

## Reaching Out and Incorporating Chinese Overseas: The Trans-territorial Scope of the PRC by the End of the 20th Century\*

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Since the early 1980s, the People's Republic of China (PRC) has experienced a period of soaring out-migration because of significant domestic economic reforms and vigorous involvement in globalization.<sup>1</sup> Contrary to PRC policies on Chinese overseas<sup>2</sup> prior to 1978, the Chinese state is now actively seeking to retain transnational ties to the millions of Chinese citizens and ethnic Chinese spread across the globe.<sup>3</sup> However, such official courting of Chinese migrants is not a recent occurrence but has been undertaken by successive Chinese governments, regardless of ideology. Only official national discourse and political strategies of incorporating the Chinese overseas have varied according to China's international position and internal political situation.<sup>4</sup>

This article explores the twists and turns of Chinese policies and political discourse since 1978 in response to the novel situation of surging globalization and migration from China. In particular, it is concerned with the re-configurations of the Chinese state's relationships to Chinese overseas as expressed by gradual changes in policies, conceptions and methods focusing on establishing allegiances of Chinese migrants to bring about increased financial investments and remittances to the PRC for the benefit of economic development, and social and political stability. By analysing primarily official and public documents, and based on interviews with officials in Fujian (1998–2000), this article identifies two major political shifts in the conceptualizations of the Chinese overseas.

The first major political change appeared in the late 1970s when

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1. On the connection between globalization and migration, see Wang Gungwu (ed.), *Global History and Migrations* (Boulder, CO: Westview Press, 1997).

2. Due to the Sino-centric connotation of the term "overseas Chinese," this article employs the term "Chinese overseas" for persons of Chinese ancestry living outside the mainland and Taiwan. Chinese overseas holding non-Chinese citizenship are also referred to as "ethnic Chinese." These classifications are determined by the analysis of PRC policies in this article.

3. The PRC official estimation of Chinese overseas holding Chinese citizenship (*huaqiao*) and ethnic Chinese of non-Chinese citizenship (*huaren*) is 30 million. *Renmin ribao* (*People's Daily*), 19 January 2000, p. 1.

4. Stephen Fitzgerald, *China and the Overseas Chinese* (London: Cambridge University Press, 1972); Yen Ching-hwang, *Coolies and Mandarins: China's Protection of Overseas Chinese during the Late Ch'ing Period (1851–1911)* (Singapore: Singapore University Press, 1985).

Chinese citizens living abroad were recognized as a patriotic force to the PRC. To regain Chinese migrants' confidence in the PRC, relatives of migrants living in China (dependants, *qiaojuan*) and returned migrants (overseas Chinese returnees, *guiqiao*) became politically rehabilitated, and were by law granted special social, economic and political privileges. By the late 1980s, however, it became evident that attempts to curry favour with Chinese overseas by safeguarding special treatment of their relatives in the PRC had only a limited effect on the level of their financial investments to the PRC. In trying to counter this development, policies were changed to appeal more to ethnic Chinese and "new migrants" (*xin yimin*) who left China after 1978. The article shows that this adjustment in the PRC's Chinese overseas policies fundamentally transformed its approach from passive anticipation of being able to gain resources from the Chinese overseas via relatives living in the PRC to active state liaison with recent Chinese migrants and ethnic Chinese by calling upon their cultural and national loyalties to China regardless of citizenship.

*Setting the Scene after the Cultural Revolution: Return to Chinese Overseas Policies of the 1950s*

After the turbulence of the Cultural Revolution, China's government bureaucracy was slowly resuscitated. In 1974, the Overseas Chinese Affairs Commission (OCAC)<sup>5</sup> was re-established. It regained its former policy tasks when the newly rehabilitated Vice-Chairman of the Chinese Communist Party (CCP), Deng Xiaoping, at the National Day celebration on 29 September 1977 mentioned "overseas Chinese affairs"<sup>6</sup> as something to incorporate in a new government work agenda.<sup>7</sup> Two months later, Deng's political ideas materialized at a preparatory meeting for a large national conference on new policies concerning "overseas Chinese affairs." At this meeting, the Chairman of the OCAC before the Cultural Revolution, Liao Chengzhi,<sup>8</sup> also resurfaced and delivered a full rebuttal of the policies implemented after 1966 that persecuted Chinese overseas and their relatives in the PRC.<sup>9</sup> The editorial accompanying his speech

5. The Overseas Chinese Affairs Commission (*Huaqiao shiwu weiyuanhui*) was established under the State Council in October 1949. In January 1978, the Commission was changed into a working body under the State Council called the Overseas Chinese Affairs Office (*Qiaowu bangongshi*). It operates as a ministry and branches down to the administrative level of the township (*xiang*) in all provinces except Tibet. The office convenes conferences at which statements of official policies are announced and implementations of policies are reviewed.

6. *Huaqiao shiwu* is translated in this article as "overseas Chinese affairs" embracing the Chinese overseas as well as their domestic relatives and the network of organizations within China formulating and implementing policies.

7. *Renmin ribao*, 4 January 1978, p. 1.

8. Liao Chengzhi was the Chairman of the OCAC from 1959 to 1966. He was son of Liao Zhongkai who had been one of Sun Yat-sen's comrades-in-arms.

9. Liao Chengzhi, "Pipan 'sirenbang' suowei 'haiwai guanxi' wenti de fandong miulun" ("Criticizing the reactionary fallacy of 'overseas connection' advocated by the 'Gang of Four'"), *Renmin ribao*, 4 January 1978, p. 3.

(two months later) in *Renmin ribao* (*People's Daily*) supported this re-conceptualization of the entire field of “overseas Chinese affairs” by calling for the rehabilitation of dependants in the PRC and returnees who had been accused as foreign conspirators during the Cultural Revolution.<sup>10</sup>

The CCP's recognition of Chinese citizens living abroad as ordinary citizens of the PRC, as “part of the Chinese people,”<sup>11</sup> and by saluting them as patriotic,<sup>12</sup> certainly instituted a change in China's relationship to both Chinese citizens living overseas and to the ethnic Chinese. Gone were all the allegations from the Cultural Revolution of treacherous Chinese migrants and their devious relatives in China. In its place, Chinese overseas were to become involved in the realization of the “Four Modernizations.”<sup>13</sup>

However, the incorporation of Chinese overseas into the PRC was still based on the legal principles of prohibiting dual citizenship, and respecting Chinese migrants' voluntary expatriation, naturalization and integration with local populations.<sup>14</sup> As to national protection of Chinese citizens abroad, the Chinese leadership re-adopted in the Constitution of 1982 the policies formulated in the first Constitution of 1954, affirming that “the PRC protects the legitimate rights and interests of Chinese nationals residing abroad,” but making it clear that protection only included Chinese nationals.<sup>15</sup> However, already in 1978, it was clear with the case of discrimination against ethnic Chinese in Vietnam that protection of Chinese nationals meant only hesitant intervention on the part of the PRC.<sup>16</sup>

The guiding principles of the PRC's policies in the 1980s in relation to Chinese overseas all carefully followed the “three-good” policies of

10. “Bixu zhongshi qiaowu gongzuo” (“It is paramount to attach importance to the work in the field of overseas Chinese affairs”) (Editorial), *Renmin ribao*, 4 January 1978, p. 1.

