Greater China and the Chinese Overseas

Wang Gungwu

Some of the most important developments of the last quarter of the century have taken place in the Asia-Pacific region. Of these, the Chinese shift from Communist ideology and central planning to a commitment to build a market economy has had extensive ramifications. These have led to much speculation about the re-emergence of China as a powerful actor in world politics. The idea of Greater China is one of the products of that speculation. The lack of precision in the term "Greater China" – whether it should cover Hong Kong–Macao (hereafter Hong Kong), Taiwan and all of the People's Republic of China (PRC) or only parts of it – should not prevent it being used to explore some current and future developments. In this article, which examines the impact the concept of Greater China has on the Chinese overseas, the term would obviously not include those Chinese who live outside.[1] Nevertheless, depending on which aspect is emphasized, the actual area covered can be significant.

For example, if politics is the focus, then Greater China may be used to refer to a future unified China, the unitary state of Zhongguo, when the PRC, Taiwan (Republic of China) and Hong Kong (including Macao) are brought together. If the stress is on the dynamic process of economic integration, then Greater China may mean only the southern coastal provinces, Taiwan and Hong Kong, that is, the South China Economic Periphery, or perhaps more accurately "Lesser China." However, if the emphasis is on the broader picture of cultural China, the term may refer to the traditions of Chinese civilization and what has transformed them in modern times. In this context, it may be said that Great China has become Greater because its store of cultural values has been enhanced by modern borrowings, influences and adaptations. As a result, millions of ethnic Chinese now residing abroad might find it possible to identify with it.

A drawback of the term Greater China is that when used politically, there is an implication of expansionism towards the neighbouring regions, and when used culturally, it suggests a grandiosity which is at best misleading and at worst boastful. At this stage in history, only the apparent near-integration of the "Lesser China" of the South China Economic Periphery bears close scrutiny. All the same, since Greater China is becoming more used today, this article will try to bring out the effect the term has for the Chinese overseas.

"Chinese overseas" as a term is no more precise than Greater China. I have deliberately avoided the older term "Overseas Chinese" which translates the Chinese term *huaqiao*. That refers to Chinese sojourners, Chinese subjects or nationals temporarily residing abroad. Until recently, it was a term used for all people of Chinese descent, that is, all those descended from a Chinese father who were still recognizable as Chinese.

1. Harry Harding, "The concept of 'Greater China'," in this issue.

© The China Quarterly, 1993

Today, *huaqiao* no longer includes those who have become foreign nationals. Since most Chinese living in foreign countries have adopted local nationalities, it is important to distinguish between the minority of "Overseas Chinese" who are Chinese nationals and the majority of foreign nationals who are ethnic Chinese.[2] For the purpose of this article, however, the distinction may not be necessary. Unfortunately, there is now no universally accepted term that includes all Chinese living abroad, both Chinese nationals and the ethnic Chinese. "Chinese Diaspora" is sometimes used but is unsatisfactory because its association with Jewish history is unacceptable in South-east Asia. I have therefore chosen to use "Chinese overseas" to refer to everyone of Chinese descent living outside Greater China.[3]

One further point should be noted. Some writings in the media have made estimates of the "Chinese Diaspora" that include the populations of Taiwan and Hong Kong.[4] Since Greater China in this volume includes the people of China, Taiwan and Hong Kong, clearly the term "Chinese overseas" does not include such populations. It refers here to all the people who live outside those three territories but acknowledge their Chinese origins, or are so regarded by demographers. There is no accurate figure of how many such Chinese there are. The most widely accepted numbers range between 25 and 30 million, four-fifths of whom live in South-east Asia.[5]

Greater China in Economic, Political and Cultural Perspective

Other articles in this volume describe the developments within Greater China, and the emphasis is mainly on the Lesser (South) China of the southern provinces, Hong Kong and Taiwan. It is important to note that the majority of the Chinese overseas originated from the southern provinces. Even among those who did not, the majority emigrated after a period staying in either Hong Kong or Taiwan, especially those who left more recently after the end of the Second World War. The close relationship between these Chinese and the South China Economic Periphery, therefore, can be described as organic and deep-rooted and yet, at the same time, ongoing and dynamic. It has great potential, but is also full of historical memories and rich in emotional ties. Most of the current economic dimensions of the relationship cannot be separated from that thickly-knit background. This is not to deny that there has always been a link with political and cultural China of the Great Tradition, of the Empire and of the Confucian State, but for most Chinese overseas most

2. Wang Gungwu, "The origins of Hua-ch'iao," in Wang Gungwu, *Community and Nation: China, Southeast Asia and Australia (New Edition)* (Sydney: Allen and Unwin, 1992), pp. 1–10.

3. I have used this in the title of my book, *China and the Chinese Overseas* (Singapore: Times Academic Press, 1991).

4. *The Economist*, 21 November 1992.

5. Leo Suryadinata, "Ethnic Chinese in Southeast Asia: problems and prospects," *Journal of International Affairs*, Vol. 41, No. 1 (1987). Compare these figures with my estimates in "External China" in Brian Hook (ed.), *The Cambridge Encyclopaedia of China* (Cambridge: Cambridge University Press, 1982), pp. 104–110; and its new edition (1991), pp. 84–90.

of the time, it is South China which they know and care for. For them, the difference between the close-knit organic relationship with South China and the formal symbolic one with Greater China is an important part of their socialization at home and any Chinese education they may have.[6]

An important distinction can also be made about two other sets of relationships. One consists of the ancient relationships between coastal Chinese and the neighbouring countries like Korea, Japan, Vietnam and other countries in South-east Asia, with whom they have traded for millennia and to which many have emigrated continuously for centuries. The other are the relatively new relationships between the Chinese, again mostly coastal people from South China, and the Americas, Australasia, the rest of Asia, Europe and Africa, relationships which came after Western expansion into the Chinese area. That distinction will be indicated where it is relevant for this article. Otherwise, references to the Chinese overseas will include all those outside China who call themselves Chinese or are identified as Chinese, wherever they have chosen to settle down.

For recent decades, from 1949 to about 1980, when the Chinese mainland was largely outside the international trading system, there is yet another set of distinctions. This derives from the imbalance in the triangular relationships of Guangdong–Hong Kong–Taiwan and how the Chinese overseas were sensitive to that imbalance. Hong Kong was recognized by all as the pivot for the most effective economic links with China, especially for all non-official relationships through and with South China. Taiwan established in the 1950s, and for at least the next 20 years, many direct and profitable ties with the Chinese overseas in the non-Communist world, and was particularly successful in Japan, South Korea, the Philippines, Thailand, the United States and parts of Latin America and some countries in the rest of Asia, Europe and Africa. But for obvious reasons, it had no connections with the mainland of South China.[7]

The Chinese mainland had, for a while, its own special relationships with the Chinese in Indonesia, Burma, the Indo-Chinese states, the Soviet Union and other Communist or fraternal socialist states in Europe, Asia and Africa, but it was mostly a turbulent political relationship rather than a profitable commercial one.[8] This imbalance in the Guangdong–Hong Kong–Taiwan triangle clearly did not contribute directly to the growth of Greater China, or for that matter the South China Economic Periphery as defined here. It has, in any case, become much less significant since the

6. C.F. Yong, "Patterns and traditions of loyalty in the Chinese community of Singapore, 1900–1941," *The New Zealand Journal of History*, Vol. 4, No. 1 (1970) provides interesting examples of this experience.

