CHAPTER 9

BRITAIN, GERMANY AND SIAM'S INDEPENDENCE

Britain's growing strength in Burma and the Malay Peninsula, and France's expansionist drives in Indochina, left Siam, so to speak, "between the devil and the deep sea". Looking for a way out of her predicament, Siam sought to involve Germany in an international agreement that would guarantee her independence and integrity. To counterbalance Britain's ascending commercial influence, Siam employed quite a number of Germans in important public offices, especially in the railway department.

But Britain refused to consider Germany as part of any agreement that might guarantee Siam's independence. Britain also found Germany's monopolist position in Siam's railways difficult to accept and tried by every means to get railway construction into her hands. Constant British pressure and interferences finally induced Siam to forsake German interests and propose a comprehensive settlement with Britain. After prolonged negotiations, the Anglo-Siamese Treaty of 1909 was signed. Siam agreed to cede some of her Malay provinces in exchange for the removal of certain impediments imposed upon her by Britain.

---

1Cheong, "German Interest", p.69.
I. Germany in Siam's Survival Diplomacy

Siam felt quite early the burden of having two uninvited European powers as her neighbours. King Mongkut had clearly perceived the difficulties that lay ahead, and tried to elicit Prussian support against British and French interferences by granting the Germans favourable terms in their treaty with Siam in 1862. But the Germans were and remained politically aloof towards the situation in Siam (see Chapter 3).

Bangkok's anxiety for her independence intensified when France annexed Tonkin during the Franco-Chinese war of 1884-5. The British refused to support Siam against France. They themselves were in the process of consolidating their power in Burma and the Malay Peninsula, and the Straits administrators' desire for further British expansion northwards was no secret to the Siamese. Thus, Siam desperately wanted to arrive at some sort of arrangement that would guarantee her independence and integrity. Research of both British and German documents has shown that several high-ranking officials in the Siamese government, including the king and certain other members of the royal family, like Prince Naru, the Minister of the Treasury Department, were convinced that the safest way to manoeuvre between British and French imperial ambitions was by forging closer ties with Germany. As part of an effort in that direction, Siam raised on 1 April 1888 the diplomatic status of the German
representative, Kempermann, to Consul-General. "According to a report by the German Consul dated 23 September 1889:

"there was the conviction in Thai government circles that Thailand's future could only be secured through a close contact with Germany, and that English and French influence, in particular where railways were concerned, had to be kept at bay." 

The desire to lure Germany into becoming more politically interested in the fate of Siam also explains the reason why the management and control of the Siamese Railway Department was placed in German hands almost as soon as it was established in October 1890. Another important government branch that came heavily under German influence was the Posts and Telegraph Department, in which the Deputy Director-General, the Principal Superintendent, and the Registrar were of German nationality."

The British saw quite clearly Siam's bias towards Germany. In January 1891 the "Calcutta Statesman" reported that "German instead of English capitalists are in favour in Bangkok now." By then, for every 3 British officials employed in Siamese administrative bodies, 1 was German. The 16 Germans working for the Siamese government were

---


employed as follows: 2 in the Railway Department, 8 in the Department of Posts and Telegraphs, 3 in the pilot service, 1 in the King's library, 1 translator at the foreign Office, and 1 in the Chamberlain's Department.

Number of Foreigners Working for the Siamese Government in Selected Years:

<table>
<thead>
<tr>
<th></th>
<th>1891</th>
<th>1906</th>
<th>1907</th>
</tr>
</thead>
<tbody>
<tr>
<td>Englishmen</td>
<td>46</td>
<td>126</td>
<td>104</td>
</tr>
<tr>
<td>Germans</td>
<td>16</td>
<td>36</td>
<td>47</td>
</tr>
<tr>
<td>Other Nationalities:</td>
<td>41</td>
<td>85</td>
<td>89</td>
</tr>
</tbody>
</table>

But Germans did not fare as well in acquiring land concessions. In 1891, for example, out of a total of 9 concessions granted to foreigners by the Siamese Government, only 1 concession was in German hands.

"One of them was Bethge, the Director-General of Siam's Railway Department.

"Herr Muller, originally the official apothecary to the Siamese court, was later appointed Officer of the Chamberlain's Department. He cultivated close contacts to members of the royal family, allowing him to obtain several rewarding contracts. He supplied them with "cheap" German goods including jewelry. Muller embraced Siamese customs and manners, bowing down to the ground before his superiors. (F.O.422/30, Inclosure 1 in No.19, Report on the Present State of German Interest and Influence in Siam, Jones to Salisbury, 18 March 1891; Bailey, Two Jews, p.76.)

"Data compiled from F.O.422/30, Inclosure 1 in No.19, report on the Present State of German Interests and Influence in Siam, Jones to Salisbury, 18 March 1891; F.O.273/333, No.29967, General Report on Siam for the Year 1906, confidential; The Bangkok Times, 3 October 1907.

"F.O.422/30, Inclosure 1 in No.19, Report on the present State of German Interests and Influence in Siam, Jones to Salisbury, 18 March 1891.
Nevertheless, the number of Germans working in the service of the Siamese government continued to grow.

. The idea of guaranteeing Siam's independence by an international agreement involving several powers was not only a Siamese one. As already mentioned in Chapter 7, in January 1891 the Colonial Office had come up with the suggestion that Britain, France and Germany should enter into a tripartite agreement for the sake of Siam's independence, or at least for the "neutralization of the isthmus and of any canal or roadway that may be made across it." But Salisbury refused to consider such a proposal viewing it as most undesirable. 10 Instead, Salisbury sought from Siam in July 1891 a pledge that she would not cede any territory to foreign powers without British consent. But Siam refused because Salisbury declined to give any meaningful assurances against France, and again asked for a tripartite pact by the powers that would guarantee her independence. 11

Siam tried again to solicit British help against France a few months after Salisbury's government was replaced by a Liberal administration in July 1892. Siam expressed her willingness not to surrender any part of her territories to any foreign power without first consulting Britain, if, in exchange, Britain agreed to offer military assistance in the event Siam was threatened by foreign


11 Thio, "Britain's Search", p. 292.
aggression. But Rosebery, the new Foreign Secretary, was reluctant to commit Britain militarily and turned down the Siamese proposal.\(^{12}\)

During the beginning of the Siamese-French crisis, Bangkok turned to Germany in a desperate effort to put an end to France's "rape" of Siam. The German Ambassador in Paris reported on 12 April that from a conversation he had with Siam's representative in France:

"he [the German Ambassador] had the impression that the Thai Government was hoping for a German intervention in favour of Thailand in order to dissuade France from the rape of Thailand and to recommend her acceptance of the verdict of court of arbitration concerning present disputes."\(^{13}\)

But Germany was politically indifferent to what was happening to Siam and declined to render any valid support (see Chapter 3).