11. *Ibid.*

12. “With the destiny of overseas Chinese closely linked with that of the motherland, the vast majority of the overseas Chinese are patriotic.” *Ibid.*

13. “Li Xiannian tongzhi zai quanguo qiaowu huiyi he dier ci quanguo guiqiao daibiaohui shang de zhici” (“Comrade Li Xiannian's speech at the National Conference on Overseas Chinese Affairs and the Second National Conference for Representatives of Returned Overseas Chinese”) in *Guowuyuan qiaowu bangongshi* (Overseas Chinese Affairs Office of the State Council (ed.), *Qiaowu fagui wenjian huibian 1955–1999* (*Collection of Laws and Regulations Concerning Overseas Chinese Affairs, 1955–1999*), internal publication, 1999, pp. 6–7.

14. *Renmin ribao*, 4 January 1978, p. 1. The CCP first discarded holding dual nationalities in front of Afro-Asian leaders at the Bandung Conference in 1955. In 1980, the first Nationality Law of the PRC abandoned dual nationality (articles 3, 4, 5, 9), in “Zhonghua Renmin Gongheguo guojifa” (“Nationality law of the People's Republic of China”), *Quanguo renmin daibiao dahui changwu weiyuanhui fazhi gongzuo weiyuanhui* (Committee of Legal Work of the National People's Congress' Standing Committee) (ed.), *Zhonghua Renmin Gongheguo falü huibian, 1979–1984* (*Collection of Laws of the People's Republic of China, 1979–1984*) (Beijing: Renmin chubanshe, 1985), p. 200.

15. Section 2, article 50 in “Zhonghua Renmin Gongheguo xianfa” (“The Constitution of the People's Republic of China”), *Collection of Laws, 1979–1984*, p. 16.

16. Fitzgerald, *China and the Overseas Chinese*, pp. 81–83, 153–54. On the conflicts regarding the ethnic Chinese in Vietnam and the PRC's protective measures see Leo Suryadinata, *China and the ASEAN States* (Singapore: Singapore University Press, 1985), pp. 43–58.

1957–58: encouraging Chinese nationals abroad to become naturalized, and to integrate locally, and using repatriation as a way to protect Chinese nationals abroad in the case of, for example persecution.<sup>17</sup> Having been in force more or less until the Cultural Revolution, these policies reflect the continued concern of the CCP to persuade countries in South-East Asia of its non-colonial intentions concerning Chinese overseas in these countries.

After the failure of the Cultural Revolution, the CCP probably no longer held ambitions about exporting revolutionary activities by way of the Chinese overseas, nor was the number of Chinese overseas who owed political allegiance to China significant for its modernization, considering the decreasing ratio of China-born migrants in South-East Asia and elsewhere. Diplomatic recognition and trade with countries in the region was, on the other hand, of utmost importance for the CCP to implement its programme of modernization. The Director of the Overseas Chinese Affairs Office, Li Xiannian, expressed his concern with diplomatic relations in 1979 at the National Conference on Overseas Chinese Affairs:

The international and domestic situation is very beneficial to us ... [if] we quickly want to realize socialist modernization, it is necessary to strive for a peaceful international environment ... The policies on international overseas Chinese affairs of our country were personally established by Chairman Mao and Prime Minister Zhou and accorded with the Five Principles of Peaceful Co-existence.<sup>18</sup>

At a work conference on domestic Chinese overseas in 1981 for the central leadership, Li Xiannian commented in particular on the sensitive issue of the Chinese overseas in South-East Asia:

The crucial issue of overseas Chinese work is to stress patriotism ... Some countries in South-East Asia are relatively sensitive in regard to this issue [patriotism]. We should consider each individual country and pay attention to our work methods. Australia, United States, Europe and other countries are indifferent to this issue.<sup>19</sup>

To carry out the economic reforms, the CCP evidently decided to reiterate the pre-Cultural Revolution principles of disengagement from Chinese overseas for political purposes. In September 1979, Deng Xiaoping made it clear that the policies of Mao Zedong and Zhou Enlai by and large were to be reapplied, but with certain modifications.<sup>20</sup> The adjustments seemed to relate primarily to the domestic situation of the

17. For the “three-good” policies, see Fitzgerald, *China and the Overseas Chinese*, pp. 141–155.

18. “Li Xiannian tongzhi zai quanguo qiaowu huiyi he dier ci quanguo guiqiao daibiaohui shang de zhici” (“Comrade Li Xiannian’s speech at the National Conference on Overseas Chinese Affairs and the Second National Conference for Representatives of Returned Overseas Chinese”) in *Collection of Laws and Regulations, 1955–1999*, pp. 6–7.

19. “Zhongyang lingdao tongzhi zai guonei qiaowu gongzuo zuotanhui shang de jianghua yaodian” (“The main points in speeches of the central leadership at a symposium on domestic overseas Chinese work”) in *ibid.* p. 14.

20. Quan Haosheng, “Deng Xiaoping qiaowu sixiang zhi yuan” (“The origin of Deng Xiaoping’s thoughts on overseas Chinese affairs”), *Qiaowu gongzuo yanjiu* (Beijing), No. 3 (1998), p. 16.

re-establishing of a privileged status for dependants of Chinese overseas and returned migrants which had been enforced by decree in 1955.<sup>21</sup> The rationale behind granting privileged status to dependants and returned Chinese was based on an identification from the early 1950s of a direct relationship between the treatment of dependants and returnees and the response of the Chinese overseas.<sup>22</sup> When remittances and investments failed to appear, and when granting concessions for certain groups in Chinese society became incompatible with the dominant socialist ideology, privileges had been reduced in 1958–59.<sup>23</sup>

In the late 1970s, however, the PRC could not afford to re-implement policies disclaiming special privileges to relatives of Chinese overseas or returned Chinese after the bitter alienation of these groups during the Cultural Revolution. The rehabilitation process was essential for the nurturing of closer ties to the Chinese overseas, and the former social status of dependants and returnees was re-established. In fact, during the early years of the reform period (1977–84), most political speeches and policy implementations reflect concern with the relatives of the Chinese overseas. Although the main reason for reclaiming contacts with the Chinese overseas was declared by elite politicians to be the potential acquisition of resources from overseas, limited attention paid to the nature and usage of potential investments reflects a primary motive of concern with domestic relatives.<sup>24</sup>

By the early 1980s, the official political line towards the Chinese overseas had been established as a combination of anti-colonial policies dismissing them as subjects of revolutionary interest to the PRC and domestic policies acknowledging an interest in them and their resources by re-introducing the system of privileged status for their relatives and returned Chinese living within the PRC. These essentially incongruous political positions had already in the 1950s constituted major difficulties for the CCP, and were among other domestic reasons the cause of numerous shifts in Chinese overseas policies. In the 1980s and 1990s, the same dilemma of maintaining a balance between detachment from Chinese overseas to reconcile the PRC with its neighbours and attachment to them to attract resources had to be solved. With the growing international influence of the PRC and increasing numbers of new migrants living outside South-East Asia, such contradictions were gradually alleviated. Seeking attachment with Chinese overseas has by now become the main focal point of PRC policies towards its citizens and former citizens living outside its sovereignty.

21. “Guowuyuan guanyu guanche baohu qiaohui zhengce de mingling” (“State Council order of the People’s Republic of China concerning the implementation of the policy for the protection of Overseas Chinese remittances”) promulgated on 23 February 1955. In *Collection of Laws and Regulations, 1955–1999*, p. 270.

22. Fitzgerald, *China and the Overseas Chinese*, pp. 52–58. For a detailed case study on the dependants and returnees in the formative years, see Glen D. Peterson, “Socialist China and the huaqiao: the transition to socialism in the overseas Chinese areas of Guangdong, 1949–1956,” *Modern China*, Vol. 14, No. 3 (June 1988), pp. 309–335.

23. Fitzgerald, *China and the Overseas Chinese*, pp. 58–68.

24. *Collection of Laws and Regulations, 1955–1999*, pp. 5–16.