7. The series of country by country volumes on the distribution of Overseas Chinese around the world, the *Hua-ch'iao chih* published in Taiwan from the mid-1950s, provides a useful, if not always accurate, record of these successes.

8. Stephen FitzGerald, *China and the Overseas Chinese* (Cambridge: Cambridge University Press, 1972), pp. 162–195.

mid-1980s, but it still needs to be kept in mind when considering how the present integrating forces are working on the economy and how the Chinese overseas as a whole might respond to them.

Within a brief article it is only possible to distinguish the main features of the remarkable developments of Greater China and survey briefly the impact they are having on the great variety of Chinese overseas. They are viewed from three perspectives. In economic affairs, the new investment opportunities and enhanced communications are clearly attractive. In terms of political changes, there has been unending drama in all parts of Greater China. Hopes have been aroused for major reforms, but there have also been events which produced depths of anguish and despair.[9] As for the cultural debates that have followed, they have led to both pride and incomprehension.

The most striking is clearly the economic perspective.[10] Chinese financiers, industrialists, hoteliers and property magnates from Hong Kong have been investing more and more in South China since the Joint Declaration was signed in 1984. Increasingly, similar investments are being made from Taiwan. And, of course, there have recently been public sector organizations from China making large investments in Hong Kong. Hence the prospect of integration that would make the whole area a single economic region. In the midst of all this, there are numerous reports that the Chinese overseas are joining the rush to invest in China. How significant is this?

Several prominent firms and businessmen in South-east Asia have recently attracted newspaper headlines, notably Liem Sioe Liong, Sinar Mas and Mochtar Riady from Indonesia,[11] Charoen Pokphand and the Sophonphanich family from Thailand,[12] and the Kuok brothers and the Hong Leong Group from Malaysia.[13] In every case, they had been doing business with Hong Kong and had established bases in the territory. Many have extended their business empires to America and Europe and can be described as multinationals. As such, they could still be identified as Indonesian, Thai or Malaysian in origin, but many local politicians as well as commentators in the media tend to stress the fact that their founders and successors are mainly Chinese.

These "Chinese multinationals" had, since the early 1980s, been

9. The example of responses among the Chinese overseas to the tragedy at Tiananmen in June 1989 is instructive. In North America, Western Europe and Australasia, media reports were filled with emotional outbursts, especially from the younger generation. In South-east Asia and elsewhere in Asia, the reports of their responses were very muted.

10. There are numerous reports, ranging from the sensational to the matter-of-fact. The account in *The Economist*, 21 November 1992 remains one of the most useful to date.

11. Leo Suryadinata, "Chinese economic elites in Indonesia: a preliminary study," in Jennifer Cushman and Wang Gungwu (eds.), *Changing Identities of the Southeast Asian Chinese since World War II* (Hong Kong: Hong Kong University Press, 1988), pp. 269–277; Richard Robison, *Indonesia: The Rise of Capital* (Sydney: Allen and Unwin, 1986), pp. 278–288.

12. Akira Suehiro, "Capitalist development in Postwar Thailand: commercial bankers, industrial elite, and agribusiness groups," in Ruth McVey (ed.), *Southeast Asian Capitalists*, (Ithaca, NY: Cornell University Southeast Asia Program, 1992), pp. 42–61.

13. Lim Mah Hui, *Ownership and Control of the One Hundred Largest Corporations in Malaysia* (Kuala Lumpur: Oxford University Press, 1981), pp. 82–112.

looking for opportunities to invest in China from their Hong Kong bases. Some are known to have made investments and contributions on a smaller scale to specific areas, especially to their ancestral villages and towns if they still had relatives there. There is little evidence that they were investing in China for any reason other than an opportunity to set up a profitable business. But they were clearly preparing themselves for large-scale investments when the chances were there. All they were waiting for was a firm commitment from China to expand and sustain economic growth and welcome and protect foreign ventures. There is also no doubt that, when that moment came, the knowledge of China that these firms and entrepreneurs had, and their considerable familiarity with the evolving system of "market socialism," would be seen by the Chinese authorities as a great advantage. In that context, these enterprises expected that they would be favoured.

These South-east Asian Chinese are somewhat different from the few prominent Chinese businesses in the Americas and elsewhere, who showed enthusiasm for investing in China very early in the 1980s and who dealt directly with Beijing and not through bases in Hong Kong. The best-known example of this approach is Wang An in the United States, but others like Cyrus Tang and Charles Wang were also active.[14] For all of them, important changes in policy occurred when Deng Xiaoping visited the United States.[15] Responses from the Chinese there, however, varied considerably, ranging from enthusiasm to extreme caution. The real difference between past and present practice began after 1990 when it became clear that China would make major commitments to a market economy. With that assurance, these outside companies began to make long-term investments of large sums of money.

There were, of course, many other smaller investors from South-east Asia, and also Japan, Europe, the Americas and Australasia, who had been exploring the Chinese market, learning from hard experience and looking for appropriate connections for future ventures. There is no reliable data of how many there were. Most material is anecdotal, but the impression of abiding interest and a readiness to plunge in is strong. All one can say at this stage is that the many investors, unnamed and unnoticed, who made modest remittances and contributions to businesses and to their respective families during the past decade or so, provided the large reservoir of capital and experience for the explosion of activity after 1990.[16]

Most of these smaller firms are difficult to pin down because they rarely sent sizeable amounts of money directly to China from their own countries. The standard operation required that branches or agencies be

14. Mai Liqian (Him Mark Lai), *Cong Huaqiao dao Huaren–Ershi shiji Meiguo Huaren shehui fazhan shi* (*From Huaqiao to Huaren: A History of the Development of Chinese Communities in America*) (Hong Kong: Joint Publishing, 1992), pp. 392–416, 437–463.

15. Deng Xiaoping's visit in January 1979 met with mixed receptions from the politicized sections of the Chinese American population, but was greeted with relief by most businessmen.

16. The only reports are to be found in the Hong Kong daily press. They are desultory and often unsourced, but the impression of steady and continuous activity is unmistakable.

set up in Hong Kong to prepare the ground and make the contacts. By the time China was ready for them, many firms could act in fact as Hong Kong firms. The line between them and firms that represent overseas interests is blurred, making it difficult to identify investments from the Chinese overseas except when public announcements are made by prominent companies. For these Chinese multinationals, especially from South-east Asia, it is clear that they are investing with the full knowledge of their governments, and often with direct support from their national leaders.[17] The significance of this will be discussed later.

It should also be noted that the Hong Kong-based companies began by following their Hong Kong allies and competitors and concentrating on Guangdong, especially the Pearl River delta beyond Shenzhen and Zhuhai. For them, security rested on the growing economic integration of the South China Economic Periphery, which increasingly included Fujian and Zhejiang.[18] This was strengthened further by the entry of more Taiwan firms during the late 1980s.[19] The relative profitability of all these investments encouraged some to move further afield gradually until early 1992. Then the gates began to open widely, to the Yangzi valley, to the provinces of Hubei and Sichuan in the interior, and beyond Beijing to the north-east.[20] The mounting excitement over ever larger areas of China being equally profitable was a great spur. There is no doubt that the effect was like taking the cork out of a champagne bottle.