Rolin-Jaequemyns, the Advisor to the Siamese government, assumed that Britain and France were preparing to divide Siam among themselves. He also feared that railway construction might fall into British or French hands and did his utmost to persuade Bethge, the German Director-General of the Siamese Railway Department, not to resign after he had threatened to do so during the crisis of 1893.\(^{14}\)

Desperate for help against France, Siam turned once again to Britain. But instead of providing support,

\(^{13}\)Quoted in Wenk, "The Relations", p.154.
Rosebery advised the Siamese government to acquiesce to French demands. He also warned Bangkok not to cede any territory close to British interests. There is some indication, however, that Rosebery near the end of 1893, when the crisis had blown over, weighed the idea of a joint agreement with France, China and Germany with regards to Siam. But the idea was dropped, apparently because China at the time possessed no diplomatic relations with Siam.\[16\]

Siam felt irritated by the British attitude, and was especially disappointed with Britain for not giving a helping hand against France. Bangkok responded by introducing measures to consolidate the Siamese position in the area north of the F.M.S. In 1895 a Siamese commissioner was appointed to supervise the administration and finances of Kelantan and Terengganu.\[17\]

Bangkok reacted in a similar way to the Anglo-French Declaration of 1896. In fact, being designated as a buffer-state between the two powers gave Siam a much needed "breathing space" to reorganize the structure of her government. The Siamese clearly understood that:

"A buffer-state loses its purpose unless it is also a stable state: an unstable state is a

---


standing danger, and better partitioned."¹⁷

Siam also sought to further enhance her hold over the Malay states by combining in 1896 the administration of Kedah, Perlis and Satun (Setul) under the "monthon" Kedah. Also, a Siamese commissioner was appointed to administer the seven Malay provinces of Patani, Yaring (Jambu), Yala, Ra-ngae (Legeh), Nongchik, Sai (Jeluban), and Reman. In a further centralization effort, the seven Malay provinces were joined together into one administration called the "Area of the Seven Provinces" in 1901. New regulations and controls were introduced, particularly with regard to the finances of these states.¹⁸

These measures were not enough, however. Siam understood that in order to halt the slow process of her dismemberment between Britain and France, she had to obtain some other kind of assurances. Prince Pritsdang told King Chulalongkorn on 16 March 1897 quite frankly that:

"Your Majesty's Kingdom is not, as all the thoughtful will admit, secure. The so-called 'Security' by existing Treaty between England and France is only a temporary and convenient arrangement between them, pending a more convenient arrangement to be arrived at in some future time."¹⁹

Siam took special interest in cultivating her relationship with Germany following the conclusion of the

¹⁷Quoted in Brailey, Two Views, pp.7-8.
¹⁹Quoted in Brailey, Two Views, pp.115-6.
Secret Treaty of 1897. The idea of an international agreement was brought up again in April 1899. The King of Siam told the British Minister in Bangkok, Greville, that the German Emperor had suggested to him in 1897 that Siam's independence could be guaranteed by an international agreement involving Britain, Russia, France and Germany. The king wanted to know whether the British government was willing to consider entering into such an agreement. Salisbury, now back in government, immediately rejected the proposal, and Greville replied to the king that Siam's independence was already sufficiently guaranteed by the Anglo-French Convention of 1896 and by the Secret Treaty of 1897. There was no need to invite Russian or German meddling in the affairs of Siam.

Japan had a special interest in seeing Siam's independence and integrity intact. In November 1900, Saldern, the German Minister in Bangkok, informed Archer that Japan wanted a joint agreement by the "Great Powers" with interests in Siam, modelled on the recent treaty between Britain and Germany regarding China (the Yangtze Treaty of 16 October 1900). The Japanese sought a treaty as a guarantee against Siam's dismemberment because they


\(^{21}\) F.O.422/51, No.62, Greville to Salisbury, 22 April 1899, very confidential. It seems that Wilhelm II had made the suggestion during the Siamese king's visit to Germany in October 1897. According to Chandran, the Englishman Rivett-Carnac, who was the Financial Advisor to the Siamese government, also had a hand in reviving the idea of an international pact in 1899. (See Chandran, "Lord Lansdowne", p.234.)
feared that their arch-rival, Russia, might succeed in gaining a foothold on the coast of Siam. They had heard a rumour that Russia was in the process of negotiating with Siam regarding the lease of Phuket.\textsuperscript{22} It had been reported in the press that Russia was attempting to obtain, with French "compliance", an island on the west coast of Siam near Kedah, and that the purpose of the Russian-French arrangement was the "erection of more powerful competition against ... Germany in Siam".\textsuperscript{23}

According to Saldern, Rolin-Jaequemyns supported the Japanese proposal for an agreement by the powers as a way towards removing difficulties with France. Archer, however, replied that the Japanese proposal was out of the question because the Anglo-French Convention of 1896 made any further agreement with regard to Siam unnecessary.\textsuperscript{24}

When asked to comment on the idea of a joint agreement for the neutralization of Siam, the British Intelligence Division in London concluded that upholding Siam's independence was in Britain's best interests. In the event, however, Siam came under the protection of a foreign power other than Britain, Siam under German control would be worse for Britain than Siam under the French. Germany might use Siam's sea-board to erect a naval station. The report continued:

\textsuperscript{22}\textit{F.O.422/54, No.4, Archer to Lansdowne, 29 November 1900, very confidential.}

\textsuperscript{23}\textit{The Bangkok Times, 25 May 1900.}

\textsuperscript{24}\textit{F.O.422/54, No.4, Archer to Lansdowne, 29 November 1900, very confidential.}
"Politically, ... by an understanding with Germany, we gain the assurance of the integrity of Siam, as far as France is concerned, and the maintenance thereof as a buffer State between Burmah and Cochin-China. Strategically, whether this buffer existed or not, we should have little to fear from French encroachments were the matter one to be decided locally, for we could easily dispose of troops, not only to defend Siam, but to threaten Indo-China as well; but if the issue were one involving a European war, the active support of Germany would ... greatly strengthen our hands. [Germany] wants to get the foreign trade of Siam into her own hands, and to develop it as much as possible. Then, in the event of our being engaged in hostilities which would fully occupy the army in India, she might put forward her predominant trade interests as a pretext for annexing or establishing a protectorate herself over Siam."

The government of India also opposed the idea of a joint guarantee that included Germany, preferring to limit foreign powers with political ambitions in Siam to Britain and France. Why give Germany a chance to get politically involved in Siam when hitherto her interests were primarily commercial?