*Seeking Re-attachment with Chinese Overseas by Means of Relatives*

The support of relatives was regarded as paramount by the CCP in its endeavour to attract remittances and investments from Chinese overseas.<sup>25</sup> The Head of the Overseas Chinese group of the Consultative Conference's National Executive Committee, Huang Dingchen, unmistakably expressed the purpose of seeking re-attachment between relatives in China and Chinese overseas:

Our numerous returned overseas Chinese and Chinese dependants can with their many relatives and friends abroad have a vigorous effect on the introduction of advanced technology, sending of technical manpower, fight for remittances and investments, conducting compensatory trade, improving business and other related matters.<sup>26</sup>

By offering relatives of Chinese overseas and returnees special protection in the future, and compensating for their losses and mistreatment experienced during the Cultural Revolution, the CCP anticipated re-establishing relations between family members in China and abroad.<sup>27</sup>

As in the early 1950s,<sup>28</sup> the CCP argued that people with overseas relations "hold some special characteristics that are different from other citizens. That is primarily that they have close contacts to relatives abroad."<sup>29</sup> Consequently, relatives of Chinese overseas and returnees were entitled to special treatment. One evident sign of their new rights was the particular mention of them as recognized groups in the new Constitution of December 1982.<sup>30</sup>

Prior to this Constitutional recognition, the administrative apparatus to support and protect the rights of more than 20 million<sup>31</sup> relatives of Chinese overseas and returnees had already been re-established. In 1978, All China Federation of Returned Overseas Chinese (ACFROC) (*Zhonghua quanguo guiguo huaqiao lianhehui*) was back in place as the non-governmental parallel bureaucracy to the official organs of the

25. "Dependants" (*qiaojuan*) were defined in an internal circular of 1984 as relatives (spouse, parents, children, siblings, grandparents, grandparents-in-law, grandchildren, adopted persons or other persons relying on remittances for a living) of Chinese overseas. "Returnees" (*guiqiao*) include only Chinese returning from having settled (*dingju*) overseas. "Guowuyuan qiaoban yinfa 'Guanyu huaqiao, guiqiao, huaqiao xuesheng, guiqiao xuesheng, qiaojuan deng shenfen jieshi (shixing)' de tongzhi" ("Circular from Overseas Chinese Affairs Office of the State Council on distributing 'Explanations concerning the identification of overseas Chinese, returnees, overseas Chinese students, returned students, dependants and other (trial version)'" in *Collection of Laws and Regulations, 1955–1999*, pp. 153–54.

26. *Renmin ribao*, 23 January 1979, p. 4.

27. In 1981, the official number of *qiaojuan* and *guiqiao* involved in "unjust, falsified or mistaken charges" ( *yuanjia cuo'an*) reached at least 22,630. Lin Yixin, "Zai guonei qiaowu gongzuo zuotanhui shang de jianghua" ("Speech at the work conference on overseas Chinese affairs"), *Studies on Chinese Communism*, Vol. 15, No. 1 (1981), p. 115. See also C. Y. Chang, "Overseas Chinese in China's policy," *The China Quarterly*, No. 82 (1980), pp. 281–303.

28. Fitzgerald, *China and the Overseas Chinese*, pp. 54–63.

29. Editorial, *Renmin ribao*, 4 January 1978, p. 1.

30. Section 2, article 50 in "The Constitution of the PRC," p. 16.

31. *Renmin ribao*, 3 January 1983, p. 1; 23 December 1989, p. 3.

Overseas Chinese Affairs Office.<sup>32</sup> The intention of this Federation, which was formally established at the national level in 1956, was to provide a bridge between the relatives and returnees and the CCP.<sup>33</sup> In the period from 1978 to 1989, the Federation was re-established, and its hierarchical structure was swiftly completed. More than 2,000 organs of the ACFROC were established in 29 provinces, cities and autonomous districts, and a total of 8,000 affiliated organizations were set up at the lower administrative level of the county and village.<sup>34</sup> In 1983, the National People's Congress also established its own Overseas Chinese Affairs Committee (*Quanguo renmin daibiao dahui huaqiao weiyuanhui*) of 14 members responsible for legislation and monitoring the implementation of government policies related to the relatives, returnees and the Chinese overseas.

Despite this extensive new bureaucracy to implement policies of protection, rehabilitation of dependants and returnees progressed slowly because of resistance at the grassroots level. A sustained suspicion towards dependants and returnees originating from the Cultural Revolution and an envy of their newly acclaimed special status continued severely to curtail rehabilitation.<sup>35</sup>

In 1986, the process of re-evaluating more than 60,000 charges<sup>36</sup> against relatives of Chinese overseas was officially "basically completed."<sup>37</sup> However, for the Chinese authorities the most difficult part of the rehabilitation process was to return confiscated property and houses of dependants, returnees and Chinese overseas, which had been expropriated by the state during the land reforms of 1950, the Great Leap Forward and the Cultural Revolution. Simultaneously, the CCP regarded houses and property as essential symbols of national attachment to China for the Chinese overseas. Returning of houses and land leases thus became imperative for the restoration of the CCP's own reputation and prestige among the Chinese overseas, and to enable the re-engagement of the Chinese overseas by claiming their attachments to their "ancestral localities." One official from Fujian clearly expressed this relationship:

Implementing the policies of returning the houses of the "overseas Chinese" is not only a question about the protection of honouring the Constitution, but is a question

32. Fujiansheng difangzhi bianzuan weiyuanhui (Compilation committee of local gazetteers of Fujian) (ed.), *Fujiansheng zhi: huaqiaozhi (Fujian Local Gazetteer: Overseas Chinese Volume)* (Fuzhou: Fujian renmin chubanshe, 1992), pp. 282–83; Guangdong difang shizhi bianzuan weiyuanhui (Compilation committee of local gazetteers of Guangdong) (ed.), *Guangdongsheng zhi: huaqiaozhi (Guangdong Provincial Gazetteer: Overseas Chinese Volume)*, pp. 234–37.

33. "Zhonghua quanguo guiguo huaqiao lianhehui zhangcheng" ("The Constitution of All China Federation of Returned Overseas Chinese"), *Renmin ribao*, 19 April 1984, p. 4.

34. Zhou Nanjing (ed.), *Shijie huaqiao huaren cidian (Dictionary of Overseas Chinese)* (Beijing: Beijing daxue chubanshe, 1993), p. 92.

35. *Renmin ribao*, 24 April 1983, p. 4. See also *Renmin ribao*, 29 April 1983, p. 4; 12 February 1984, p. 4; 13 April 1984, p. 4.

36. 64,500 files according to later official statistics. Zhou Nanjing, *Dictionary of Overseas Chinese*, p. 175.

37. *Renmin ribao*, 18 November 1986, p. 4; 13 March 1987, p. 4.

of protecting the overseas Chinese feeling of nationality (*min'gan*) and the concept of the fatherland ...<sup>38</sup>

Regardless of political attention and approval of numerous decisions to secure the rightful returns of houses, the actual process progressed slowly because evicted persons or institutions had nowhere else to move.<sup>39</sup> In March 1985, the Chairman of the OCAO, Liao Hui, proclaimed that the return of wrongfully expropriated houses in the cities belonging to Chinese overseas had almost been completed and the next step was to return land.<sup>40</sup> In the countryside, where both land and houses had been expropriated, this process continues into the 21st century. In Fujian, the provincial branch of the ACFROC claimed in early 2000 that in Fujian province, returning property and houses is still being carried out.<sup>41</sup>

#### *The Protection Law of 1990*

During the decade from 1980 to 1990, the strategy of protecting dependants of Chinese overseas and returnees was implemented according to the general content of the decree on protecting remittances from 1955. This decree legalized remittances from overseas as “lawful income” to be protected from state interference, even when this meant funerals, lavish weddings or other ceremonies.<sup>42</sup> As in the 1950s, dependants and returnees were also granted easier access to higher educational institutions, and special quotas for political membership were endorsed for these groups.