The result is a picture of Greater China enveloped in a mad scramble, troubled by a degree of anarchy verging on chaos, with increasing examples of corruption and lawlessness and clear cases where the central government has little control. This state of affairs stems from structural problems within China and has little to do with what the Chinese overseas are doing as actual and potential investors. Nor is it one that such Chinese would welcome for the long-term investments which they have made or are ready to make. A few of them may be swayed from time to time to make sentimental gestures, but all the evidence points to hard-headed calculations of profit behind their every move.[21] If the investment conditions of China should deteriorate, if there is civil disorder, if a fierce struggle for power develops either at the Centre or between the Centre and the provinces, these Chinese will be quick to withdraw their money and put it elsewhere.

Political Greater China, however, belongs to a different dimension. The

17. Interviews with Indonesian and Malaysian consular officials in Hong Kong confirm this.

18. The material on investments in the Pearl River delta can be found almost daily, but the small but significant communities of Chaozhou, Minnan (Southern Fujian) and Ningbo businessmen ensured that Hong Kong enterprises would move further afield.

19. As government policy in Taiwan towards relations across the Straits began to change in the mid-1980s, its businessmen pushed ahead by using Hong Kong as a base. From 1988 onwards, a veritable flood of visitors from Taiwan to the mainland was a prelude to intensive funding of joint enterprises which the Taiwan government could do little to curb.

20. After the Deng Xiaoping visit to South China in January 1992, Hong Kong businesses, led by Peter Woo, began to look seriously at opening up the interior provinces and the north.

21. Regular interviews with South-east Asian businessmen from Singapore and Malaysia since the early 1980s have confirmed that sentiment will always be accompanied by assurances of profit.

idea of future unification points to the prospect of a strong and prosperous China being taken seriously again in world affairs. The Chinese overseas have always been particularly sensitive to the way China's international position gave them self-respect and pride, if not also added status in the countries they have made their homes. Are those overseas today very different from their predecessors? Probably not if they still identify themselves as ethnic Chinese and have resisted total assimilation to the majority community. The difference between generations may be sharper where the host community has been relatively tolerant and the descendants of Chinese immigrants have become comfortable and successful. In countries where discrimination is pervasive and ethnicity has constructed little walls between distinctive groups, ethnic Chinese today may well be as defensive and proud as their forefathers.[22] But all countries are different and the variables are too many to allow for generalizations. A generation gap is to be expected, but no less important are the nature of national policies, the legal system under which they live, educational and business opportunities and attitudes towards traditional cultural values, factors that would make the difference between, on the one hand, a quiet and private pride in being Chinese and, on the other, a willingness to contemplate a disloyal expression of Chineseness in their adopted countries.

At the same time, there is the spectre of an expansionist empire under the last powerful Communist Party in the world, the successor state to the Soviet Union.[23] The Chinese overseas react differently depending on where they live. In South-east Asia, in the area where the power of China can easily be felt, there is great ambivalence. Few respond to the blandishments of Communism today. Many are relieved that the new policies towards "market socialism" make China more acceptable to South-east Asian governments. Greater China not only makes it profitable to deal with it, but also holds out the promise that Communism will before long be dead. If that happens, the Chinese overseas, who have generally benefited greatly from the freer economies under which they live, will have fewer obstacles to trading with, and investing in, Greater China and even to their children learning Chinese as one of the major languages of economic development.

However, the Chinese overseas have no control over the future, whatever their hopes for a political Greater China. That is largely a matter for China itself and for their own respective governments in their diplomatic and security policies. Cultural China, however, is more accessible and the response to that is much more a matter for them to determine themselves. There are many levels at which this restoration of cultural Greater China can be received. There is the most basic level of

22. This is common all over Asia, notably in Japan and South Korea and still true, despite strong assimilationist policies, in South-east Asia. But the examples of Chinatowns in the migrant states of the Americas and Australasia suggest that ghetto-like lives are historically widespread and may persevere.

23. There is a growing number of commentaries in the Western media since 1991 which stress this, but South-east Asian reports have also played on this theme from time to time.

simply loving and being proud of everything Chinese, starting with language and dialect, customs, festivals, foods and news of China, then ranging from joining Chinese organizations and attending all their functions, to the urge to visit China, to give donations to all Chinese charities and parties for all visiting Chinese dignitaries, and to the determination that one's children and grandchildren should master the Chinese language and maintain and even improve the quality of their Chineseness. At that level, the contrasting bits of cultural China on the mainland, in Taiwan and Hong Kong pose no problems.[24] They may be bewilderingly different, sometimes contradictory, but what they stand for is still Chinese.

At another level, however, a rejuvenated and enhanced Chinese culture arouses in those already educated in Chinese the desire for sustained action and intellectual effort. This can take many forms, depending on what these Chinese perceive to be the direction of cultural change. They divide into those who think that the modern culture in Greater China has been distorted by foreign borrowings and those who think that too much of cultural China is still clinging on to the past, whether to the burdensome traditions of history, or to the discredited revolutionary values of Marx, Lenin and Mao, or several positions in between.[25] Such Chinese may want to return to Greater China to see for themselves and offer better models for the future, that is, models that are more democratic and have more respect for the law. At the same time, they may also be concerned that the younger generation should appreciate the Four Books, Han and Tang poetry, Sung paintings and prose, even Ming-Qing romances – just about anything that would save Chinese civilization from decay or contamination.[26]

There is yet another level at which cultural Greater China might deter young Chinese overseas from assimilation and loss of identity. In Southeast Asia, where Chinese ethnicity has to remain subdued, the culture, literature and arts of Greater China can be learned through non-Chinese languages. For example, during the 19th century Ming-Qing novels were translated into Malay, Thai and Vietnamese.[27] Today, selections from the classics can be read in an international language like English. Similarly, modern works, whether politically correct or not, are followed with interest as part of the globalization of modern culture of which cultural China is an important part.[28] Non-verbal arts and expressions can be even

24. The Chinese newspapers published among the Chinese overseas demonstrate this clearly, more so perhaps in North America, but also in much more carefully chosen words in Singapore and Malaysia.

25. The vigorous debates among new *huaqiao*, and especially the better-educated students and dissidents from the mainland, since 1989 have been found in newspapers and magazines not only in North America but also in Hong Kong and Taiwan.

26. The literature of this genre is now vast, mostly published in Hong Kong and Taiwan, but also in various forms in mainland magazines as well.

27. Claudine Salmon (ed.), *Literary Migrations: Traditional Chinese Fiction in Asia (17th–20th centuries)* (Beijing: International Culture, 1990).

28. This subject is yet to be studied. The campaign to introduce Confucian values through translated texts in Singapore in the early 1980s is a good example; Tu Wei-ming, "Iconoclasm, holistic vision, and patient watchfulness: a personal reflection on the modern intellectual quest," *Daedalus*, Vol. 116, No. 2. Perhaps from the sublime to the not so ridiculous, the cartoon versions

more powerful. Paintings and music might reach only a small discerning audience, but film, television, video and other information technologies have a much larger impact.[29] As long as cultural China is presented in all its variety, with both verve and skill, no Chinese overseas today can be far away from its attractions. Few would find it possible to reject its claim to their attention.