In February 1902, the King of Siam again tried for a neutralization treaty. But this time, instead of an international agreement by the powers, he suggested that a provision guaranteeing Siam's independence should be incorporated into the Anglo-French Declaration of 1896. Following instructions from London, Tower, the newly appointed British Minister in Siam, informed the Siamese

---

"F.O. 422/54, No.40, Intelligence Division to F.O., 22 May 1901.

"F.O. 422/56, Inclosure in No.197, Government of India to Hamilton, 10 July 1902, secret."
monarch that the French would undoubtedly insist on excessive concessions in return for their concurrence. And if Germany, Japan, or the United States pressed for the neutralization of Siam, France might advance her military forces into Siam, or endeavour to come to a separate arrangement with Britain for the partition of Siam.

Rivett-Carnac, the Financial Advisor, sought to persuade the Siamese government to send a diplomatic mission to Europe to promote the idea of neutralizing Siam. The British Foreign Office was furious and advised Curzon in India to give Rivett-Carnac a good dressing down. They also instructed Tower to do his utmost to prevent such a mission. It seems that Rivett-Carnac's real interest was his hidden desire of becoming the next general-advisor to the Siamese government.

In the meantime, Siam used Germany in a delicate balancing act to prevent Britain from gaining absolute commercial predominance by offering German nationals special privileges in the form of administrative posts. By the end of the 19th century, an increasing number of Germans were in the service of the Siamese government. The Siamese postal system was managed by German staff, and German engineers possessed a significant authority over the Siamese Railways Department (see Chapter 3). The reason for Siam's policy of allocating government posts to

---

P.O.422/56, No.50. Tower to Lansdowne, 8 February 1902, secret; No.62, Tower to Lansdowne, 20 February 1902, confidential.

German nationals clearly reflects her desire to get Germany involved in some kind of guarantee as to her integrity and independence.

<table>
<thead>
<tr>
<th></th>
<th>Englishmen</th>
<th>Belgians</th>
<th>Germans</th>
<th>Swiss</th>
<th>Danes</th>
<th>Austrian</th>
<th>Dutch</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>15</td>
<td>2</td>
<td>4**</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

The number of Germans on the Siamese government's payroll continued to grow. There were about 200 Germans living in Siam in 1907.

The ratio of German to British staff working for the Siamese government narrowed down to almost 1 to 2. Nevertheless, the most important posts held by foreigners remained firmly in British hands. The departments of Survey, Policy, Mines, and the Forest Department were wholly managed and controlled by British officials.\*\*

\*\*C.O. 273/286, No. 13816, Tower to Lansdowne, 20 February 1902, confidential, enclosure in No. 1, Minute by the Financial Advisor upon the Present Political Situation in Siam, Appendix B. The 29 were those who drew a minimum salary of 1,000 ticals per month.

\*\*The 4 highest paid German officials were: in the Railway Department, H. Gehrte, Director-General; C. Sundresski, Chief Architect; E. Klocke, Superintending Engineer; and in the Posts and Telegraphs Department, Th. Collmann, Advisor.

\*\*C.O. 273/343, No. 19223, General Report on Siam for the Year 1907; The Bangkok Times, 3 October 1907.
The British clearly understood Siam's strategy of using Germany "to play off the Powers against each other" in an effort to achieve an enlarged guarantee of her independence and integrity. The intention of playing on international rivalries explains the reason why Siam made "every effort to retain the goodwill of Powers without real political interests in Siam such as Germany, Russia and Japan." According to Archer:

"The fact that the foreign trade of Siam with the British Empire constitute about 84 per cent ... [the Siamese] do not scruple to play on the international jealousies to which they believe they owe their independence; ... Siam would be quite prepared to abandon her British friends and to seek others more willing to assist in the maintenance of her independence. For this reason she makes every effort to retain the goodwill of Powers without real political interests in Siam such as Germany, Russia and Japan. ... [The] policy of Siam is to maintain her independence by availing herself of the protection of Britain, and as the only danger to Siamese independence apart from possible British aggression, comes from [France] it follows that British protection is only required against France ... Siam is kept up by Britain to form a buffer between French and British possessions, until such time as the buffer proves useless."  

Thus, the British acknowledged the fact that the real danger to Siam's independence came from Britain and from France, not from Germany. The absence of an international guarantee to preserve her independence forced Siam to accept whatever assistance Britain offered against France.

---

\(^{a9}\)F.O.422/51, No.59, Greville to Salisbury, 16 March 1899, confidential.

\(^{a3}\)C.O.273/287, No.46965, Archer to Lansdowne, 29 September 1902, secret.

\(^{a4}\)Ibid.
Until now, Siam's independence was maintained because it was needed to function as a buffer-state, but the British would only allow this situation to continue "until such time as the buffer proves useless". Siam's already critical situation worsened every time Britain moved to consolidate her power in the Malay Peninsula. It gave France an excuse to make further demands for concessions in Siamese territories.

As part of her desperate survival tactics, Siam also sought to forge closer ties with Japan by granting certain privileges. France viewed with great antipathy Japan's rising influence in Siam, especially after Japan had secured a contract in 1902 for arming and training Siam's military. Japan was to supply Siam annually 10,000 Mauser rifles as part of a deal to equip the Siamese army. The French suspected Japan was trying to push through an international guarantee by the powers for the neutralization of Siam, which they disliked immensely.

Preferring a separate treaty, France exacted from Siam an agreement in 1904 binding the latter not to allow foreign officials or foreign capital in the French sphere of influence. In April the same year, Britain and

---


*C.O. 273/296*, Monson to Lansdowne, 26 July 1903.


France agreed to sign a declaration confirming their 1896 agreement that neither power would try to annex Siam. The declaration recognized east of the Menam Valley as within France's sphere of influence, while the Malay Peninsula fell under Britain's.  

Siam was exasperated and reacted similarly as she had done following the developments of 1893 and 1896, by renewed attempts to consolidate her authority in the border provinces. A railway network linking the remote provinces with Bangkok was planned to bring economic development to these areas. As Luis Weiler noted on 9 July 1905:

"The King [of Siam] is expected to return during the next few days from a journey of several weeks to the Siamese provinces of the Malay peninsula. He may bring some suggestions for the economic development of these neglected areas which have belonged to the British sphere of influence since the Franco-British agreement of 1896, while the whole Korat plateau is under French influence. That agreement is the bane of all Siamese government measures. The extension of the Korat line to the east would be not only a profitable enterprise but it would also bring an important economic lift to that completely roadless area. The Siamese are well aware of this, yet they are afraid to venture forth with railway projects for these parts, fearing a veto of the French who, of course, want to divert trade there toward the Mekong. Our new minister, Phya Surya, formerly ambassador in Paris and London for a number of years, had a talk with me about this and expressed the above mentioned misgivings quite openly."

