MIGRATION, ETHNIC RELATIONS AND CHINESE BUSINESS

Chan Kwok-bun

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Routledge
Taylor & Francis Group
LONDON AND NEW YORK

First published 2005 by Routledge
2 Park Square, Milton Park, Abingdon, Oxon OX14 4RN

Simultaneously published in the USA and Canada
by Routledge
270 Madison Ave, New York, NY 10016

Routledge is an imprint of the Taylor & Francis Group

Typeset in Times by Prepress Projects Ltd
Printed and bound in Great Britain by Antony Rowe Ltd, Chippenham, Wiltshire

British library Cataloguing in Publication Data
A catalogue record for this book is available from the British Library

Library of Congress Cataloging in Publication Data
A catalog record for this book has been requested

ISBN 0–415–36927–4

Migration, Ethnic Relations and Chinese Business

Incorporating research carried out over the last twenty years, *Migration, Ethnic Relations and Chinese Business* documents the personal and collective responses of Chinese migrants and refugees to the prejudice and discrimination they have experienced.

Using case studies of Chinese communities in Canada, Chan argues that a defence mechanism has been created by Chinese immigrants in order to escape the systemic and institutional discrimination they face. Feeling themselves to be strangers, migrants tend to gravitate towards each other, forming their own close-knit communities and ethnic enterprises. This text analyses how many Chinese overseas choose to subject themselves to internal exploitation at work rather than face discrimination in the mainstream labour market – with a mixture of positive and negative consequences.

Drawing upon empirical and theoretical literature on the sociology of race and ethnic relations, the book stresses the variety in Chinese culture and its ability to exploit an emergent ethnicity as individuals, groups and communities. Fascinating, incisive and eye-opening, it will be a welcome addition to researchers and students of racism, ethnic studies, and Chinese studies.

Chan Kwok-bun is Professor and Head of the Department of Sociology and Director of the David C. Lam Institute for East–West Studies at the Hong Kong Baptist University.

Chinese Worlds

Chinese Worlds publishes high-quality scholarship, research monographs, and source collections on Chinese history and society. 'Worlds' signals the diversity of China, the cycles of unity and division through which China's modern history has passed, and recent research trends towards regional studies and local issues. It also signals that Chineseness is not contained within borders – ethnic migrant communities overseas are also 'Chinese worlds'.

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To my family, Kate, Nin and Yoan

Acknowledgements

I would like to thank Gregor Benton, editor of the *Chinese Worlds* series, for asking me in 2000 to write this book. I would also like to thank Herbert Tsang, Wendy Chan, Stephanie Rogers, Terence Gomez, Vivienne Luk, Heather Hynd, April Chia, Pam Summa, Karamjit Sandhu Kaur, Anna Lo, Christie Tang, Nicole Lee, Jennifer Law, Carmen Lau, and Karen Lau for their help in bringing this book out.

The David C. Lam Institute for East–West Studies (LEWI) and The Wing Lung Bank International Institute for Business Development (IIBD), both of the Hong Kong Baptist University, have provided me with grants during the book's revision and editing stage.

Chapter 1 is a revised version of an essay which first appeared in *Canadian Ethnic Studies*, 1987, XIX, no. 3, pp. 1–14, under the title 'Coping with racism, the Chinese experience in Canada'. Co-authored with Denise Helly, it is reproduced in this book with the kind permission of the Canadian Ethnic Studies Association.

Chapter 2 is a revised version of an essay which first appeared in *Asian Profile*, 1986, vol. 14, no. 6, pp. 569–83, under the title 'Chinese in Timmins, Canada, 1915–1950: a study of ethnic stereotypes in the press'. Co-authored with Lawrence Lam, it is reproduced in this book with the kind permission of the Asian Research Service.

Chapter 3 is a revised version of an essay which first appeared in *Canadian Ethnic Studies*, 1986, XVIII, no. 2, pp. 65–78, under the title 'Ethnic urban space, urban displacement and forced relocation: the case of Chinatown in Montreal'. It is reproduced in this book with the kind permission of the Canadian Ethnic Studies Association.

Chapter 4 is a revised version of an essay which first appeared in *Canadian Ethnic Studies*, 1983, XV, no. 3, pp. 36–50, under the title 'Coping with aging and managing self-identity: the social world of the elderly Chinese women'. It is reproduced in this book with the kind permission of the Canadian Ethnic Studies Association.

Chapter 5 is a revised version of an essay which first appeared in *Canadian Ethnic Studies*, 1987, XIX, no. 3, pp. 125–47, under the title 'Perceived racial dis-

crimination and response: an analysis of perceptions of Chinese and Indochinese community leaders'. It is reproduced in this book with the kind permission of the Canadian Ethnic Studies Association.

Chapter 6 is a revised version of an essay which first appeared in Kwok-bun Chan and Doreen Maire Indra (eds.) *Uprooting, Loss and Adaptation: The Resettlement of Indochinese Refugees in Canada* (Ottawa: Canadian Public Health Association, 1987), pp. 116–31, under the title 'Unemployment, social support and coping: the psychosocial response of Indochinese refugees to economic marginality'. It is reproduced in this book with the kind permission of the Canadian Public Health Association.