The positive view above assumes that the perspectives of most Chinese overseas today about China are shallow. They have little sense of the past and either follow their immediate interests, or follow their instincts about what they like or dislike about being ethnically Chinese. It also assumes that the countries in which the Chinese overseas have gained acceptance believe in non-interference in their ethnic Chinese communities and the ideas and sentiments these communities may have about China. But this is not true in many countries, notably those in various parts of Asia, particularly South-east Asia. Even in the migrant states of the Americas and Australasia, where civic tolerance and liberal laws have often left the ethnic Chinese more free to remain Chinese, the very dominance of the majority culture can exercise great pressures on the descendants of immigrants.[30]

Both these assumptions have to be juxtaposed with the fact that there have been several hundred years of history of the Chinese overseas and the fact that the polities in which most Chinese overseas have lived, or grown up, have undergone radical changes during the 20th century. No study of the response by these Chinese overseas to Greater China today can ignore the significance of that changing historical background. This article will look at two questions in recent history which may throw light on the impact that Greater China can have on the Chinese overseas today.

The first question the Chinese overseas want to know is whether the success of Greater China so far has been determined by the recent shifts in the PRC's foreign and economic policies. These Chinese expect that the prospects for Greater China depend on those policies being sustained by a stable regime and remaining unchallenged by the policies of other powers. The second question is whether this development of Greater China is the result of irrevocable changes to the global economic and political environment, in which all three governments (of the PRC, Taiwan and Hong Kong) have had no choice but to promote the development of the South China Economic Periphery in the different ways they

---

footnote continued

of the Chinese classics by Tsai Chih Chung now translated into English are read by the younger generation of the Chinese overseas. They are easily available in a Singapore edition published by Asiapac.

29. The impact of Hong Kong films, television and video tapes on the Chinese overseas is widely acknowledged.

30. The literature on this topic is growing. A good example of the genre is Joann Faung Jean Lee, *Asian Americans: Oral histories of First to Fourth Generation Americans from China, the Philippines, Japan, India, the Pacific Islands, Vietnam and Cambodia* (New York: The New Press, 1991), pp. 99–139.

have done. If the changes are fundamental and permanent, they will profoundly influence the attitudes of the Chinese overseas towards the future of Greater China.

In order to answer these questions, there are several historical points that are pertinent. How do the recent policies of the central government on the mainland compare with those of earlier governments and how much do the changes represent a fundamental move to a stable set of policies and a new equilibrium in the region? How vulnerable is the PRC to the future development towards a new world order, or at least towards new regional relationships? The perceptions of different groups of Chinese overseas towards Greater China may depend on the answers to these questions. The different groups may need to re-examine their various roles in their respective regions, countries or territories. What impact then would an economically dynamic Greater China have on what they decide to do in Greater China, on their loyalty to their respective adopted countries and on their feelings about their own ethnicity? The rest of this article will first focus on the experiences of the Chinese overseas with China's policies towards them and try to place the current situation in perspective; and secondly, deal with the way a successful Greater China may affect different groups of the Chinese overseas and the decisions they make about their national and cultural identity and their political and economic future.

The Chinese State and the Chinese Overseas Cycle

It is not necessary to dwell on the centuries of Chinese imperial policies before the last decades of the Qing dynasty. Suffice it to say that from the Tang to the Song and then to the Yuan dynasties, private trade by Chinese with other Asians went on side by side with the officially permitted tributary trade. The volume was never great and the numbers of Chinese involved were never very large. But there was a major shift in policy at the end of the 14th century[31] when the Ming founder banned private trade with foreign countries in reaction to the disorder which he believed foreign traders had brought to the China coast. This was some time after a small number of Chinese overseas communities had appeared in South-east Asia. The Ming ban on private overseas trade in effect cut these communities off from China. All future trade had to be conducted through official tributary missions tightly controlled by the Ming court.

This policy was eventually modified, but the growing number of Chinese merchant communities outside China traded increasingly with European companies and eventually were subjected to European administrations. The sharp contrast between the lack of support for the Chinese merchants by the Qing mandarins and the official financial and military backing given to the European traders by their respective governments

31. Wang Gungwu, "Early Ming relations with Southeast Asia – a background essay," in Wang Gungwu, *Community and Nation: Essays on Southeast Asia and the Chinese* (Singapore and Sydney: Heinemann Educational Books and Allen and Unwin, 1981), pp. 43–57.

helped to shape the trading mentality and culture of the Chinese overseas. It led to resentment against the uncaring Chinese government mixed with envy towards the advantages held by the European traders. But it also led to a high degree of independence and self-reliance within the Chinese communities. This self-reliance was coupled with an adaptability towards foreign institutions of authority.[32]

Nevertheless, what most of the Chinese overseas increasingly wanted was a strong China to protect them against the state-supported Westerners. Neither the Qing after the 1850s nor the Republic of China after 1911 could really do that. But, although weakened by divisions and impoverished by Western competition, both those governments did care and try to offer diplomatic support. This was widely welcomed among the Chinese abroad and, by the 1920s and 1930s, their success in commerce, growing wealth and heartfelt gratitude led to the perception that it was the Chinese overseas who could now save a poor and war-torn China: through investment, through patriotism and a new nationalism and, if necessary, through revolution, they could make China wealthy and strong again. This provided many of them with inspiration, idealism and a willingness to die for their country.[33] The defeat of China by Japan in 1895, followed by many encroachments on Chinese sovereignty year after year until the 1930s, had enhanced that sense of devotion. The only reason why *huaqiao* (Overseas Chinese) investments in China were not more successful for most of those 40 years was because China suffered from civil wars and foreign invasion. Throughout that period, the *huaqiao* invested not primarily for profit but largely out of the duty to support the Chinese economy.[34] When they realized that investments in China were not necessarily the best way to be helpful under the circumstances, many concentrated on making money elsewhere so that they could remit funds to support the government in its efforts to defend China.

After 1949, a new image of a united and strong China replaced that of division and helplessness. But what did this bring to the Chinese overseas? Hundreds of thousands returned to rebuild their country, but many more left China for Taiwan and Hong Kong and, from there, sought to emigrate to any place in the world that would accept them. And millions of those already outside stayed where they were and learnt to cope with newly independent nation-states, especially the large minorities who had

32. Three essays by L. Eve Armentrout Ma, Yen Ching-hwang and Mak Lau Fong, in Lee Lai To (ed.), *Early Chinese Immigrant Societies: Case Studies from North America and British Southeast Asia* (Singapore: Heinemann Asia, 1988), pp. 159–243, bring this out clearly.

33. Two examples from British Malaya and the Philippines are of interest: *Dazhan yu Nanqiao* [*Ta-chan yu Nan-ch'iao*] (*The Great War and the Overseas Chinese in South-east Asia*) (Singapore: Southseas China Relief Fund Union, 1947) and Antonio S. Tan, *The Chinese in Manila During the Japanese Occupation, 1942–1945* (Quezon City: University of the Philippines, Asian Center, 1981).

34. The classic example is Chen Jiageng (Tan Kah Kee). C.F. Yong, *Tan Kah Kee: The Making of an Overseas Chinese Legend* (Singapore: Oxford University Press, 1987). Tan had many loyal supporters who followed his example, pp. 175–297.

chosen to settle in South-east Asia.[35] When the doors began to open in the migrant states of the Americas and Australasia, new generations of *huaqiao* went there to join the earlier immigrants and their small communities, including significant numbers of re-migrants from South-east Asia.[36]

This outline of the responses to the cycle of strong China, weak China, strong China, by the Chinese overseas needs to be taken into account when the present confidence and enthusiasm in Greater China is being examined. Most South-east Asian Chinese of the older generation are familiar with this history. Their children and grandchildren may have heard the often-told stories about China's policies towards the Chinese abroad, but they are unlikely to have constituted a systematic account. Elsewhere, especially in the migrant states of the Americas and Australasia, even less was known until recently.[37] It would, therefore, be possible for many of the Chinese overseas today to misread the emergence of Greater China and the formation of new policies to welcome them to help restore China to greatness as an unprecedented event.