Britain began to worry about Siam's grand efforts at consolidating her position in the southern territories. In

*C.O.273/333, No.29967, Paget's General report on Siam for the Year 1906, confidential.

"Quoted in Weiler, "The Germans", pp.206-7."
July 1906, the Siamese government combined seven southern districts into one separate province, the Province of Patani, and administered by a chief commissioner. The Siamese also made use of the turmoil in Perlis and Setul (which were tributary to Kedah) to tighten control over these territories and including them into a province with Phuket. The British reacted promptly by sending an adviser into Perlis and Setul.\footnote{C.O. 273/323, No. 35682, Beckett to Bart, 4 August 1906; Beckett to Grey, 22 August 1906.}

German influence in Siam was increasing, much to British resentment. Siam continued her diplomatic efforts for survival by soliciting German involvement to offset British and French ambitions. Several members of the Siamese government were "imbued with the notion it is to Germany that Siam must turn for relief against the importunate territorial countries on each flank."\footnote{C.O. 273/323, No. 36188, Beckett to Grey, 13 August, 1906. very confidential.}

Germany was invited to introduce major reforms in the Siamese military. A German national named Th. Collmann was made Acting Director-General of the Posts and Telegraphs Department. The "Deutsch-Asiatische Bank" was a major investor in the newly established National Commercial Bank of Siam, which began operations on 1 April 1906 under a German manager. The British believed that the "Deutsch-Asiatische Bank" was endeavouring to become one of the financial institutions funding the southern railway project. The British were particularly angered for not
being informed earlier about the projected National Commercial Bank of Siam, and Bangkok was rebuked for that. According to the press, when the German Minister heard about the British complaint he warned that Germany might invite another conference similar to the one over Morocco if foreign powers continued to interfere in Siam's internal affairs.**

The British also suspected that Germany was "anxious in every way to increase her influence in Siam". The German Minister had impressed upon the Siamese government that whereas Germany was unconditionally conforming with Siam's new import regulations, Britain on the other hand was making problems as usual and pushing Siam for more privileges before consenting to the new duties.***

Siam welcomed the introduction of German capital and enterprise into her part of the Malay Peninsula, and boldly challenged Britain's interpretation of the 1897 Secret Treaty when the latter obstructed German concessions wholesale (see Chapter 7). A similar controversy occurred when Siam wanted to construct the Malay Peninsula Railway Project, which we will now turn to.

---


***C.O. 273/323, No. 40453, F.O. to India Office, 8 October 1906, confidential.
II. The Anglo-Siamese Railway Dispute

In June 1906, R.W. Duff was in Siam on behalf of certain British investors to inquire into the possibility of profitable investment opportunities in railway construction, irrigation, mining, and planting. During meetings with the Siamese Minister of Finance, Phya Suriya, and the Vice-Minister for the Interior, Phya Si Sahadhep, Duff learnt that Siam was planning to construct a railway line down to the Malay states. This project came under the responsibility of the Siamese Railway Department and there was no intention of granting contracts for railway construction to foreign companies. Extra-territorial rights existed in Siam, and the government wanted to avoid giving foreign powers an excuse to interfere on behalf of their nationals if problems occurred. Siam planned to raise a loan of 2,000,000 pounds for the project through European banks. Duff promptly relayed this information to Beckett, the acting British representative in Bangkok. Paget was on sick leave in London.

During Duff's sojourn in Bangkok, Prince Damrong was busy tracing the route for the proposed line southward to

---

*The investors were Laing & Cruickshank, Hoare's Bank, Morgan & Co., and Rothschild.*

the Siamese Malay provinces. Accompanying the prince was an Englishman named Gittins who was employed as the Chief Surveyor, Expert Advisor, and Secretary to the Siamese Minister of Public Works. 

The British surveyor later drew up a report strongly recommending the construction of a railway line from Petchaburi in the north, down the eastern side of the peninsula to Singora. This line was to join another line that connected Trang, a port on the west coast, with Patalung on the east coast. Gittins also proposed the meter gauge, which was the same gauge used in the lines of the F.M.S. and Burma. The entire length of the new line was about 350 miles, and its construction cost was estimated at 44,000,000 ticals, or about 3,000,000 pounds. Two weeks before submitting the report with his findings and recommendations to the Siamese government, Gittins privately gave Beckett a copy.

Although it was approved by the King of Siam, the British Foreign Office immediately and staunchly opposed the projected railway if it was entrusted to German

---

Gittins was an experienced railway engineer who had gained considerable knowledge and experience while working on the Great Canadian Railway. He became attached to the Siamese Railway Department since its establishment. (C.O.273/286, No.27484, Tower to Lansdowne, 16 May 1902; Weiler, "The Germans", p.209.)

---

C.O.273/322, No.31073, Beckett to Grey, 27 June 1906, confidential; No.32468, Beckett to Grey, 9 August 1906, confidential; No.36188, Beckett to Grey, 13 August 1906, very confidential; No.45792, Duff to Beckett, 1906, confidential. According to Duff, the estimated cost of the entire line of 895 km was 40,332,500 ticals, or approx. 3,222,170 pounds.
engineers of the Siamese Railway Department. Except for two minor British officials, it was "a thoroughly Germanized department". Most of its engineers, including the Director-General, were German. British interests in Siam and the Malay Peninsula would be placed in a "little short of calamitous" position if an additional 200 German engineers were brought into the Malay Peninsula, and if German companies gained the contracts for providing railway materials for constructing and maintaining the line. In addition to the need of preventing an "eruption of German engineers into the Malay Peninsula", it was of utmost importance that "the considerable increase of German influence, political and commercial," must be prevented."

The British policy to be adopted towards the railway project was clearly outlined by a Foreign Office dispatch to the Colonial Office:

"The fact must not be lost sight of that Germany is making constant effort to establish a position for herself in Siam and that the Authorities of the German Legation are ever on the watch endeavouring to obtain Government posts and to push German influence. There have been indication at times of some idea on the part of Siam to use German aspirations as a set off against Great Britain and France and it could appear that the best means of counteracting such an idea is, so far as circumstances permit to strengthen British influence generally in Siam and to avoid giving rise to irritations unnecessarily. The railways

---

and the Post Office which were formerly in British hands are now entirely under the direction of Germans, and it would be regrettable to see further positions hitherto occupied by British officials filled by foreigners.

The proposed railway project produced an excellent excuse for the colonial authorities to push for further expansion northwards. The Straits government was especially interested in seeing a railway line connecting the Siamese provinces with the F.M.S. at Singora and Trang. It was therefore necessary to ensure that the proposed railway was of the same gauge as that of the F.M.S. Lucas stressed the importance of preventing the rise of German influence in the area because, according to Britain's agreements with France and Siam, the "territory between British Malaya and India" was in effect a British "protectorate".