Finally, on 7 September 1990, the “Law of the People’s Republic of China concerning the protection of the rights and interests of the returned overseas Chinese and the relatives of overseas Chinese” was adopted by the National People’s Congress.<sup>43</sup> Like the 1955 decree, the 1990 law was concerned primarily with protection and privileges in economic matters and rights to maintain contacts with relatives living abroad. The implications, however, differed because protection was no longer meant to assure the Chinese overseas that remittances were permitted to raise the living

38. *Fujian qiaoxiangbao*, 9 September 1982, p. 1.

39. *Collection of Laws and Regulations, 1955–1999*, pp. 478–485.

40. *Fujian qiaoxiangbao*, 3 March 1985, p. 1. In 1986, it was officially stated that in all of China only half of the confiscated land and one-third of the houses had been returned. The cases of dependants and returnees in labour camps were also still being investigated. *Renmin ribao*, 18 November 1986, p. 4.

41. Interview with officials of The Federation of Returned Overseas Chinese of Fujian, 13 January 2000.

42. “Guowuyuan guanyu guanche baohu qiaohui zhengce de mingling” (“State Council order of the People’s Republic of China concerning the implementation of the policy for the protection of Overseas Chinese remittances”) promulgated on 23 February 1955. In *Collection of Laws and Regulations, 1955–1999*, p. 270.

43. “Zhonghua Renmin Gongheguo guiqiao qiaojuan quanyi baohu fa” (“Law of People’s Republic of China concerning the protection of the rights and interests of the returned overseas Chinese and the relatives of overseas Chinese”) (7 September 1990), *Guowuyuan gongbao* (*Gazette of the State Council of the People’s Republic of China*), No. 21 (23 November 1990), pp. 787–89.

standard of their relatives. In the 1990s, liberal economic reforms already allowed income differences at all levels of Chinese society. Only one major area of protection still remains beneficial for the majority of dependants and returnees: special quotas for higher educational institutions.

Apart from signifying the CCP's continued concern with the Chinese overseas, the celebrated 1990 law primarily sustained dependants and returnees as particular social groups. Justifying their existence without any particular rights, and in so doing maintaining a widespread and costly bureaucracy, suggests that the objective of the law was less structural than functional. In fact, perpetuating the usage of the classifications of dependants and returnees validated the so-called *qiaoxiang* areas<sup>44</sup> (particular areas with high out-migration), since these were defined by the ratio of residing dependants and returnees.<sup>45</sup> Given that many ethnic Chinese in South-East Asia by now were third or more generation, with no direct family links to China, the constructions of *qiaoxiang* areas became even more important as geographical areas of emotional attachment. They were seen by Chinese authorities as instruments for ethnic Chinese to identify with China, calling forth patriotism, donations and investments.

At the local level, the authorities were to "conscientiously implement the Party's policies concerning Chinese overseas affairs by being attentive to production and construction of *qiaoxiang* areas."<sup>46</sup> Local officials were instructed to "satisfy the wishes of numerous overseas Chinese to 'return to their ancestral home to search for their roots' and be concerned about their emotions of longing for their ancestral land and region by requesting family graves to be repaired or restored and in principle express consent."<sup>47</sup> These privileges gradually transformed some *qiaoxiang* areas to be dominated by lavish ancestral graves and sumptuous houses in traditional Chinese or modern architecture. Nevertheless, despite these attempts to woo the Chinese abroad, the anticipated investments and remittances from overseas did not materialize.

As the PRC's gestures of reconciliation reached the Chinese overseas, and the restrictions on foreigners entering China were lifted, donations and remittances from Chinese overseas to their relatives in the PRC immediately reappeared. Officially it is estimated that RMB 5.5 billion was received in donations from 1979 to 1989, but the data are unreliable.<sup>48</sup>

44. The term *qiaoxiang* is coined from the expression of "overseas Chinese" (*huaqiao*) and "native place" (*guxiang*) denoting the belonging of Chinese overseas to their geographical and social space of birth.

45. It is unclear what exact ratio of dependants and returnees is needed in order to become a *qiaoxiang* area.

46. *Renmin ribao*, 29 December 1978, p. 1.

47. "Guowuyuan qiaoban, minzhengbu guanyu huaqiao xiufu zumu wenti de tongzhi" ("Circular from the Overseas Chinese Affairs Office of the State Council and the Ministry of Civil Administration regarding questions concerned with overseas Chinese repair and restoration of family graves") (23 July 1984), in *Collection of Laws and Regulations, 1955–1999*, p. 474.

48. "Liao Hui zai guowuyuan qiaowu gongzuo huiyi shang de gongzuo baogao" ("Liao Hui's work report at the State Council meeting concerning work on overseas Chinese affairs") (5 May 1989), in *ibid.* p. 78.

Although advantageous for the general development of education, health care and infrastructure in a limited number of *qiaoxiang* areas (Guangdong alone benefited from RMB 2.4 billion in donations from 1979 to 1989),<sup>49</sup> donations did not comply with the objective of supporting non-agricultural production. Simultaneously, policies of seeking donations emerged. Some local officials unceasingly harassed Chinese overseas for financial assistance, offending potential donors.<sup>50</sup>

In contrast to donations, remittances intended to convey foreign exchange decreased tremendously during the 1980s. From 1979 to 1989, official remittances were US\$4.5 billion, but the majority were received in the early years (1979: US\$700 million, 1988: US\$125 million).<sup>51</sup> However, the level of remittances might be much higher, but hidden from the Chinese authorities.

Initially, Chinese overseas visitors brought tax-free luxury goods and foreign exchange in cash as presents for their relatives in China instead of sending remittances through branches of the Bank of China.<sup>52</sup> In 1982 and 1986, regulations were passed to reinforce the placement of remittances and donations in local banks for specific purposes, and restricting the import of tax-free goods, but valuable foreign exchange and taxes still escaped the Chinese state.<sup>53</sup>

It quickly became evident that to attain foreign exchange by remittances from Chinese overseas, as in the early 1950s, had become incompatible with the economic reforms, higher living standards and more open social structures in China. By the mid-1980s, it was already clear that both donations and remittances from Chinese overseas were no longer adequate instruments in the pursuit of foreign revenues and economic development. In his speech at a meeting in 1984 with local OCAO leaders, CCP Secretary-General Hu Yaobang addressed the financial assets of Chinese overseas in South-East Asia and North America, and the potential of attracting 10 per cent of this capital, which was likely to equal US\$20 billion. Still, he was cautious about encouraging dual loyalties of ethnic Chinese living in South-East Asia with slogans encour-

49. *Guangdong Provincial Gazetteer: Overseas Chinese Volume*, pp. 9, 330–31.

50. “Liao Hui zai guowuyuan qiaowu gongzuo huiyi shang de gongzuo baogao” (“Liao Hui’s work report at the State Council meeting concerning work on overseas Chinese affairs”) (5 May 1989), in *Collection of Laws and Regulations, 1955–1999*, p. 87.

51. *Ibid.* pp. 78, 87; *Guangdong Provincial Gazetteer: Overseas Chinese Volume*, pp. 226–27, 318, 330–31; *Fujian Local Gazetteer: Overseas Chinese Volume*, p. 193.