The historical context helps us to appreciate what is happening. This is not the place for a full account, but the following provides a schematic summary of the relationship between China and the Chinese overseas since the beginning of the Qing dynasty in terms of the Chinese overseas cycle, or the CG/CO cycle.

1. Strong and prosperous Qing empire from 1680s to 1840s.[38]

   Chinese Government (CG) neglectful of, and indifferent to, the fates of the Chinese overseas;

   Chinese Overseas (CO) faced great obstacles, but learnt to be self-sufficient and independent, and increasingly successful in commerce.

2. The Hundred Years' weakness and poverty, 1840s to 1949 (the weak and poor Qing empire followed by a republic divided by civil wars and invaded by Japan).

   CG offered recognition of, and support to, the CO, but expected political loyalty from them, and also economic investments from the rich CO;

   CO numbers grew rapidly but the *huaqiao* were responsive to China's needs and

35. C.P. FitzGerald, *The Third China: The Chinese Communities in South-East Asia* (Melbourne: F.W. Cheshire, 1965); Mary Somers-Heidhues, *Southeast Asia's Chinese Minorities* (Melbourne: Longman, 1976).

36. Mai Liqian, *Huaqiao to Huaren*, chs. 10–12; and Edgar Wickberg (ed.) *From China to Canada; A History of the Chinese Communities in Canada* (Toronto: McClelland and Stewart, 1982), pp. 204–267, for North America.

37. Progress in North American research on Chinese communities has been remarkable; Him Mark Lai, "Chinese American studies: a historical survey," *Chinese America: History and Perspectives 1988* (San Francisco: Chinese Historical Society of America, 1988), pp. 11–29. Also Wing Chung Ng, "Scholarship on post-World War II Chinese societies in North America: a thematic discussion," *Chinese America: History and Perspectives 1992* (San Francisco), pp. 177–210.

38. The Qing government was not always prosperous, nor consistent in its policies towards the Chinese overseas; see Jennifer Wayne Cushman, *Fields from the Sea: Chinese Junk Trade with Siam During the Late Eighteenth and Early Nineteenth Centuries* (Ithaca, NY: Cornell University Southeast Asia Program, 1993), chs. 4 and 5.

were, on the whole, caring; they continued to be economically prosperous but were also angry and ashamed at the failure of successive Chinese governments.[39]

3. The Mao era of strength and promise unfulfilled, 1949–76: strong country, poor people, living under the shadow of the Cold War and the U.S.–Soviet "central balance."

CG imperious but constrained, forced by diplomatic isolation and ideology to ineffectual policies amounting to a return to neglect of, if not indifference to, the CO;

CO faced new obstacles and relearnt how to be self-sufficient and economically autonomous; became politically localized and naturalized, if not still divided by the forces of China politics.[40]

4. The reforming PRC since 1978 has become potentially strong and prosperous relative to China's neighbours and its place in the world, but is still on the margins of Third World poverty.

CG returns to recognition and modest support of the CO, but defensively, welcoming investments but not expecting loyalty;

CO once again grows fast but they remain sympathetic, even caring; being better educated, they adapt to conditions abroad more easily and are divided in the ways they are attracted to the promise of Greater China but dismayed by the PRC's political system.[41]

The CG/CO cycle briefly summarized above is a rather simple depiction of the way the Chinese governments and the Chinese overseas interacted during alternating periods of strength and weakness in the Chinese polity. It suggests a pattern of behaviour discernible in the Chinese overseas which seems to have been sensitized to the ebb and flow of Chinese political struggles and their effect on foreign and economic policies. After the range of experiences they have had, most of the long-settled and naturalized are unlikely to be easily swayed by current developments towards Greater China and would tend to await much clearer signs of stability in the PRC and in the Beijing government's capacity to adjust to new global and regional relationships. Some of the wealthiest Chinese overseas with bases in Hong Kong have been interested in the economy of South China for several years and have shown that they are willing to take a limited range of risks. The evidence so far is that they have preferred, or at least limited themselves to, short-term investments made through their Hong Kong bases.[42] Given their increasing sophistication about political, economic and financial matters, even these entrepreneurial Chinese have balked at being exposed

39. 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).

40. Several essays in Cushman and Wang, *Changing Identities*, provide examples of what happened in South-east Asia during this period: notably essays by J.A.C. Mackie, Chinben See and Tan Chee-Beng (pp. 217–260, 319–334 and 139–164).

41. This is analysed in the last part of this paper, "Changing groups and different responses"; see also my essay, "Among non-Chinese," in *Daedalus*, Vol. 120, No. 2 (Spring 1991), pp. 135–157.

42. There have been some exceptions. Sino-Land, an offshoot of a Singapore company, and Kerry Trading, a Hong Kong arm of a Malaysian company, had begun to make large investments by the mid-1980s.

to the uncertainties that still hover around the future growth of Greater China.

As for the ordinary Chinese overseas, they are divided among themselves and are still straining to adapt to their very complex local societies. Whatever appeal the idea of Greater China may have for them, it has always had to be screened through the many layers of their own new national loyalties and their decades of separation from their ancestral homes. In addition, their local commitments to their own families and their minority communities have become deeper. The nationalist education of their young and the steady acculturation and modernization of their value-systems have greatly increased their distance from China and things Chinese. Many have, in fact, kept up their skills with the Chinese language, and others have begun to relearn the language in response to recent developments in Greater China, but the majority of the Chinese overseas are likely to admit that they have lost their capacity to understand, and do not have the determination to study, what is happening in China today.[43]

It is not suggested here that the CG/CO cycle is uppermost in the consciousness of the Chinese overseas. Nor would such an understanding of historical relationships be decisive in the Chinese overseas response to Greater China developments. But it forms a background to the widespread caution and wariness that accompanies the calculations that the Chinese overseas are likely to make when they contemplate committing themselves in any way to Greater China.

Changing Groups and Different Responses

Anyone who studies the Chinese overseas knows that, despite the efforts this century by successive governments in China and by patriotic and nationalistic Chinese to bring the *huaqiao* together, there has never been one single Chinese community abroad. There has been no uniform view of China nor one about how the Chinese overseas should respond to their respective places of settlement or residence. It is widely understood that different groups of Chinese have had very different perceptions of their roles outside China.

About 20 years ago, in two articles about the Chinese in South-east Asia published in *The China Quarterly*[44] and *Southeast Asia in the*

43. The literature on the Chinese overseas written by scholars in Hong Kong, Taiwan and the PRC and by Western sinologists tend to focus on those Chinese who can still speak, read and write Chinese. This is less true of the anthropologists, notably the studies of Thailand by G. William Skinner, of Cambodia by William Willmott, of Indonesia by Donald E. Willmott and Mely Tan Giok Lan, and of Malaysia by Judith Strauch and Tan Chee-Beng. The latter studies show that most Chinese in the second or third generation were losing their ability to communicate in Chinese. Hence Maurice Freedman's reference to the need for re-sinification, see John R. Clammer, "Overseas Chinese assimilation and resinification: a Malaysian case study," *Southeast Asian Journal of Social Science*, Vol. 3, No. 2, pp. 9–23; also Tan Chee Beng, *The Baba of Melaka: Culture and Identity of a Chinese Peranakan Community in Malaysia* (Petaling Jaya: Pelanduk Publications, 1988).