The colonial authorities' manipulation of planned railway projects in the Malay states to extend British control was nothing new. A few years earlier Swettenham had vehemently opposed private British investors from gaining contracts to build a railway in Johor because he wanted the F.M.S. to construct and control the railway. Why? Writing in 1902, Swettenham gave the following answer: "Our interest in this line will do more to establish our political influence in the state than

---

\[\text{C.O.273/323, No.32669, F.O. to C.O., 3 September 1906.}\]

\[\text{C.O.273/323, No.34214, Beckett to Grey, 11 September 1906, confidential; No.32468, Minute by Lucas, 12 September 1906.}\]
anything else". Swettenham's obstructionist policy paid dividends when Sultan Ibrahim finally signed a railway agreement in favour of the F.M.S. in 1904.\(^{33}\)

The Foreign Office quickly demanded from Siam assurances that she would employ only British engineers to construct the line. The Siamese government received on 21 August 1906 a British memorandum which stated in no unclear terms that:

"[The British government] could not however view with indifference the construction of the proposed railway being handed over to German engineers, even though the latter be officials of the Siamese Railway Department. It is therefore the hope of His Majesty's Government that the Siamese Government will arrange that the work of construction of the railway be left in the hands of Siamese or British officials."\(^{33}\)

In support of this intimation, reference was made to Article VII of the Franco-Siamese Treaty of 1904. The British claimed the right to expect the same privileges in their sphere of influence as those held by the French in the Mekong basin. Siam had agreed in that treaty to prevent foreign officials and foreign capital from entering the French sphere of influence. The British further asserted that their demand was in accordance with the "spirit" of the 1897 Secret Convention. According to Article III, Siam had recognized Britain's special rights in the Siamese Malay states. In addition, Britain insisted on most-favoured-nation treatment as stipulated in Article

\(^{33}\) Sinclair, "Hobson and Lenin", p.351.

\(^{33}\) C.0.273/322, No.34214, Beckett to Grey, 11 September 1906, confidential.
of the Anglo-Siamese Treaty of 1855. Finally, the establishment of a separate railway department under a Siamese or British Director-General was suggested to take responsibility for the construction, management and control of the proposed line.

The Siamese, of course, perceived the intimation of 11 August as a rude, and totally unjustified, warning. Siam viewed the Secret Treaty of 1897 as a purely political instrument designed to prevent foreign powers from obtaining a foothold on the peninsula, such as naval station. In contrast, the Siames-French Treaty of 1904 was a commercial agreement, unlike the Secret Treaty with Britain. Referring to the most-favoured-nation clause in Article X of the 1855 Anglo-Siamese Treaty, Siam dismissed it as not applicable.

Bangkok accused the Straits government of trying to obtain absolute political and commercial control over the entire peninsula. Britain was also criticised for pursuing a policy of "nationalisation" of a particular Siamese department. A separate department to control and manage the railway project was absolutely unjustified, so was the idea of exchanging German engineers for British ones.

---


Other than the additional cost, Siam might find herself in an awkward position vis-à-vis the German government. The exclusion of German officials from any connection whatsoever with the railway project might give rise to official protests from Berlin, or even invite German diplomatic intervention for the protection of their interests in Siam. Siam thus found herself in the difficult position of having to choose between offending Britain by constructing the railway departmentally under German engineers, or offending Germany by withdrawing German control of the southern portion of the railway project. To escape from this dilemma, Bangkok asked London to take up the matter directly with Berlin.\textsuperscript{m4}

Not receiving any agreeable answer in reply to the intimation, Britain cautioned the Siamese government that it "did not sufficiently appreciate the special position held by Great Britain in the Malay Peninsula" and advised against "the unpleasant situation that would be created if the Germans" secured the construction and control of the railway project in their hands.\textsuperscript{m7}

A short while later, the Acting-Advisor to the Siamese government, Westengard, and the British Minister in Bangkok, Beckett, had an intense discussion regarding the railway project. Beckett accused the Siamese

\textsuperscript{m4}\textit{C.O.273/323, No.34214, Beckett to Grey, 11 September 1906, confidential; No.32468, Beckett to Grey, 12 September 1906, confidential; No.40309, Beckett to Grey, 12 September 1906, confidential.}

\textsuperscript{m7}\textit{C.O.273/323, No.37302, Beckett to Grey, 1 October 1906, confidential.}
government of being "inclined to coquette with Germany at our expense. Germany was in the position of having everything to gain and nothing to lose." Westengard countered that it was only because of Britain's "selfish interests" that Germans should be excluded from the railways. He saw absolutely no reason why Siam should not employ German engineers. "Was it not the Secret Convention one which was of advantage to Great Britain more than Siam?" If Siam agreed to Britain's demands concerning the railway, then Britain "should give something in return for the favour". This is a clear indication that Siam was prepared to jettison German interests if Britain came up with an agreeable offer in return. Westengard also made the following, very curious statement:

"both German and French Governments knew full well, doubtless, the existence of the Secret Convention."

This statement is both surprising and puzzling. Siam had always objected to the publication of the secret treaty for fear that France might insist on a similar agreement. It is doubtful whether Germany knew anything about the existence of the secret treaty (see Chapter 3). Westengard seems to have wanted to test the degree of British resolve with regard to the railway project. Beckett replied:

"In that case ... there was less reason for objecting to publication if it was already public property. On our part ... it was of no use proclaiming the Secret Convention to the

---

world after the Germans had consolidated their interests in the Malay Peninsula: it was [like] shutting the stable door after the horse had gone."\textsuperscript{50}

In the meantime, Weiler, the German Director-General of the Siamese Railway Department since 1904,\textsuperscript{50} was suspected of trying to reverse the policy of public tender, introduced in Siam since 1903, in an effort to secure a German monopoly for the supply of railway materials. In addition to preparing other railway projects such as the extension of the Korat line to the Mekong, and the extension of the Chiangmai line, the British believed that Weiler was urging the Siamese government to ignore British protests and go ahead with the proposed railway plan. Apparently, he was preparing to dispatch a team of German engineers on a survey in the Malay states. Most detrimental to British interests, however, was Weiler's attempt to induce the Siamese authorities to commence the Malay Peninsula railway from Petchaburi southwards. British interests lay instead in beginning the line in the northward direction from the F.M.S. The British also favoured a line from the seaport at Trang to facilitate the shipping of railway materials. The line which promised to be financially most remunerative was from Nakhon Sri

\footnote{Ibid.}

\footnote{Weiler left Siam in 1898 to work on railways in Kiautschou, Germany and Palestine. He returned to Siam to take over Gehrts' position after the latter's death in 1904. (Weiler, "The Germans", p.205.)}
Tamarat.  

