The Entrepôt Economy: Junks, Country Traders and Merchant Networks: summary

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The entrepôt economy of nineteenth-century Singapore brought together Chinese junk traders, Bugis prahu fleets, Arab and Indian merchant houses and European and Indian country traders, each following its own seasons and networks. The Chinese junk trade carried goods, migrants, money and news between southern China and Singapore until the opening of the treaty ports after 1842 transferred much of it to Western ships. Indian opium circulated through the archipelago almost as a currency and financed the colonial government through the revenue farm, which ties the early prosperity of the port to a trade that later generations condemned. European agency houses acted as intermediaries between these traders and the markets of Europe and India, performing many banking functions before the first banks arrived. Long chains of credit connected London and Calcutta with the smallest traders of the archipelago and were secured by a combination of personal reputation, community institutions and English courts, whose logic survives in the risk management of Singapore's trading and financial sector today.

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