44. Wang Gungwu, "Chinese politics in Malaya," *The China Quarterly*, No. 43 (1970), pp. 1–30, also in *Community and Nation* (1981), pp. 173–200.

Modern World,[45] I suggested that the Chinese, in terms of their political activities, could be divided into three groups. Their economic activities were touched on, but not emphasized because it was assumed that these activities would be determined by the various pressures to demonstrate political loyalty to the new nation-states of which the Chinese were citizens. The major issue was one of political loyalty and that was the focus of the studies. This article provides the opportunity to re-examine the question beyond South-east Asia, especially the growing communities in North America and Australasia. There is a new situation involving all Chinese overseas widely distributed around the world at a time when political and economic loyalties may no longer coincide and may diverge widely in a more open and international business environment.

A full description of the three groups of political Chinese can be found in the two articles referred to above.[46] Here, only a summary definition is offered:

Group A Chinese, a relatively small group that had become smaller; they maintained links with the politics of China, either directly or indirectly, and were concerned always to identify with the destiny of China.

Group B Chinese formed the majority group everywhere; they were hard-headed and realistic and concentrated on making a living in occupations which allowed them to behave openly as ethnic Chinese. In the political sphere, they tended to limit their activities to the low posture and indirect politics of trade, professional and community associations.

Group C Chinese were generally committed to the new nation-building politics, even though they remained uncertain of their future as ethnic Chinese and were never sure whether they would ever be fully accepted as loyal nationals.

The conclusions were that, in South-east Asia, Group A Chinese would grow even smaller and that Group B would also grow smaller if the new national policies were enlightened and, by removing discriminatory policies against Chinese minorities, encouraged Group C Chinese to confirm their loyalty. These groups were examined by other scholars and refinements were suggested.[47] In some South-east Asian countries, it was pointed out that there should also be a fourth group which had accepted assimilation and no longer insisted on being known as Chinese.[48]

It would be interesting to see if the three-group division (not including here the fourth group of those who did not identify themselves as ethnic Chinese) can help approach the question of the response of the Chinese overseas in general to the development of Greater China, and their present and future roles in Greater China and within their own countries. It is recognized that Chinese overseas communities are different from one

45. Wang Gungwu, "Political Chinese: their contribution to modern Southeast Asian history," in Bernhard Grossman (ed.) *Southeast Asia in the Modern World* (Wiesbaden: Otto Harrassowitz, 1972), also in Wang Gungwu, *Chinese Overseas*, pp. 130–146.

46. Wang Gungwu, "Chinese politics," pp. 4–6, 21–30; "Political Chinese," pp. 132, 139–146.

47. Loh Kok Wah, *The Politics of Chinese Unity in Malaysia* (Singapore: Maruzen Asia, 1982) is the best example.

48. Charles A. Coppel, "Patterns of Chinese political activity in Indonesia," in J.A.C. Mackie (ed.), *The Chinese in Indonesia: Five Essays* (Melbourne: Nelson, 1976), pp. 19–76.

another, but the questions will focus on two regions or types of host countries where the communities are large: the new nation-states of South-east Asia and the migrant states of the Americas and Australasia.

Group A Chinese. In the new nation-states, there has not been much immigration from Hong Kong, Taiwan or the PRC, and this group which identifies with the destiny of China is indeed smaller than it was 20 years ago and consists mainly of aged and aging people. In the migrant states, however, there has been a considerable influx of fresh immigrants from Taiwan, Hong Kong and the Chinese mainland as well as from Chinese communities in South-east Asia. Thus, many more Chinese in the migrant states meet the criteria of Group A Chinese.[49] It is possible to generalize that Group A Chinese will be found in larger proportions, relative to Groups B and C, in areas which have seen a strong recent influx of new *huaqiao* from Taiwan, Hong Kong and the mainland.

Where the development of Greater China is concerned, Group A Chinese are expected to be enthusiastic and excited by its potential to make China strong and prosperous again. They include critics of both the PRC and Taiwan and those who want to bring democracy and human rights to Greater China. In the new nation-states, they have not themselves made any significant contribution to that development. This is because the older and more successful of the group in South-east Asia have by and large retired and have been succeeded by their local-born and educated, and also less sentimental, progeny who may well be recognized as Group B Chinese, with some even identifying fully with the new nation-states as Group C Chinese.

In the migrant states of the Americas and Australasia, however, where new immigrants have swelled the ranks of Group A Chinese, they have close direct links with one or other of the three parts of economic Greater China, and strong emotional ties with cultural China and the PRC or Taiwan and even Hong Kong. Although few of them have had the economic resources to support the recent growth of Greater China directly, there have been notable entrepreneurial successes among those who have specialized in trading and investing in China.[50]

When the two types of host countries are compared, Group A Chinese in the migrant states are more likely to play a political role in Greater China than those from the new nation-states. Most of those in the migrant states are recent arrivals and they originate from the most dynamic part

49. Detailed studies of this phenomenon have begun to be published, for example two new books about New York City: Hsiang-shui Chen, *Chinatown No More: Taiwan Immigrants in Contemporary New York* (Ithaca, NY: Cornell University Press, 1992) and Min Zhou, *Chinatown: The Socioeconomic Potential of an Urban Enclave* (Philadelphia: Temple University Press, 1992). They should be read together with an earlier study of New York's Chinese community by Bernard Wong, *Chinatown: Economic Adaption and Ethnic Identity of the Chinese* (New York: Holt, Rinehart and Winston, 1982).

50. A good measure of one of the consequences of the growth in numbers of Group A Chinese can be seen in H.M. Lai, "The Chinese press in the United States and Canada since World War II: a diversity of voices," *Chinese America: History and Perspectives 1990* (San Francisco: Chinese Historical Society of America, 1990), pp. 107–155.

of Greater China. Many have become successful professionals in the fields of science and technology.[51] The expertise that these newcomers possess has enabled them to contribute directly to Greater China. Their sub-groups of Hong Kongers, Taiwanese and mainlanders include people who are also seen as having the ability to build economic bridges between each territory and anyone in their adopted homes overseas who wish to participate in the Greater China adventure. Given the circumstances, there is no need for these recent immigrants to demonstrate openly any kind of Group A political allegiance to China. But if they are perceived to have a special understanding of the workings of the governments of the PRC, or better still have connections with useful levels of the economic centres of Greater China, that will enable some of them to play a role out of proportion to their relatively small numbers.

The interesting question is, if Greater China moves inexorably towards a strong and rich "Unified China" during the 21st century, will such a group in the migrant states grow much larger? Will it be swelled by more and more sojourning businessmen and professionals from Greater China? Will some of those born and educated in the Americas and Australasia, who might have been grouped as either Group B or Group C Chinese, be won over from their present comfortably established positions and identify with Group A Chinese? Much depends, of course, on whether they can combine their Greater China interests with a semblance of loyalty towards their adopted countries, and on whether, and for how long, these migrant states will tolerate the potentially divisive features of ethnicity and allow their citizens to play such bridging and ambiguous roles. And that in turn depends on whether the relatively open international economy that has dominated the world for the past four decades is here to stay and whether the direction of recent developments in Greater China is now firmly locked in. Otherwise, Group A Chinese in the migrant states are likely to undergo what their counterparts in South-east Asia experienced and be forced to diminish in number and influence as their children seek integration and new local identities.[52]

Group B Chinese. There are historical reasons why this group has always been the majority in the new nation-states and is likely to remain so. This has much to do with the size of early Chinese trading communities in South-east Asia and their deep roots in South China, now the key territories of rapid economic development. With their preference for "the low-posture and indirect politics of trade and community associations"[53] and their commitment to cultural maintenance for both sentimental and

51. Given the increasingly complex relationship between China and the United States and the large number of American sinologists who know Taiwan, Hong Kong and the PRC reasonably well, such Chinese may not find themselves all that useful. But elsewhere in the Americas and Australasia, many of them could render their governments considerable help.

