking of the market for Taiwanese *pouchong* tea (Taiwan Sōtokufu Shokusanjyoku 1936: 120–121).

Due to the rapid expansion of the market for locally produced tea, tea merchants in Semarang, led by the *Taiwan Sekimin* such as *Jinji*, *Faji* 發記, and *Fangpu* 芳圃, which previously dealt in imported tea from Taiwan, switched to tea produced locally. In the 1920s, *Jinji* had imported 26,000 boxes of tea from Taiwan, but the volume was reduced by half to 13,000 boxes in 1935, while volumes of local tea increased to 3,600 boxes.

Even under these circumstances, Kwik Hoo Tong did not deal in Javanese tea, and consistently sold its own branded Taiwanese tea. Its *pouchong* tea was popular for its superior quality and faced little competition even in 1932. Both the Surakarta and Yogyakarta Branches also dealt in sugar, palm oil, cereals, matches, sesame seeds, burlap sacks, rice, etc. The branches' profit from *pouchong* tea accounted for 99% and 89% of their overall profits, as of May 1932.<sup>27)</sup> However, due to the delay in debt repayment to the Bank of Java for excessive purchase of sugar, the company went bankrupt in 1934 (Post 2002; Kudō 2013). Taiwanese *pouchong* tea thus lost its biggest seller in Java.

While many other tea merchants began to deal in Javanese tea, some of the specialized tea merchants based in Taiwan began to move from Java to Manchuria in search of a new market. As mentioned earlier, *Jinji*, which had expanded its sales channel to Cirebon, Pekalongan, and Tegal in the north coast of Java in the 1920s, opened a base in Dalian, and sent the family's third son, *Chen Qingbo* 陳清波, who had been in Java, to the new base. According to Kawarabayashi (2003), Taiwanese tea merchants started focusing on Manchuria partly because of the generational change. It was quite natural for the younger generations born and raised in Taiwan under Japanese occupation to move from Java, where they faced difficulties in conducting their business, to Manchuria, which was under Japanese rule.

The strategy of these Taiwanese tea specialists to focus on new geographical markets was in contrast to the approach of the local tea merchants who diversified their businesses in Java. A typical example of the latter was Tio Poo

Kia, which continued its businesses in Java and switched to local production of *pouchong* tea. It could be said that every tea merchant adapted to the new business environment that came about after the decline in tea imports from Taiwan.

### Conclusion

The *pouchong* tea trade between Taiwan and Java started after the colonization of Taiwan by Japan, and formed a new economic association. This link was unconnected to the Chinese mainland as well as the export-oriented tea industry in the Netherlands Indies. Japanese colonization affected the tea business between mainland China and Taiwan, and Taiwan began to focus on the production of and trade in tea. In the Netherlands Indies, one of the world's leading tea production areas at the time, tea produced locally was mainly exported to overseas markets, while imported tea catered to local consumption. The *Taiwan Sekimin*, who had gained special legal status under Japanese law and who knew the characteristics of the market in Java, played an important role in the import and distribution of *pouchong* tea. It could be said that the Chinese, including the *Taiwan Sekimin*, in Taiwan and Java saw the *pouchong* tea business as a new economic opportunity. Many of the major tea merchants dealt in diverse products, not just *pouchong* tea, and used their established distribution network to sell tea.

Starting in the mid-1910s, the *Taiwan Sekimin* spearheaded Japan's economic expansion in the Javanese market. As a major exporter of *pouchong* tea, which was Taiwan's primary export product, they received various forms of support from the Taiwan Governor's Office, while they also played an important role as a mediator between the Chinese distribution network and Japanese export products. They also made use of Japan's approach to advance business alliances in areas such as finance and warehousing.

However, in the 1930s, imports of Taiwanese *pouchong* tea declined significantly, because of the promotion of local production of tea using local tea leaves in response to the stagnation in black tea exports from the Netherlands Indies. As protectionism gained strength around the world, tea merchants based in Java switched to local production and those who had come from Taiwan switched their sales channel to Manchuria. For the former, the status of *Taiwan Sekimin* was no longer useful in the tea business, prompting them to diversify into other businesses within Java. The latter withdrew from the shrinking market in Java and moved their activities to a new Japanese economic zone. From the perspective of the Netherlands Indies' economy, it was a process

of import substitution of Taiwanese tea to encourage local production. In this way, the *Taiwan Sekimin*-led, *pouchong* tea-centered economic connection between Java, Taiwan, and Japan collapsed, and the sector became a part of the colonial economy of the Netherlands Indies.