52. Peter Kwong, *Forbidden Workers: Illegal Chinese Immigrants and American Labour* (New York: The New Press, 1997), pp. 30–31; Ezra F. Vogel, *One Step Ahead in China: Guangdong under Reform* (Cambridge, MA: Harvard University Press, 1989), pp. 147, 349–350, 381–82, 412.

53. Lin Yixin, “Zai guonei qiaowu gongzuo zuotanhui shang de jianghua” (“Speech at the work conference on domestic overseas Chinese affairs”), *Studies on Chinese Communism*, Vol. 15, No. 1 (1981), pp. 128–130; “Guowuyuan guayu jiaqiang huaqiao he Gang–Ao tongbao juanzeng jinkou wuzi guanli de tongzhi” (17 August 1982) (“Circular from the State Council concerning increasing supervision with donations and import of goods by overseas Chinese and compatriots from Hong Kong and Macau”), in *Collection of Laws and Regulations, 1955–1999*, pp. 274–76.

aging ethnic Chinese to love their Chinese ancestral villages by making donations and investments.<sup>54</sup>

Preparations had been made from the earliest stage to attract investments from Chinese abroad by establishing export-oriented development zones in Guangdong and Fujian with many overseas ties. In 1979 and 1980, Special Economic Zones were established in Shenzhen and Zhuhai, located opposite Hong Kong and Macau, and in Xiamen and Shantou, located opposite Taiwan.<sup>55</sup> These advantageous economic arrangements were supplemented by legislation from 1983 granting special privileges to Chinese citizens living abroad (including Chinese from Hong Kong and Taiwan) wanting to make financial investments.<sup>56</sup> In 1984, to overcome the initial problems of attracting Chinese overseas investments, the number of foreign investment zones was expanded by opening the entire Pearl River Delta and several coastal cities for foreign investments. Three years later, the total number of open zones had increased to 33.

The promulgation of 22 sets of regulations in 1986, setting more lucid standards for investments from Chinese overseas, resulted in an increase of overseas investments from especially Hong Kong, Taiwan and Macau. By the late 1980s, the initial rush of foreign direct investments (FDI), including those from Chinese overseas, had started to dwindle, and was severely curtailed following the Tian'anmen massacre (1989). As a result, from 1979 to 1991, the total amount of FDI amounted to US\$26.8 billion, of which an estimated two-thirds originated from areas outside the mainland with high ethnic Chinese populations. In fact, the largest share of investments came from Hong Kong, Macau and Taiwan, but only US\$1.5 billion from ethnic Chinese living elsewhere.<sup>57</sup> By early 1989, it was evident that ethnic Chinese participated only reluctantly in investments to the PRC, and in May 1989 at the "National meeting on overseas Chinese affairs," policies were altered in support of a more active approach to soliciting such investments.

54. "Hu Yaobang tongzhi zai sheng, zizhiqu, zhixiashi qiaoban zhuren huiyi shang de jianghua" (20 April 1984) ("Speech by comrade Hu Yaobang at the meeting for OCAO leaders at the level of province, autonomous region, and municipality directly under the government"), in *Collection of Laws and Regulations, 1955–1999*, pp. 17–18.

55. State Council, "Circular Promulgating the 'Regulations on the Problems of Devoting a Major Effort to Expand Foreign Trade and Foreign Exchange Revenue' (13 August 1979)," in *Chinese Law and Government*, Vol. 27, No. 4 (July–August 1994), pp. 17–18.

56. "Zhonggong zhongyang, guowuyuan guanyu jiaqiang liyong waizi gongzuo de zhishi" (13 September 1983) ("Directive from the Central Committee of the CCP and the State Council on strengthening the work to take advantage of foreign capital"), in *Collection of Laws and Regulations, 1955–1999*, p. 168.

57. The FDI share to the PRC from ethnic Chinese and from Chinese in Hong Kong, Macau and Taiwan is difficult to estimate. Data from the PRC on ethnic Chinese investments are typically based on national origin of FDIs, but since a great deal of capital from all over the world and especially Taiwan passes through Hong Kong this method is inaccurate and conclusions are tentative. *Zhongguo tongji nianjian 1992 (China Statistical Yearbook 1992)* (Beijing: Zhongguo tongji chubanshe, 1992), p. 641; Lin Jinzhi, "1979–1992 nian haiwai huaren zai Zhongguo dalu touzi de xianzhuang ji qi jinhou fazhan qushi" ("The present conditions of ethnic Chinese direct investments in the Chinese Mainland from 1979–1992 and their future development"), *Huaqiao huaren lishi yanjiu*, Vol. 1 (1993), pp. 1–14.

*Re-focusing of “Overseas Chinese Affairs” Work in the 1990s*

Internal documents from State Council meetings in 1989 and 1996 reveal a significant shift away from policy concerning dependants and returnees as strategies for wooing the Chinese overseas. Instead, the 1989 summary of the “National meeting on overseas Chinese affairs” points out that given China’s more favourable position in international affairs, and the decreasing number of Chinese citizens living abroad, a re-focusing in “overseas Chinese affairs” had to take place. Ethnic Chinese were to become an integrated part of the work concerning Chinese overseas. In fact, the major part of this policy document was devoted to outlining how to cope with the dilemma of wooing ethnic Chinese without reviving any hostility from countries in South-East Asia.<sup>58</sup>

In developing the work with ethnic Chinese one should be attentive to the fact that they are connected to our country by ties of blood [*xueyuan*], by ties of place [*diyuan*], and by cultural traditions. Moreover, they still hold feelings for the Chinese people [*Zhonghua minzu*], and they retain family sentiments and friendly feelings. Consequently, we have to be wide awake in regard to the way we think about them and in our work treat them affectionately and be even more enthusiastic with them.<sup>59</sup>

The basic rights of dependants and returnees were still to be safeguarded, but since the reconciliation work was almost officially completed, work with dependants and returnees should be incorporated into the objective of “giving rise to letting overseas connections of dependants and returnees serve as bridges [to overseas Chinese],” and *qiaoxiang* villages would function as windows for Chinese overseas to obtain a better impression of the PRC.<sup>60</sup>

These new guidelines constituted a major break from the official political line of the 1980s. Although repeatedly stating the importance of acknowledging the difference between ethnic Chinese and Chinese overseas holding Chinese citizenship, and the sensitive issue of courting ethnic Chinese especially in Indonesia, the 1989 policy document reveals that ethnic Chinese were to be conceived as intimately connected to China by race, place of birth and culture. The CCP was not going to renounce the principle of single citizenship, but in gaining responses from ethnic Chinese, the PRC would have to compete in courting the Chinese overseas with Taiwan, and hence decided to use some of the same tactics as the KMT. Winning over ethnic Chinese loyal to the KMT would not only potentially bring more investments to the PRC, but would “promote

58. “Guowuyuan qiaowu gongzuo huiyi jiyao” (9 May 1989) (“Summary of the State Council’s meeting on overseas Chinese affairs”), in *Collection of Laws and Regulations, 1955–1999*, pp. 28–33.

59. *Ibid.* p. 29.

60. “Liao Hui zai guowuyuan qiaowu gongzuo huiyi shang de gongzuo baogao” (“Liao Hui’s work report at the State Council meeting concerning work on overseas Chinese affairs”) (5 May 1989), in *Collection of Laws and Regulations, 1955–1999*, pp. 76–77; “Guowuyuan, qiaowu gongzuo huiyi jiyao” (“Summary of the State Council’s meeting on overseas Chinese affairs”) (9 May 1989), in *ibid.* p. 31.

the development of virtual contact across the Strait,” and hence the dual goal of unification with Taiwan.<sup>61</sup>

In 1996, the soaring number of recent Chinese migrants, particularly in North America, Australia and Europe, increasingly gained the attention of Chinese elite politicians.<sup>62</sup> The State Council expressed in its directives the need for a refocusing on “new migrants,” and defined this new work area as “very important” and a “significant strategy.”