52. Unless large numbers of fresh immigrants continue to come from Greater China, this may be unavoidable. On the other hand, it is difficult to predict what new factors might appear to change the course of development.

53. Wang Gungwu, "Chinese politics," p. 4.

practical commercial reasons, they are, almost by definition, the best placed in South-east Asia to respond both to the opportunities of Greater China as well as to the new environment of multinationals and cross-border economic actors now active in the Asia-Pacific region.

In the migrant states, Group B Chinese can be identified through the plethora of traditional organizations in dozens of Chinatowns which emphasize Chinese ethnicity, but it is unlikely that they form the majority in their respective communities. In any case, the distinction between them and Group A and Group C Chinese respectively is likely to be a little blurred. In countries where the opposition to involvement in China politics is not strong and the pressures to integrate or identify politically with local nationalist symbols are more subtle and less direct, the three groups cannot be as sharply delineated as in the new nation-states in South-east Asia. On the contrary, wherever ethnicity and multicultural rights are protected by legislation, Group B Chinese who are openly proud of their Chineseness tend to think and act with Group A Chinese, the group that has been augmented by recent immigrants from Chinese-speaking Taiwan, Hong Kong and the mainland.[54] At the same time, where political participation and social mixing with the majority host communities are relatively free and open, second and third generation Chinese have moved comfortably into the category of loyal ethnic minorities, something akin to the Group C Chinese that survive more precariously in South-east Asia.[55] In short, Group B Chinese in the migrant states form what would appear to be a diminishing middle group between growing numbers of Group A Chinese openly active in Greater China affairs and the large numbers of Group C Chinese who are proud to be loyal nationals.

The contrast here between Group B Chinese in the migrant states and in the new nation-states is of particular interest. Those in the former are rarely as wealthy as their counterparts in South-east Asia. Few could make the sustained impact on the future development of Greater China in ways that those in South-east Asia can hope to do if present conditions continue. In fact, in the migrant states, wealthy Group A Chinese entrepreneurs, rather than Group B Chinese, are more likely to be the successful ones who invest in Greater China.[56] Thus, wealthy and powerful Group B Chinese are largely a South-east Asian phenomenon. Many Group B Chinese there recognized the opportunities offered by the economic reforms in the PRC during the 1980s and have made modest contributions to the emergence of Greater China by investing, mainly through Hong Kong, in at least two of its territories (that is, Hong Kong and the Pearl River delta; or Hong Kong and Taiwan) and making linkages between the South China Economic Periphery and the economies of their own respective countries. With the further develop-

54. Using the New York example, see Min Zhou, *Chinatown*, pp. 219–233.

55. For a Canadian perspective, Wickberg, *China to Canada*, pp. 244–267. Somewhat different is that in Australia, see Marig Loh, *Sojourners and Settlers: Chinese in Victoria, 1848–1985* (Melbourne: Barradene Press, 1985).

56. Mai Liqian, *From Huaqiao to Huaren*, pp. 437–467.

ment of all the coastal regions of Greater China and the prospect of opening up most of the interior, many more are asking themselves how they should respond. The need for new capital investments is vast. Although Group B Chinese entrepreneurs in South-east Asia have more capital and are better equipped to invest in Greater China than their counterparts elsewhere, there are limits to what even they can do. At this stage, they would be wise to ensure that their investments do not exceed what they invest within their own countries and that at least some of their ventures are done together with local nationals, and others are what their respective governments have approved.[57]

They do still have advantages because most of them have access, either directly or indirectly, to family connections and other Chinese trading networks. Some Chinese have, in addition, links with foreign multinationals in their own countries or their respective government's agencies or companies.[58] Some of these non-Chinese companies readily use their help and advice. They themselves could, through these companies, then participate in the larger ventures which they might not have been allowed to undertake on their own or with other Chinese. Excellent examples are the entourage that accompanied the Prime Minister of Malaysia to China.[59] There had been similar Indonesian Chinese, largely Group B Chinese, who guided the Chamber of Commerce delegations to the PRC during the 1980s.[60]

On the whole, however, the constraints on their activities in Greater China are likely to remain great. Apart from the need to show loyalty to their adopted countries, there are also the growing opportunities for profitable investment at home. Several of the countries in South-east Asia, notably Malaysia, Indonesia and Thailand, have been keenly determined to join the club of "Little Dragons" and want the help of their compatriots of Chinese descent, notably the Group B Chinese who have both affirmed their political loyalty and successfully retained their own trading networks. With few exceptions, these Chinese would not be distracted from the opportunities, some greater and mostly safer than those offered in Greater China, which they now have within the region and within their own countries.[61]

57. I am not aware of any case where a South-east Asian Chinese entrepreneur has invested more money in either Taiwan or the PRC than he has invested in his own country. It is harder, of course, to determine if funds are transferred over time to Hong Kong and later re-invested in the PRC as Hong Kong investment.

58. Suehiro, "Postwar Thailand," pp. 54–57, gives examples of joint ventures with several multinationals from Japan, Germany, Britain and Hong Kong. Heng Pek Koon, "The Chinese business elite of Malaysia," in McVey, *Southeast Asian Capitalists*, pp. 127–144, has many examples of close associations with public companies. Similarly, Richard Robison, "Industrialisation and the economic and political development of capital: the case of Indonesia," in the same volume of essays, provides examples from Indonesia.

59. *Asiaweek*, 23 June 1993.

60. Interview with two delegations from Indonesia in 1987 and 1988.

61. The essays in n. 58 also show what enormous opportunities the entrepreneurs have within their own countries. The reports of what the Chinese overseas are doing in Greater China should be compared with what they are doing back home. For example, the report "SE Asian Chinese head for home," in *Asian Business*, April 1993 would be alarming if it is thought that firms like

But will the enhanced future of Greater China change the nature of Group B Chinese whether or not they contribute to its success? Will their political loyalty to their adopted countries be sorely tested? The answer to both these questions is probably not much. They have been probing the limits of what is and is not acceptable within their own countries for at least four decades. As long as the modern nation-states survive and the regional structure is working, the parameters of minority ethnic identities are clear.[62] Group B Chinese have never been geared to challenge authority, only to defend against its abuse. After observing the volatile political and economic changes in China this century, they are not about to let another prospect of China's revived greatness move them from their hard-won position as loyal citizens of new nations.

All the same, it is likely that they will be subject to suspicion and closer scrutiny by their national governments which have always feared the rise of a rich, united and powerful China. These Chinese will have to make greater efforts to assure their governments of their ultimate political loyalties by showing that they can resist Greater China's blandishments and by ploughing their savings and profits into investments in their home countries. On the other hand, an economically successful China will almost certainly give most of them greater confidence in themselves as ethnic Chinese, though not to the extent of fortifying their organizations against what their respective countries want from them. Nevertheless, their greater confidence can help support the policy of cultural maintenance among their descendants, and even consolidate the sense of ethnicity of a permanent Chinese minority.