The Siamese government thoroughly understood Britain's determination and feared the railway might not be built departmentally if Britain decided to take active measures to support her wishes. Bangkok therefore reluctantly gave assurances on 8 October 1906 that Siam would not oppose Britain's demands as stated in the intimation until Strobel, the Advisor to the Siamese government who was in Europe at the time, discussed the matter directly with the British Foreign Secretary. But Strobel fell ill upon reaching London and was unable for some time to attend any official meetings with the Foreign Office.  

Impatient as always, the colonial authorities again pressed for the publication of the secret treaty. Delaying it increased the risk of foreign influence entering the Siamese Malay States. The treaty did not distinguish between purely commercial enterprise, and concessions that were likely to develop into political issues. Foreign powers might use these concessions as a pretext for

---

C.O.273/323, No.40309, Beckett to Grey 12 September 1906, confidential; No.43387, Beckett's Memorandum of Conversation with Westengard, 1 October 1906; No.37302, Beckett to Grey, 1 October 1906, confidential; No.43385, Beckett to Grey, 11 October 1906, confidential; No.44803, Beckett to Grey, 12 October 1906, confidential.

ntervention. The Colonial Office had already suggested the publication of the secret treaty in 1902 and again in 1904. But the Siamese government strongly opposed its publication fearing France might use it as an excuse to demand additional concessions in Siam's eastern provinces.

For the Foreign Office the publication of the secret treaty was as inconvenient to them as it was to Siam. Dreading the prospect of being embroiled in endless and unpleasant discussions with Germany, the Foreign Office wanted to avoid any communications with Berlin with regard to Siam. Publication of the treaty meant bringing Britain directly face to face with Germany. Furthermore, why make public the treaty if it already gave Britain the right to block German concessions in the Siamese Malay states? Britain in fact used the secret treaty to exclude almost wholesale German concessions from entering the Siamese Malay states as a way of pressuring Siam with regard to the railway.

It is not clear what interest this whole affair had to Duff. He probably hoped to secure some railway

---


\*\*C.O.273/312, No.43668, C.O. to F.O., 7 December 1905, draft, secret.


\*\*C.O.273/333, No.14371, Paget to Grey, 15 April 1907, confidential; No.26882, Paget to Grey, 3 June 1907, confidential.
construction contracts, especially after he had failed in his earlier attempts to gain a railway concession in Kelantan.** To Beckett, Duff complained that the Siamese government was left with the impression that Britain was not earnest about her demands and urged the British Minister to show some "serious opposition".***

But Britain was in fact very serious, and insisted that it was within her rights, according to the Secret Convention of 1897, to demand the total exclusion of non-British capital and subjects from the Siamese Malay states. This, of course, included the exclusion of Germans and the "German Railway Department".*** The Teutonic race was anyway a race that could not be trusted. A German, Beckett once told a Siamese official, was like a "wolf in sheep's clothing". And German policy was compared to "running with the hare and hunting with the hounds", or like "closing the open door and shutting it behind them".**** In London a newspaper reported that Germany was coaxing the Siamese government into leasing an unspecified island for the establishment of a coaling station.*****

**C.O.273/304, Paget to Lansdowne, 4 December 1903.


**The Bangkok Times, 26 December 1906. The Bangkok newspaper, however, dismissed the rumour saying it was (continued...)**
The Siamese deeply resented Britain's "bullying", and in spite of their assurance not to take any steps contrary to British wishes, they were determined to have the Royal Railway Department construct and manage the line.\textsuperscript{72} Bangkok weighed various methods of raising capital for the project. One possibility was to raise a loan through several European banks. But this idea met with severe British opposition for fear that German banks might get involved and claim a voice with regard to construction and control of the railway.\textsuperscript{73} Beckett warned the Siamese government not to apply for a German loan to construct the Malay Peninsula Railway. Any decision with regards to its funding must wait until the Grey-Strobel meeting in London.\textsuperscript{74} He believed, however, that even if Siam had abandoned the "principle of control by the German Railway Department", the German factor might still be used "as a

\textsuperscript{71}(...continued)

unlikely for Siam to allow "a footing to a third European power" in her territories. This rumour may have arisen from an application made by the North German Lloyd to establish coaling bulks at Kosichang.


\textsuperscript{73}\textbf{C.O.273/323}, No.40802, Beckett to Grey, 31 October 1906, confidential; No.41858, Grey to Beckett, 8 November 1906, confidential. The estimated sum needed for constructing the entire proposed railway network was estimated at 52,000,000 ticals, or approximately 3,500,000 pounds: Malay Peninsula Railway, 26,000,000 ticals; Northern Railway, 15,000,000 ticals; Bangkok-Patrieawyon Railway, 9,000,000 ticals; Nakonchais-Supan Railway, 2,000,000 ticals.

\textsuperscript{74}\textbf{C.O.273/323}, No.46119, Beckett to Grey, 12 December 1906, confidential.
lever to extract a 'quid pro quo' in connection with the interpretation of the Agreement of 1897."

Hearing certain rumours, Prollius, the German Minister in Bangkok, queried the Siamese government in January 1907, whether it was true that Britain was given exclusive rights to construct the southern railway. Prollius, however, was assured that what he had heard was absolutely untrue. "Siam was not Manchuria", he was told, and the intention still stood firm to construct the line departmentally."

---


III. A Treaty without Germany

The colonial authorities were eagerly awaiting the outcome of the upcoming meeting in London between Strobel and Grey. Shortly before the meeting, Governor Anderson of the Straits Settlements strongly warned against allowing the Siamese Railway Department to construct the southern line:

"I would urge that any proposal for departmental construction should be firmly refused. It would mean that German influence and interests would exceed ours in the North of the Peninsula. This is the Siamese Government's real aim; they desire to bring in Germany as a supporter against the pressure of France or England. ... A large part of the new Siamese loan is being taken by Germany and she is otherwise acquiring a strong footing in Siam. A large planting concession in Kedah has just been granted nominally to a Penang Chinaman but really to Behn, Meyer & Co. and others are being considered."

During the meeting that finally took place between Strobel and Grey at the Foreign Office in London early in 1907, discussion revolved primarily around the issue of publishing the Secret Convention of 1897. Strobel reiterated Siam's objections to its publication because other powers might protest against Siam's breach of the most-favoured-nation clause. Strobel also made it clear that if Britain went ahead and published the treaty, the Siamese government would simply "unload" the resulting

---

"C.O.273/330, No.1026, Anderson to Elgin, 7 January 1907, telegram."
problems "on to the shoulders" of the British government.  