Since the beginning of the reforms and opening, the number of people who have left Mainland China to reside abroad is currently becoming an important rising force within overseas Chinese and ethnic Chinese communities. In the future, they will become a backbone force friendly to us in the United States and some other developed Western countries, especially all kinds of overseas students who have settled locally.<sup>63</sup>

The majority of these recent migrants still held Chinese citizenship, and their direct link to the PRC in terms of family, education and cultural identity entailed their immediate allegiance to the PRC. Currying favour with “new migrants” involved fewer problems concerning questions of nationality, and thus did not challenge international relations. It also required fewer resources in terms of propaganda to maintain their loyalty and cultural attachment. In fact, by introducing the apparently neutral concept of “new migrants” in compliance with the international usage of “migrant,” and the long-time preference of this particular term in Japan, suggested the undermining of the conventional term *huaqiao* (overseas Chinese). CCP policies on the Chinese overseas were clearly adjusting to recent transnational trends among various types of Chinese migrants (short-term contract labourers, overseas traders, overseas students and so on), rather than focusing on the settled *huaqiao* migrants.

By extending their political work to the “new migrants,” the Chinese authorities could address more potential Chinese investors and resourceful persons living overseas than in the past, when, for example, traders and overseas students did not qualify as “overseas Chinese” and thus fell outside the scope of “overseas Chinese affairs.” Focusing on recent migrants also had the advantage of being able to deal directly with them as opposed to working through dependants, returnees, and the construction of “traditional” *qiaoxiang* areas to gain their attention.

The methods to gain the support of ethnic Chinese and “new migrants” were for both groups to fall within the fields of active liaison work via associations, propaganda activities and educational schemes. Liaison work was to consist of:

Actively enlarging the scope of work concerning overseas Chinese and ethnic Chinese. Simultaneous with the continuation of the good work with clan and

61. *Ibid.* pp. 29–31.

62. The Ministry of Foreign Affairs estimated that the group of “new migrants” encompassed 1 million legal and illegal migrants, but it is likely to be much higher. “Guowuyuan qiaoban guanyu kaizhan xin yimin gongzuo de yijian” (“O CAO of the State Council concerning ideas on developing work with new migrants”) (22 January 1996), in *ibid.* p. 161.

63. *Ibid.* pp. 159–162.

regional associations ..., we vigorously have to expand our work to make friends with [ethnic Chinese] professionals and business people ... and other famous persons. At the same time we should according to the different circumstances and characteristics of the new migrants do more work without discriminatory practices on extensively unifying them and actively encouraging them to take initiatives.<sup>64</sup>

Many of the propaganda, cultural and educational activities launched to amplify the bonds between the Chinese overseas and the PRC, such as summer camps and two universities (Jinan University and Huaqiao University) for overseas Chinese students, had already been implemented during the 1980s. With the State Council's decisions from 1989 and the 1996 directive, it appears that "overseas Chinese affairs" work within the fields of liaising and education was to be further strengthened to meet the particular new objective of focusing on the ethnic Chinese and "new migrants."<sup>65</sup>

#### *Implementing the Policies of Liaising with Ethnic Chinese and "New Migrants"*

The policy intentions of liaising with ethnic Chinese and "new migrants" were accompanied by a proliferation of new government organs. The Chinese People's Political Consultative Conference (CPPCC) set up its own Overseas Chinese Committee (*Quanguo zhengxie huaqiao weiyuanhui*) to promote contact with Chinese overseas and to conduct research and surveys. In 1997, the China Overseas Friendship Association (*Zhonghua haiwai lianyihui*) was also founded under the CPPCC to "promote the unity of the sons and daughters of China and for the unification of the motherland." In 1992, the China Overseas Exchange Association (*Haiwai jiaoliu xiehui*), affiliated to the OCAO, was established to assist in advancing ties and co-operation with Chinese overseas.<sup>66</sup>

These official and semi-official policy organs started undertaking extensive propaganda work to perpetuate contact with Chinese overseas. The envisaged modernization of the CCP's propaganda was gradually realized by using more audio-visual and internet communication, but the written media remained the most important propaganda tool.<sup>67</sup> A large number of official newspapers and local *qiaoxiang* newsletters had already been re-established in the 1980s, but increased their circulation

64. "Guowuyuan qiaowu gongzuo huiyi jiyao" ("Summary of the State Council's meeting on overseas Chinese affairs") (9 May 1989), in *ibid.* p. 29.

65. *Ibid.*; "Guowuyuan qiaoban guanyu kaizhan xin yimin gongzuo de yijian" ("OCAO of the State Council concerning ideas on developing work with new migrants") (22 January 1996) in *ibid.* p. 160.

66. *Renmin ribao*, 25 May 1997, p. 1.

67. According to internal information, in the late 1990s the national publication *Huasheng bao* (*Voice of China Daily*) was made available on the internet with more than 3 million "hits" monthly. During the 1990s, more than 400 films were made for the overseas audience, 3,300 special television productions and 50 cultural groups had visited 60 countries. "Guo Dongpo zai quanguo qiaowu gongzuo huiyi shang de gongzuo baogao" ("Guo Dongpo's work report at the national meeting concerning work on overseas Chinese affairs") (18 January 1999), in *Collection of Laws and Regulations, 1955–1999*, p. 104.

considerably in the 1990s. In 1998, circulation reached more than 2 million.<sup>68</sup> In Guangdong alone, 107 *qiaoxiang* newsletters had by 1987 re-appeared (most of them originally established in the 1920s and 1930s).<sup>69</sup>

Sustaining relations to Chinese overseas by promoting Chinese education and culture expanded decisively in the 1990s. Depending on the country and the number of residing ethnic Chinese, the PRC supported the establishing of local Chinese schools and exported educational schemes by compiling 20 different sets of teaching materials now used in 78 countries world-wide. Some 150 teachers were dispatched from the PRC to teach Chinese in 20 countries, and several thousand teachers from overseas have received Chinese teaching training in the PRC.<sup>70</sup> During the 1990s in China itself, summer language camps were also set up for second and third generation ethnic Chinese, receiving almost 100,000 participants.<sup>71</sup>

In the 1990s, in addition to written propaganda, liaising with ethnic Chinese and “new migrants” was pursued under the campaign heading “going out and inviting in” (*zou chuqu, qing jinlai*). Accordingly, Chinese authorities sought contacts among the ethnic Chinese by sending official invitations and delegations directly to influential ethnic Chinese within academies or industrial commercial and financial sectors in their countries of residence.<sup>72</sup> From 1993 to 1997, Fujianese authorities paid more than 136 official visits abroad, leading to formal contact with more than 800 ethnic Chinese associations, and visits to Fujian by 235,500 leaders of ethnic Chinese associations and 36 prominent business tycoons.<sup>73</sup>

Having succeeded in making official contact, local authorities received their guests in the PRC with efforts to bolster ethnic ties to home localities and to Chinese culture by way of various activities such as searching for family roots, reunion with kin, repairing ancestral graves or ancestral halls, celebrating local religious deities, or promoting local handicraft, food, and dance and song performances. During the 1990s, many *qiaoxiang* villages in Fujian and Guangdong re-established and enlarged lineage halls, local temples and Christian churches by employing Chinese overseas capital.<sup>74</sup> In other parts of China, similar cultural

68. *Ibid.*

69. *Guangdong Provincial Gazetteer: Overseas Chinese Volume*, pp. 256–59.