### Notes

- 1) The term “Javanese tea” here does not mean a specific type of tea, but is used to distinguish it from black tea. It is generally green tea scented with the aroma of flowers that is consumed by the local people.
- 2) However, today’s *pouchong* tea is different from what was produced in the early 20th century. *Pouchong* tea that is produced in Taiwan these days is tea that has the aroma of flowers but does not contain jasmine.
- 3) Regarding intra-Asian trade, see Sugihara 1980 and Kanō 2004.
- 4) Chinese names or trade names that have already been described in the Dutch documents are written as they are, while unknown names are written in pinyin in italics.
- 5) *Encyclopædie van Nederlandsch-Indië*, deel 2, p. 181.
- 6) Diplomatic Archives of the Ministry of Foreign Affairs, 3.5.2.15-003 (JACAR Ref. B11090904100).
- 7) The importing region is indicated as Java-Madura in the statistics of the Dutch East India, but almost all *pouchong* tea was actually imported into Java, so the importing region for *pouchong* tea is abbreviated as Java.
- 8) For example, in *De Javasche Courant*, the Dutch colonial government gazette, registrations of some trademarks for tea from Anxi or Guangdong by Chinese merchants in Batavia were published (see *De Javasche Courant*, May 9, 1909 and Apr. 1, 1910).
- 9) Compared to the total import value of 262.78 million guilders in 1912, the import value of tea was 2.41 million guilders.
- 10) Although the statistics noted the tea imported from Japan, almost all of it can be considered as *pouchong* tea from Taiwan.
- 11) As to the legal status of the *Taiwan Sekimin*, see Tjiok-Liem 2009 and Yoshida 2002.
- 12) Diplomatic Archives of the Ministry of Foreign Affairs, 3.8.6.34.
- 13) Diplomatic Archives of the Ministry of Foreign Affairs, 7.1.5.4-16 (JACAR Ref. B13080365100).
- 14) *Tsūshō Kōhō* 通商広報, No. 39, Aug. 14, 1913.
- 15) *Taiwan Nichinichi Shinpō* 台湾日日新報, May 13, 1919.
- 16) Regarding the process of obtaining the status or acknowledgment as *Taiwan Sekimin*, see Yoshida 2019.
- 17) Diplomatic Archives of the Ministry of Foreign Affairs, 3.15.2.85 (JACAR Ref. B12083623400).
- 18) Diplomatic Archives of the Ministry of Foreign Affairs, 3.5.2.15-003 (JACAR Ref. B11090904100).
- 19) Kwik Hoo Tong’s tea sales in 1928 amounted to 4,000 boxes at Yogyakarta Branch, 2,500 boxes at Solo Branch, and 500 boxes at Cirebon Branch, making a profit of 5

guilders per box. The total profit was 75,000 guilders per month, of which tea sales accounted for about 45% at 35,000 guilders. Products other than tea included soybeans, coconut sugar, white sugar, coconut oil, flour, and other foods. DJB: 1857, Jul. 27, 1928.

- 20) *De Javasche Courant*, Apr. 9, 1900–Jan. 2, 1915.
- 21) *Chen Chaojun* did business under the trade name *Yongyu*, and *Chen Tianlai* under the name *Jinji*.
- 22) Regarding trademark registrations for *pouchong* tea, I referred the monthly list of trademark notices in *De Javasche Courant*, 1903–1918.
- 23) Kwik Hoo Tong registered eight trademarks for *pouchong* tea in 1902, and was the first Chinese tea trader to do so (*De Javasche Courant*, 2 Jan. 1903; Chi 2003: 149–161). As to Kwik Hoo Tong's sales networks, see DJB: 1860, Jun. 30, 1932.
- 24) The list of registered trademarks in *De Javasche Courant*, 1900–1930.
- 25) Interview of Mr. Tatan, president of Tong Tji tea factory in Tegal, Sep. 29, 2008.
- 26) Tio Poo Kia was appointed chairman of the Chinese Chamber of Commerce, *Siang Hwee*, in Solo and also known as a representative Chinese in Yogyakarta because his name was listed in the stone monument built in the Kraton Palace by the Chinese in 1949.
- 27) DJB: 1860, Jun. 30, 1932.

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