Several articles appeared in the Bangkok press a short while later claiming that British pressure had induced the Siamese government to form a separate department for the construction of the southern railway. Prollius, the German Minister, went to see the Acting-Advisor for an explanation. Westengard replied that Britain had requested the same privileges which France had obtained in Article VII of the Franco-Siamese Convention of 1904, but that Siam was still weighing her options. Prollius then pointed out that Britain had no right to demand same rights as those claimed by France.  

As soon as Strobel returned to Bangkok in early March 1907, he announced a new agreement with France which he had secretly worked out in Paris. In this agreement Siam agreed to transfer to France her eastern provinces of Siemreap, Battambang, and Sisophon, a total area of about 20,000 square kilometres. In exchange France agreed to give up her extra-territorial and jurisdiction rights in Siam. Paget quickly suggested that Britain should exact from Siam similar "territorial or other" concessions. The policy set in 1893 to maintain Siam as a buffer-state between British and French possessions was

---

\[C.O.273/333, \text{No.4817, F.O. to C.O.}, 2 \text{February } 1907, \text{secret}. \]

\[C.O.273/333, \text{No.12510, Paget to Grey}, 22 \text{February } 1907, \text{confidential}. \]
now superfluous because of France's new acquisitions. Anderson quickly urged the British government to "make similar concessions as to jurisdiction" and "insist on Siam's surrendering her claims to the States in the North of the Malay Peninsula".  

But before the Foreign Office had time to consider their next move, Siam offered to cede to Britain the states of Kedah, Kelantan and Terengganu. In return, Siam wanted Britain to abrogate the Secret Treaty of 1897, to withdraw her extra-territorial and jurisdiction rights, to annul the Anglo-French Declaration of 1904, and to arrive at a satisfying agreement for the construction of the peninsula railway. Siam also indicated her readiness to put up each completed railway section as security for a low interest loan from the F.M.S.  

Why this sudden proposal? Obviously, the Siamese were shrewd enough to perceive the fact that Germany was in no position to render any valid support against Britain or France. The Siamese were greatly disappointed with the German performance in Morocco and they surely did not want a similar debacle repeated over Siam. Looking for a way to get rid of British meddling once and for all, Siam

---


C.O.273/333, No.11944, Paget to Grey, 30 March 1907; No.16520, F.O. to C.O., 8 May 1907, confidential; No.30273, Strobel to Paget, 1 July 1907.  

C.O.273/323, No.43387, Beckett's Memorandum of Conversation with Westengard, 1 October 1906.
felt it necessary, and worth the sacrifice, to cede some territory in return for regaining full control over her own affairs.\textsuperscript{33} The Franco-Siamese Treaty had been concluded with a similar purpose in mind.

Britain immediately agreed to consider the Siamese proposal if certain conditions were fulfilled. In addition to assurances that Siam would not cede to other powers any of her territories, the British insisted that construction of the southern railway should be left entirely to British and Siamese engineers. Moreover, a separate railway department should be established especially for this project because the British government "did not desire the control should be left to the present German Railway Department". In Paget's opinion "a German Director-General would scarcely be conducive to harmonious working; that a British staff of engineers under German control scarcely seemed to present the elements of success". The British government also indicated their readiness to ease some of their opposition to foreign concessions in the Malay Peninsula.\textsuperscript{34}

The Siamese, among them Prince Damrong, were not at all pleased with Britain's demands. They were willing to place construction of the southern railway in British hands, but refused to consider the establishment of a separate department. Apart from the additional monetary

\textsuperscript{33}C.O. 273/333, No.30273, Strobel to Paget, 1 July 1907.

\textsuperscript{34}C.O. 273/333, No.14371, Paget to Strobel, 8 March 1907; Paget to Grey, 15 March 1907, confidential.
burden on the treasury, the Royal Railway Department, although under German management, was still a Siamese department. Furthermore, the French might also demand a separate department if Siarn wanted to construct a railway line towards the Mekong Valley in the future.\textsuperscript{15}

The Colonial Office was particularly pleased with the Siamese offer to exchange territory for the abrogation of Britain's jurisdiction rights. Lucas "most strongly" supported the idea because Britain would obtain Kelantan and Terengganu.\textsuperscript{16} But Governor Anderson of the Straits Settlements wanted even more. He urged London to exact from Siarn the entire area south of latitude 7, or at least Legeh, in addition to the territories already offered by Siarn, the provinces of Reman, Perlis and Setul, the last two because they were dependencies of Kedah. As to the railway line, Anderson held the position that the F.M.S. should be given the concession to construct it.\textsuperscript{17}

In accordance with Anderson's suggestions, the British government offered Siarn an attractive loan for only 3.75 percent interest if the F.M.S. obtained the rights to construct the line. Strobel did not mind the loan, but he was fiercely against granting the F.M.S the

\textsuperscript{15}C.O.273/333, No.14371, Paget to Strobel, 8 March 1907; No.14371, Paget to Grey, 15 March 1907, confidential.

\textsuperscript{16}C.O.273/330, No.15123, Minute by Lucas, 29 March 1907.

\textsuperscript{17}C.O.273/331, No.31294, Anderson to Elgin, 31 August 1907, telegram; C.O. to F.O., 6 September 1907, draft, secret; C.O.273/339, No.7377, Paget to Anderson, 28 December 1907, telegram.
railway concession. He preferred instead to give responsibility of construction to British and Siamese engineers employed in a separate railway department autonomous from German control.**

Hearing rumours that Britain was pushing for the separation of the Malay Peninsula Railway project from the rest of the Siamese Railway Department, Prollius, the German Minister, repeatedly asked the Siamese government whether these rumours were true. It seems that Strobel finally at one point confirmed Prollius's suspicions.** Berlin was informed about Britain's endeavours to secure the railway project. But the German Foreign Office abstained from directly communicating with London on this matter because relations between the two European powers were already severely strained.**

The Siamese government had gradually realized that the only way to build the southern railway was without the Germans. This realization was further strengthened by several incidents which annoyed the Siamese. A contract for a loan totalling 3,000,000 pounds at 4.5 percent interest had been signed between Siam and three European banks: the British Hongkong and Shanghai Bank, the French


**C.O.273/343, No.22372, Paget to Grey, 24 April 1908 confidential.

"Banque de l'Indo-Chine", and the "Deutsch-Asiatische Bank". The British and French banks came forward with their portion of the loan on time. But when the Siamese government gave notice in February 1907 for the German bank to pay up their share of 750,000 pounds, the Germans asked for the notice to be withdrawn. The Siamese refused and insisted on payment according to the terms of the agreement. At this point the German Foreign Office got involved and it was agreed that the bank should pay most of the loan while retaining 250,000 pounds on deposit. Germany was suspected of wanting to use this loan as a leverage against any future agreement between Britain and Siam regarding the construction of the Malay Peninsula railway.\(^\text{91}\)