70. “Guo Dongpo’s work report,” in *Collection of Laws and Regulations, 1955–1999*, p. 104.

71. *Ibid.*

72. See *Fujian qiaobao* 1990–1999; *Renmin ribao*, 23 December 1989, p. 3; Joseph Y.S. Cheng and King-Lun Ngok, “Government policy in the reform area: interaction between organs responsible for overseas Chinese and *qiaoxiang* communities,” in L.M. Douw, C. Huang and M.R. Godley (eds.), *Qiaoxiang Ties: Interdisciplinary Approaches to “Cultural Capitalism” in South China* (London: Kegan Paul International, 1999), pp. 113–142.

73. Chang Chak-yan, “The overseas Chinese,” in Y.M. Yeung and David K.Y. Chu (eds.), *Fujian: A Coastal Province in Transition and Transformation* (Hong Kong: The Chinese University Press, 2000), p. 69; Fujiansheng guiguo huaqiao lianhehui (Federation of Returned Overseas Chinese of Fujian) (ed.), *Fujian qiaolian sishinian*, pp. 139–173.

74. Fieldwork in Zhejiang and Fujian provinces (1998, 1999, 2000). See also Khun Eng Kuah, “The Singapore-Anxi connection: ancestor worship as moral-cultural capital,” in Douw, Huang and Godley, *Qiaoxiang Ties*, pp. 143–157; Tan Chee-Beng, “Localization,

activities are condemned as “superstitious” or “feudal” and are banned, but by officially claiming that *qiaoxiang* areas hold “another kind of civilization,” the CCP currently sanctions these particular cultural manifestations, pleading protection of Chinese overseas, dependants’ and returnees’ interests.<sup>75</sup>

Chinese authorities have in their endeavours to create contacts abroad been shown to avail themselves of the world-wide proliferation of Chinese ethnic associations.<sup>76</sup> The growing importance of global capitalism, the expansion of ethnic Chinese economies in South-East Asia (at least until 1997), CCP’s re-conceptualization of *qiaoxiang* areas as localities for economic investments and soaring numbers of new Chinese migrants were all factors perpetuating the interest among Chinese overseas to organize transnationally, according to ethnic regional belonging or profession.<sup>77</sup> Chinese authorities immediately reacted to this global revival of associations by assisting in the hosting of large locality association (*tongxianghui*) meetings in their “ancestral home,” often with several thousand participants.<sup>78</sup> In some countries where Chinese migrants have not yet organized along regional lines, PRC embassy personnel have encouraged local Chinese to form locality associations to be better able to meet official PRC delegations.<sup>79</sup>

Because of these intensified efforts to reach out to the Chinese overseas in the 1990s, the OCAO Chairman Guo Dongpo concluded in his work report of 1999:

Especially throughout the 1990s, the extra strengthening of determined work ... has vigorously improved and increased the contact to “new migrants,” overseas Chinese and second and third generation ethnic Chinese. It has fundamentally changed the situation within overseas Chinese communities of “Taiwan being strong and us being weak.”<sup>80</sup>

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*footnote continued*

transnational relations, and Chinese religious traditions,” in Teresita Ang See (ed.), *Intercultural Relations, Cultural Transformations, and Identity: The Ethnic Chinese (Selected Papers presented at the 1998 ISSCO conference)* (Manila: Kaisa Para Sa Kaunlaran, 2000), pp. 284–300.

75. *Renmin ribao*, 10 March 1997, p. 5.

76. An example is the numerous new Fujianese local associations (*tongxianghui*) established during the 1990s in Britain, Denmark, France, Germany, Holland, Hungary, Italy, Romania and Russia.

77. Li Minghuan, “*We Need Two Worlds*”: *Chinese Immigrant Associations in a Western Society* (Ann Arbor: The University of Michigan Press, 2000); Liu Hong, “Bridges across the sea: Chinese social organizations in Southeast Asia and the links with *qiaoxiang*, 1900–49,” in Douw, Huang and Godley, *Qiaoxiang Ties*, pp. 22–44; Liu Hong, “Old linkages, new networks: the globalization of overseas Chinese voluntary associations and its implications,” *The China Quarterly*, No. 155 (1998), pp. 582–609.

78. Large-scale meetings of world-wide *tongxianghui* related to Fujian and Guangdong provinces have been held in China in the 1990s: e.g. in Hainan and Yongchun, 1993; in Fuzhou, Meizhou and Anxi, 1994; in Pujiang, 1995; in Shantou and Jiangmen, 1997; and in Quanzhou, 1999. Long Denggao, “Yue Min qiaoxiang de jingji bianqian: laizi haiwai shehui ziyuan de yingxiang” (“The economic changes of Guangdong and Fujian *qiaoxiang* areas: the impact of social resources from overseas”), *Huaqiao huaren lishi yanjiu (Overseas Chinese History Studies)*, No. 3 (1999), p. 53; *Quanzhou wanbao (Quanzhou Evening Post)*, 5–9 September 1999.

79. Private information.

80. “Guo Dongpo’s work report,” in *Collection of Laws and Regulations, 1955–1999*, p. 104.

*Economic Success and Political Liabilities: Prospective Policies on Chinese Overseas for the 21st Century*

In the early 1990s, the official Chinese pronouncement of advancing market-oriented development, the proactive policies of the CCP incorporating ethnic Chinese into local *qiaoxiang* areas, ethnic Chinese family businesses in South-East Asia developing into business groups and conglomerates, and a globalization of Chinese locality associations were all developments mutually reinforcing each other. Complemented by a strengthened legal framework for Chinese overseas financial investments in the early 1990s, offering legal protection, low taxes and low prices on land, a remarkable upsurge of investments and donations to *qiaoxiang* areas in the PRC was achieved.<sup>81</sup>

After Deng Xiaoping made it clear in the spring of 1992 that economic development would continue by the example of Guangdong province, an upsurge in actually used FDI from US\$4.4 billion in 1991 to US\$11 billion in 1992 was realized. After 1992, actually used FDI continued to rise significantly to US\$45.2 billion in 1997, but stagnated as a result of the economic crisis in South-East Asia after 1997 (US\$40.3 billion in 1999).<sup>82</sup>

FDI came primarily from areas with large ethnic Chinese populations (Hong Kong, Macau, Taiwan, Malaysia, the Philippines, Singapore and Thailand), which together made up 61 per cent of actually used FDI in 1997 (55 per cent in 1999), and was primarily channelled into the regional economies of Guangdong (26 per cent), Fujian (9 per cent), Jiangsu (12 per cent) and the larger municipalities.<sup>83</sup> Investment was used largely at the village and township levels within labour-intensive export production. During the 1990s, this type of production soared, and already in 1994, foreign trade amounted to US\$237 billion or 45 per cent of GNP (37 per cent in 1999), reflecting the importance of foreign trade to China's economy.<sup>84</sup>

Even in the crisis year of 1997, Guangdong's and Fujian's foreign trade alone amounted to 45 per cent of the national total (44 per cent in 1999), indicating the economic importance of ethnic Chinese capital to the entire PRC economy and the economic success of PRC policies concerning ethnic Chinese.<sup>85</sup> In economic terms, PRC policies of reaching out to ethnic Chinese by evoking shared ethnicity, rousing patriotism

81. "Guowuyuan guanyu guli huaqiao he Xianggang Aomen tongbao touzi de guiding" (19 August 1990) ("Provisions of the State Council concerning the encouragement of investments by overseas Chinese and compatriots from Hong Kong and Macau"); "Zhonghua Renmin Gongheguo Taiwan tongbao touzi baohufa" (5 March 1994) ("Law of the People's Republic of China concerning the protection of investments by Taiwan compatriots"), in *Collection of Laws and Regulations, 1955–1999*, pp. 214–15; 219–221.

