Tin, Rubber and the Straits Dollar: the comparison with Geneva and Hong Kong

Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland and Germany),
Solicitor (England & Wales and Hong Kong)
Of Counsel, KGP Legal LLC
alexander.ressos@kgplegal.com.sg
www.ressos.com.sg

Two currencies, two paths to stability

Geneva and Singapore reached monetary stability by different routes. Switzerland introduced the Swiss franc by the federal coinage law of 1850 and joined the Latin Monetary Union in 1865. It later transferred the monopoly of the note issue from 36 banks to a single central bank, the Swiss National Bank, which opened its counters on 20 June 1907 in Geneva among other cities.[1] The Straits Settlements carried out their monetary reform in the same decade. They achieved stability by tying their dollar to sterling and holding their reserves in London. Switzerland built a sovereign currency backed by a central bank, whereas the colony accepted a currency without monetary sovereignty.

The two systems reflected different political positions. Switzerland was an independent state that could choose its monetary regime and later defend the franc as a safe-haven currency. The Straits Settlements were a dependency of an imperial power whose currency they borrowed. After independence Singapore combined the

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

two inheritances by keeping the full external backing of the currency board while building in the Monetary Authority an institution with the policy instruments that the colonial board had lacked. The Swiss franc and the Singapore dollar are both regarded today as stable currencies of small open economies, a result reached from opposite starting points.

Hong Kong offers the closer parallel. It abandoned silver in 1935 and tied its dollar to sterling, later returning to a currency board based on the United States dollar. Since 17 October 1983 the Hong Kong dollar has been linked to the US dollar at 7.80, since May 2005 within a convertibility band of 7.75 to 7.85, with banknotes still issued by three commercial banks under licence.[2] Hong Kong thus operates a classical currency board today, whereas Singapore manages its exchange rate against a trade-weighted basket. Part K returns to the competition between the two centres.

Commodities and the late arrival of trading in Geneva

The contrast in commodity history is sharper still. Swiss merchant houses such as Volkart, founded in Winterthur in 1851, and André, founded in Nyon in 1877, traded cotton, coffee and grain long before 1945. Yet Geneva became a centre of the world's commodity trade only after the arrival of Cargill and its subsidiary Tradax in the 1950s.[3] Geneva's trading houses came to the city because of its banks, its neutrality and its tax regime, while the commodities themselves rarely passed through it.

Singapore's commodity business grew the other way round. The tin and rubber came first, physically, through its harbour, smelter and godowns, and the banks, insurers and brokers followed the goods. The trading functions that Geneva acquired as an office centre Singapore acquired as a port. This difference still shapes the two centres. Geneva remains a centre of trading decisions, finance and contracts for goods that never touch Swiss soil. Singapore combines that role with a physical presence in refining, storage, bunkering and shipping, which Part G examines.

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

In figures

Discovery of tin in Larut: 1848, with twenty Chinese miners brought from Penang. Pangkor Treaty: 20 January 1874. Federated Malay States: treaty of 1895, in force 1 July 1896. Malayan tin exports at the end of the nineteenth century: about 52,000 metric tons, just over half of world output. European share of Malayan tin output in 1929: 61 per cent. Straits Trading Company: incorporated 8 November 1887 with a capital of $150,000, Pulau Brani smelter from 1890. Wickham's rubber seeds: about 70,000, at Kew on 15 June 1876. First rubber seedlings in Singapore: 1877. Ridley's herringbone tapping: 1895. Rubber acreage in Malaya: 20,000 acres in 1903, 2,260,000 acres in 1922. Malaya's share of world rubber output: 50 per cent in 1921 (Drabble) or 57.6 per cent in 1920 (Wong Lin Ken). First rubber auction in Singapore: 12 September 1911. Stevenson scheme: 1922–1928. Fall in Malaya's export earnings 1929–1932: 73 per cent. Board of Commissioners of Currency: established 1897, notes from 1899. Sterling value of the Straits dollar from 1906: two shillings and four pence. Malayan dollar: 1939. Suspension of the International Tin Council's market operations: 24 October 1985.[4]

Notes

1. Ressos, *Genève, place financière internationale*, partie D, chapitre « Radicalisme, chemins de fer et banques par actions (1846-1914) », section « La question monétaire : du franc suisse à la Banque nationale », with its footnotes: loi fédérale sur la monnaie du 7 mai 1850; Union monétaire latine, convention du 23 décembre 1865; ouverture des guichets de la BNS le 20 juin 1907 à Bâle, Berne, Genève, Saint-Gall et Zurich; droit d'émission transféré des 36 banques qui le détenaient à la seule BNS. ↩
2. Wikipedia, "Hong Kong dollar" (accessed November 2026): Hong Kong "abandoned silver and introduced a crawling peg to sterling" in 1935; fixed peg of HK$16 = £1 from 1939; "On 17 October 1983, the Hong Kong dollar was officially pegged to the U.S. dollar at a rate of HK$7.80 = US$1", described as a currency board arrangement; trading band of US$1 : HK$7.75–7.85 since May

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

2005; HSBC, Bank of China and Standard Chartered issue banknotes under licence. ↩

3. Ressos, *Genève, place financière internationale*, partie G, chapitre « Du comptoir au terminal : histoire du négoce à Genève », with its footnotes: Volkart founded in 1851 with offices in Winterthur and Bombay; André & Cie founded at Nyon in 1877; Cargill and Alcoa arrive around 1950, Cargill's subsidiary Tradax becoming the centre of its international trade from Geneva. ↩

4. Figures as set out and sourced in the footnotes above, in particular John H. Drabble, "The Economic History of Malaysia", EH.Net Encyclopedia, 31 July 2004; Wong Lin Ken, "Singapore: Its Growth as an Entrepot Port, 1819–1941", *Journal of Southeast Asian Studies*, vol. 9, no. 1, 1978, footnote 28: "By 1920, Malaya was already producing 57.6% of the world output of rubber", more than twice Indonesia's estimated 25.4 per cent; Wikipedia, "Straits dollar" and "Rubber Trade Association of Penang" (accessed November 2026). ↩

Disclaimer

This article is provided for general information only. It is based on publicly available sources as at its date of publication. These sources have not been independently verified against licences, regulatory registers or the records of the entities concerned. It is not legal, tax, financial or investment advice. Nor is it a recommendation to invest in, transact with or use the services of any entity mentioned. Law and regulation change frequently, so the content may be incomplete or outdated. To the fullest extent permitted by law, Dr Alexander Ressos and the publisher of SingaporeIQ exclude all liability for loss or damage arising from the use of or reliance on this article. Readers should obtain advice on their specific circumstances before acting or refraining from action.

Names and trademarks of the entities discussed belong to their owners and are used for identification only. Their mention implies no endorsement, affiliation or allegation of wrongdoing. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. Corrections and updates: contact@ressos.com.

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

© 2026 Dr Alexander Ressos. This article may be quoted with attribution to SingaporeIQ (SingaporeIQ.com). Reproduction in full and any commercial use require prior written consent. The Legal Terms at https://singaporeiq.com/legal-terms apply.

Author contact: Dr Alexander Ressos, TEP · contact@ressos.com

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.