Group C Chinese. This group was difficult to define for South-east Asia 20 years ago, and is no less difficult to pin down in the new nation-states today. In South-east Asia Group C Chinese referred to those Chinese, largely local-born, whose education in a national system had led them to eschew the symbols and rituals of a culturally defensive Chinese community and had prepared them to be fully integrated into the larger national identity. In the new nation-states, where the national identity was still somewhat fluid and yet to be fully developed, it was expected that these Chinese themselves would help in the shaping of that national identity. To the extent that such Chinese did believe this to be possible, they would give greater attention to nation-building efforts and would by and large opt out of matters aimed at strengthening the Chinese community itself. By definition, such Chinese would not be involved in the

---

footnote continued

Lippo, Kuok Group, Charoen Pokphand, Bangkok Land were taking most of their capital out to "bring home" to the PRC. If true, then Ian Stewart's story in the *South China Morning Post*, 22 May 1993, "Wrath of Asia as Chinese venture forth" would be justified.

62. Ruth McVey, "The materialisation of the Southeast Asian entrepreneur," in McVey, *Southeast Asian Capitalists*, pp. 7–33, analyses how the ethnic Chinese entrepreneurs perform successfully in the South-east Asian context.

emergence of Greater China and would not be interested in furthering its cause.[63]

If national policies encouraged more and more Chinese to participate fully in the social and political life of the new nations, it is likely that this group of Chinese would grow in number. For the greater part, this has happened. In practice, many tensions remain, mainly because some of the assimilationist ideas earlier this century which were widely accepted by South-east Asian governments during the 1950s have left a legacy of deep distrust of those Chinese who did not pledge total denial of their Chinese culture, such as it was, when affirming their political loyalty to the new nations. There is, therefore, much variety in the region where this phenomenon is concerned, ranging from the exceptional Singapore Chinese majority to the delicate equilibrium of Malaysia across to the relatively successful integration of Group C Chinese in Thailand.[64] More than with the other two groups, Group C Chinese are highly sensitive to local conditions and vulnerable to their government's changing policies and moods about China.

Nevertheless, it is clear that Group C Chinese have greater room for manoeuvre than originally envisaged. This is partly because the world has become more sophisticated about the nature of ethnicity and partly because the global trading system has made ideas about national interest broader and more flexible.[65] Those Chinese who could prove that they were politically and economically integrated into the national community have attained the trust of their respective national governments. Thereafter, whether as professionals, skilled technicians or businessmen, whether in private or in public service, they were in a position to represent larger national interests and engage in the affairs of Greater China. Political loyalty to their new nations certainly did not preclude them from active involvement in the development of South China through Hong Kong, nor in the bilateral contracts which their governments signed with either the PRC or Taiwan. Indeed, many such Chinese are particularly well equipped to serve their countries in this way. At the same time, they can also function as a bridge between Chinese ethnic organizations and the national governments and thus allay any fears their governments may have about future loyalties.

The rise of Greater China may have some longer-term impact on these Group C Chinese. If the developments in China and the region are orderly and non-threatening, such Chinese could also play a major role in blurring the differences between themselves and the defensive Group B Chinese and truly establish a loyal and domesticated ethnic Chinese

63. The case studies by Tan Chee-Beng (Malaysia) and Antonio S. Tan (The Philippines) in Cushman and Wang, *Changing Identities*, pp. 139–164 and 177–203, show how this is happening.

64. The case of Thailand has always been special, as illustrated in the Chearavanont family, *Asiaweek*, 23 June 1993, "The growth machine."

65. Group C Chinese in Indonesia and Malaysia can be said to be still discovering themselves in a very fluid world of Muslim politics. With leaders like Suharto and Mahathir in power, however, they have been given a reasonable chance to prove themselves valuable as well as loyal. The relationships are personalized, so they may still be very unreliable.

identity in each of the countries. If, on the other hand, a rich and strong Greater China turns out to be destabilizing, they may have to choose either total assimilation to the majority culture to retain the trust of the national governments or return to the attenuated loyalties and ethnic defensiveness of their Group B compatriots.

The situation of Group C Chinese is different in the migrant states of the Americas and Australasia where similar kinds of Chinese have settled down to become loyal nationals with little difficulty and have made strong political commitments to their adopted countries. In each case, local conditions vary considerably and the Group C Chinese will always have to be alert and sensitive to changes in national policies and attitudes towards what happens in Greater China. Unlike in South-east Asia, the number of such Chinese had been growing fast and would have been the largest group had it not been for the steady influx of new immigrants (and illegal immigrants) from Taiwan and Hong Kong for the past four decades and from the mainland more recently.[66] But, with the current trends, Group C Chinese may remain a minority, albeit a large and growing minority added to by the descendants of Group B Chinese, for some time. Eventually, however, when new immigration slows down, this will be the group to which most Chinese gravitate. It will be a more stable Group C than in South-east Asia. While more will disappear into the ranks of the assimilated than elsewhere, the presence of Group C Chinese in the migrant states will be guaranteed by the commitment to plural societies, multi-culturalism and the multi-ethnic nation by their respective governments.[67]

The idea of Greater China and the economic successes of the South China Economic Periphery must both seem barely relevant to the normal lives of Group C Chinese. All the same, they too can serve their countries by being actively concerned in developments in Greater China. Whether or not that involvement affects their political loyalties will vary from individual to individual. Where the national identity is well-developed and where their pluralistic societies continue to be just and harmonious, it is doubtful if any changes in Greater China will ever affect the lives of such Chinese. What matters is the larger issue which they will be quick to appreciate: that the integration of Greater China will increasingly be seen as part of the globalization of the market economy, and as the result of irresistible forces that have come to dominate all future political and economic developments.

From the outline above, it is clear that the three-group approach to the Chinese overseas continues to be useful for the study of the communities in South-east Asia. It can explain how, through the continued and growing economic strength of Group B Chinese, so many new entrepreneurs from Malaysia, Indonesia, Thailand and the Philippines have

66. Census figures showed a majority of local-born Chinese in both the migrant states and the new nation-states during the 1950s. Since then, however, the figures for Canada and the United States have changed significantly in favour of those born in Greater China.

67. I refer specially to the multi-cultural policies laid down by countries like Canada, Australia and the United States.

been ready to contribute to, and benefit from, the development of Greater China. It is less certain how useful the grouping is for understanding the migrant states of the Americas and Australasia. For the better-documented countries, like Canada, the United States and Australia, the approach certainly brings out the contrast with South-east Asia. Instead of the dominance of Group B Chinese in the affairs of Greater China, it is Group A Chinese who now have the ascendancy, and also Group C Chinese, who appear far more stable and secure, and who are freer to participate in the future development of Greater China than their counterparts in South-east Asia.

China's historical record has left most Chinese overseas cautious about close direct involvement with its internal affairs. But it is important to distinguish the many groups of Chinese and the many ways that each group can participate in the growth of Greater China. There are those who are narrowly concerned with China's resurgence and those who are narrowly concerned with the survival of ethnic Chinese communities wherever they are. But all Chinese overseas want future developments to proceed without serious conflict. They have nothing to gain and everything to lose if the integration of Greater China fails and the constituent Chinese territories attract major confrontations into the region. Even if they are in no position directly to contribute to, or to profit from, the rise of Greater China, they cannot but be aware that it is a development of global significance which could change the lives of everyone involved.