82. *Zhongguo tongji nianjian 2000 (China Statistical Yearbook 2000)* (Beijing: Zhongguo tongji chubanshe, 2000), p. 604.

83. *Ibid.* p. 606; *Zhongguo tongji nianjian 1999 (China Statistical Yearbook 1999)* (Beijing: Zhongguo tongji chubanshe, 1999), pp. 596, 599.

84. *China Statistical Yearbook 1999*, pp. 55, 577–578; *China Statistical Yearbook 2000*, pp. 53, 588; Constance Lever-Tracy, David Ip and Noel Tracy, *The Chinese Diaspora and Mainland China: An Emerging Economic Synergy* (London and New York: Macmillan Press and St. Martin's Press, 1996), p. 71.

85. *China Statistical Yearbook 2001*, p. 601.

and simultaneously offering favourable investment conditions within a vast developing market economy had by the late 1990s proved itself very profitable. In fact, relying on ethnic Chinese capital is now a strategy applied for the development of western China. This redirection of capital away from *qiaoxiang* areas along the south-eastern coast of China, however, has possibly also been brought about in response to external and internal constraints produced by the very same policies of “reaching out” during the 1990s.<sup>86</sup>

The ongoing generation change among ethnic Chinese entrepreneurs in South-East Asia and America is a compelling external condition forcing the CCP gradually to change strategies in the pursuit of capital generated outside China. Ethnic Chinese with cultural ties to China are being taken over by Western-educated generations possessing only meagre bonds with China. A “resinification” process is certainly probable, but the novel categorization by the CCP of recent Chinese migrants as “new migrants,” rather than “overseas Chinese” (*huaqiao*), and the undermining of dependants’ and returnees’ social status are political signals suggesting a re-conceptualization of policies for the 21st century.

The policies of the 1980s of protecting dependants and returnees so as to win over Chinese overseas to remit money were changed in 2001 with amendments to the law of protection of 1990. With the the amendments, the privileges of dependants and returnees were constrained, such as making them responsible for their own social insurances (article 10).<sup>87</sup> Overall, the amendments reflect new ways of appropriating protective and preferential measures for attracting particular high technological investments to China. State protection of dependants and returnees thus increasingly entails support and legal protection of new returnees investing in high-technology industries (articles 5, 11, 24–28).<sup>88</sup>

The amendments protecting “new migrants” upon return to the PRC, and additional policy decisions enabling investors in advanced industries to make frequent entries and periodic stays in China, confirm that the CCP continues its policies of actively “reaching out,” but particularly focusing on returning “new migrants.” Dependants and returnees of older generations of migrants have become an economic liability, rather than an asset, but they will continue to serve the purpose of legitimating a system of extending protection and privileges to new returnees.

Focusing on the “new migrants” of the 1980s and 1990s also counteracts some of the repercussions of incorporating the older migrant generation. In contrast to the latter, “new migrants” are stressed in official media as a phenomenon of modernity, as if the CCP wants to ensure that they are not going to make claims of restoring pre-1949 cultural practices

86. *Renmin ribao*, 31 March 2000, p. 4.

87. “Quanguo renmin daibiao dahui changwu weiyuanhui guanyu xiugai ‘Zhonghua Renmin Gongheguo guiqiao qiaojuan baohufa’ de jue ding” (“The decision of the Standing Committee of the National People’s Congress to amend the ‘Law of People’s Republic of China concerning the protection of the rights and interests of the returned overseas Chinese and the relatives of overseas Chinese’”) (31 October 2000), *Guowuyuan gongbao*, No. 2 (2001), p. 22.

88. *Ibid.* pp. 24–26.

in *qiaoxiang* areas in return for investments when they return from North America, Australia and Europe. In Fujian and Guangdong, reconstructions of lineage structures and the revival of Christian and local popular religions because of Chinese overseas incorporation at local levels have already fed ethnic nativism and illegal migration.<sup>89</sup> The reconstruction of social structures such as the lineage institution defying the central leadership of the CCP has probably caused the redefinition of the *qiaoxiang* concept. The semi-official definition of a *qiaoxiang* area has until recently depended on the number of dependants and returnees an area could claim, but now it seems that it depends on the total number of migrants, and in so doing reduces the number of *qiaoxiang* areas to villages with recent migration.<sup>90</sup>

Shared race and ethnicity are still the principal elements endorsing the CCP's activities of seeking cultural and national allegiance from Chinese overseas, but the addressed "new migrants" are different from the "overseas Chinese" in the early 1980s. The CCP no longer needs to rely solely on the shrinking number of ethnic Chinese in especially South-East Asia, but is evidently directing its policies to recent Chinese migrants such as students and entrepreneurial migrants in North America and Europe. Within a discourse mode of modernity and patriotism, the CCP solicits support from both ethnic Chinese and Chinese citizens living in post-industrial countries, and in so doing avoids the liabilities of economic and cultural independence of *qiaoxiang* areas and hostility of countries in South-East Asia.

### Conclusion

The PRC's rising position as a global economic and military power with international responsibilities has given Asian countries fewer reasons to be perturbed by the PRC's relationship to ethnic Chinese minorities in the region. This situation has since the 1980s enabled the PRC gradually to redesign its policies towards the Chinese overseas and re-apply some of the pre-1949 strategies of essentializing Chinese race and culture to address the Chinese overseas and reclaim their loyalty.

Less constrained by considerations of foreign relations, the PRC's 1980s approach of primarily focusing on Chinese subjects living abroad through the protection of their relatives in the PRC was in the 1990s succeeded by a strategy of actively appealing to and liaising with ethnic Chinese around the world. By emphasizing regional bonds and national sentiments, the PRC successfully solicited investments and donations for *qiaoxiang* areas where ethnic Chinese were free to express their cultural and social belonging. The simultaneous upsurge in the number of Chinese overseas students and Chinese migrating to North America, Australia, Japan and Europe produced new potentials for investment and knowledge resources, which could be tapped by other means than appealing to

89. Mette Thunø and Frank Pieke, "Transnational villages in Fujian" (forthcoming).

90. Field notes from Fujian, 14 January 2000.

“traditional” Chinese cultural values and by courting relatives in the PRC. The discourse mode of modern “new migrants” rather than *huaqiao* (overseas Chinese) suggests a retreat away from the predicaments of promoting *qiaoxiang* areas as a primary basis for investments.

Changing conceptualizations of Chinese living outside the PRC and different propaganda measures all denote alterations in the PRC’s policies on Chinese migrants for the 1990s and the future, but the goal of luring investments and resources is still the same. Moreover, treating “new migrants” as a powerful force in the unification efforts with Taiwan regained strength during the 1990s.<sup>91</sup> Nothing suggests that the strategies of courting Chinese overseas – new or old – are going to move past the discourse of essentializing national belonging based on “blood and origin.” In fact, since an increasing number of countries receiving migrants are accepting dual nationalities, the CCP can amplify its activities and retain political loyalties and investments from a wider span of Chinese operating abroad. Like other states in Asia, Africa and Latin America, the PRC is likely to create new political discourses and policies beyond the reference of the sovereignty of the nation-state to shape new ways within the context of shared national culture of reclaiming belonging and incorporation of Chinese living beyond the borders of the PRC.

91. See official article defining Chinese patriotism as protecting the Chinese nation from breaking up or being invaded. Zhang Jiangming, “Aiguo zhuyi yu Zhonghua minzu guangrong chuantong” (“Patriotism and the glorious tradition of the Chinese people”), *Renmin ribao*, 7 March 1995, p. 9.