It also appears that the Siamese were becoming increasingly dissatisfied with the German management of their railways department. It was hinted that a Siamese would replace the German Director-General as soon as his contract expired in 1911.\(^\text{92}\)

In July 1908, the German Minister in Peking announced that Germany was now looking after Turkish interests in China. According to Beckett, this was a matter not to be taken lightly. Some 16,000,000 Muslims were living in

\(^{91}\text{C.O.273/343, No.22372, Paget to Grey, 24 April 1908, confidential; Paget to Grey, 5 May 1908, confidential. The "Deutsch-Asiatische Bank" held back only 100,000 pounds, which was invested in Prussian government bonds on behalf of Siam.}\)

\(^{92}\text{C.O.273/353, No.8741, Paget to Grey, 27 January 1909, confidential.}\)
China, and there were at least 1,000,000 Muslims in the Malay parts of Siam. The Ottoman government had already requested Germany to take care of Turkish interests in Siam in November 1905. It appeared reasonable to Beckett "to presume that the German Government are seizing the opportunity afforded by Turkey's awakening strength to acquire political influence for Germany in the Far East by posing as the champions and protectors of the Mohammedan races."

The main points of the Anglo-Siamese agreement had been generally agreed upon when Strobel died on 15 January 1908. Yet negotiations still dragged on for a considerable time until all details were finally worked out.™ Anderson had strongly objected to a loan from the F.M.S. because it might be used to purchase German rails and rolling stock. For "guarantees on these points" he was "prepared to waive actual construction for sufficient territory, at least Rehman and Legeh, waiving Setul and Terutau".™ When Siam agreed to omit all special references to German standards and specifications when tendering for railway materials, the British viewed it as "a matter for congratulation by British manufacturers that this handicap to fair competition which has so long been


™C.O.273/343, No.22372, Paget to Grey, 24 April 1908 confidential.

imposed upon them has at length been removed.\(^\text{**}\)

The discussion of the railway project proceeded parallel to the discussion of other portions of the treaty. On 10 March 1909 a simultaneous agreement between the Siamese Railway Department and the F.M.S., and between the Siamese and British governments was signed in Bangkok. In the agreement between the Siamese Railway Department and the F.M.S., Siam agreed to assign the construction and control of the peninsula railway to a British Director-General autonomous from the Siamese Railway Department. Under the agreement, the F.M.S. was to provide a loan of 4,000,000 pounds at 4 percent interest for the construction of the railway in the Siamese part of the Malay Peninsula. All aspects of construction, maintenance and operation of the new line was to be kept separate from other Siamese railways. While the construction of the railway came under a British chief engineer, the completed portions of the line were to be placed under the direct control of a Siamese - not German - Director-General.\(^\text{**}\)

In the agreement between the Siamese and British governments, Siam undertook to cede to Britain the Malay states of Kelantan, Terengganu and Kedah, including Pulau Langkawi and the lower parts of Legeh and Reman. Britain in return agreed to surrender gradually her extra-

\(^{\text{**\text{C.O.273/353}}}\) No.1738, Beckett to Grey, 28 October 1908, confidential.

\(^{\text{**\text{C.O.273/353}}}\) No.18764, Beckett to Grey, 31 March 1909, Inclosure 13 in No.1, Railway Agreement between F.M.S. and Siam; Beckett to Grey, 31 March 1909, Inclosure 14 in No.1, Prince Devawongse to Paget, 10 March 1909.
territorial and jurisdiction rights in Siam.  

The treaty had not yet been officially released for publication when certain clauses became known to the public. Worrying about German and Dutch protests, the Siamese government pushed for its full publication. Grey approved the publication on 10 June 1909, and it was ratified by both governments on 9 July 1909.  

The Anglo-Siamese Treaty of 1909 was quite similar to the Franco-Siamese Agreement of 1907. In each treaty, Siam ceded some territory in exchange for the removal of particular threats imposed upon her from the outside. But the treaty of 1909 had two major adverse effects on German interests in Siam. The first negative consequence was the exclusion of German engineers from the Peninsula Railway Project. This greatly diminished German influence in Siamese railway matters. The second negative outcome was the decision to suspend further construction work on the northern railway for lack of funds. A total of 17 German railway personnel were expected to lose their jobs. The Dutch were equally unhappy with the agreement because it affected their irrigation projects in Siam. In protest against the planned suspension of funds, the Dutch Director-General of the irrigation project resigned.  

---  

**C.O.273/353, No.14339, Treaty between Great Britain and Siam, 10 March 1909.**  

**C.O.273/353, No.21069, Beckett to Grey, 26 April 1909.**  

**C.O.273/353, No.17755, Beckett to Grey, 7 April 1909, confidential; No.21069, Beckett to Grey, 26 April 1909; No.14770, Beckett to F.O, 26 April 1909.**
It did not make any sense to the Germans and Dutch that Siam should give up "valuable territory" in exchange for Britain giving up her jurisdiction and extraterritorial rights. In their view Britain unfairly got a much better deal. Obviously furious, the German and Dutch Ministers demanded that the Siamese government should appoint more German and Dutch advisers in various departments in order to "set-off" the "unfair advantage gained by Britain". According to the railway agreement, only the Chief Engineer was supposed to be an Englishman, not the entire staff of engineers as initially demanded by Britain. This meant that all German engineers who had lost their jobs on the northern railway were eligible for work on the Malay Peninsula Project. But Gittins, the appointed Chief Engineer responsible for selecting the railway engineers, chose to employ only 5 out of the 14 German engineers actually suspended from the northern line. Other than that, only British engineers were selected.\(^{101}\)

Governor Anderson finally got to hoist the British flag on Pulau Langkawi on Friday 6 August 1909 after having "much admired" the island's natural harbour.\(^{102}\) The acquisition of Pulau Langkawi was hailed in Singapore as the most important achievement of the treaty because it did away with the German threat. The "Singapore Free Press" of 9 August 1909 published a long article on the


\(^{102}\) The Straits Times, 7 August 1909.
front page entitled "Langkawi", a portion of which read:

"This name [Langkawi] has been before the British and Straits public for some time, although the former only knew it at first under the distorted form of 'Langkane'. Very little seems to be known about it, and the reason for its cession to Britain was no doubt partly political and partly geographical. The control would go in well with Kedah; and the danger of a fine island like this, with deep water near its shores, coming under foreign control, is too obviously a menace to British power at the north of the Malacca Straits and at the south of India to be desirable. In this light, Langkawi is probably the most important political acquisition by the Treaty."

---

The Singapore Free Press, 9 August 1909.