Chapter 7 is a revised version of an essay which first appeared in *Canadian Ethnic Studies*, 1983, XV, no. 1, pp. 1–17, under the title 'Resettlement of Vietnamese-Chinese refugees in Montreal, Canada: some socio-psychological problems and dilemmas'. Co-authored with Lawrence Lam, it is reproduced in this book with the kind permission of the Canadian Ethnic Studies Association.

Chapter 8 is a revised version of an essay which first appeared in Louis-Jacques Dorais, Kwok-bun Chan and Doreen Indra (eds.) *Ten Years Later: Indochinese Communities in Canada* (Montreal: Canadian Asian Studies Association, 1988), pp. 141–64, under the title 'The Chinese from Indochina in Montreal: a study in ethnic voluntary associations, community organization and ethnic boundaries'. It is reproduced in this book with the kind permission of the Canadian Asian Studies Association.

Chapter 9 is a revised version of an essay which first appeared in Robin Cohen (ed.) *Cambridge Survey of World Migration* (Cambridge: Cambridge University Press, 1995), pp. 523–31, under the title 'The many faces of immigrant entrepreneurship'. Co-authored with Ong Jin Hui, it is reproduced in this book with the kind permission of the Cambridge University Press.

Chapter 10 is a revised verison of an essay which first appeared in *Revue Europeenne des Migrations Internationales*, 1994, 10, no. 2, pp. 87–118, under the title 'Ethnic resources, opportunity structure and coping strategies: Chinese businesses in Canada'. It is reproduced in this book with the kind permission of Département de Geographie, Université de Poitiers.

Chapter 11 is a revised version of an essay which first appeared in Chan Kwok-bun (ed.) *Chinese Business Networks: State, Economy and Culture* (Singapore: Prentice Hall, and Copenhagen: Nordic Institute of Asian Studies, 2000), pp. 1–13, under the title 'State, economy and culture: reflections on the Chinese business networks'. It is reproduced in this book with the kind permission of Pearson Education Asia Private Limited.

Chapter 12 is a revised version of an essay which first appeared in Chan Kwok-bun (ed.) *Chinese Business Networks: State, Economy and Culture* (Singapore: Prentice Hall, and Copenhagen: Nordic Institute of Asian Studies, 2000), pp. 285–302, under the title 'Myths and misperceptions of ethnic Chinese capitalism'. Co-authored with Ng Beoy Kui, it is reproduced in this book with the kind permission of Pearson Education Asia Private Limited.

Chapter 13 is a revised version of an essay which first appeared in Chan Kwok-

bun (ed.) *Chinese Business Networks: State, Economy and Culture* (Singapore: Prentice Hall, and Copenhagen: Nordic Institute of Asian Studies, 2000), pp. 71–85, under the title 'Singaporean Chinese doing business in China'. Co-authored with Tong Chee Kiong, it is reproduced in this book with the kind permission of Pearson Education Asia Private Limited.

Foreword

Chan Kwok-bun has been working on the sociology of the 'Chinese overseas' (a preferred, but not universally accepted, term) since 1978, when his fieldwork on Chinatowns in Canada commenced. The Chinese in Canada remain the principal focus of this book. However, his experience is by no means confined to Canada. He has written on Chinese refugees in Hong Kong, the Chinese family structure in Vietnam, the expression of Chinese identity in Thailand, and on Chinese entrepreneurs worldwide. He has held senior posts at the National University of Singapore and is currently Head and Professor of the Department of Sociology and Director of the David C. Lam Institute for East–West Studies at the Hong Kong Baptist University. Although there are a number of distinguished scholars working on the Chinese abroad, Chan is one of the most prolific and most widely respected.

He brings to the field a classical sociological and social psychological training. It truly is a pleasure to read his subtle dialogue between classical social theory and the reality facing the 23 million Chinese (the number excludes those in Taiwan and Hong Kong) living in other lands. I lay particular emphasis on the strong sociological impress in Chan's work, as there is always a temptation for non-Chinese and Chinese scholars alike to exoticise the Chinese – fixing them in some timeless and unyielding Otherness instead of drawing their varied experiences into the common pool of human behaviour. To give just three examples, Chan uses to great effect Zwingmann's concept of 'nostalgic illusion' to talk of Indochinese refugees, Aldrich's 'deglamorisation thesis' to discuss ethnic entrepreneurship and Weber's celebrated discussion of culture and religion to analyse the basis for deviant economic conduct.

Comparisons and the use of general social theory do not prevent us from recognising the distinct rhythms and character of the Chinese migratory experience. In the nineteenth century, they formed a stigmatised group of workers in North America and elsewhere – grossly exploited, rarely drawn into a common struggle with white workers and often denied the fundamental rights to recognition, either as residents or as citizens. Early service as 'coolie labour' (the term is pejorative, but was widely used) in public works and in building the railways across the USA and Canada gave way to precarious ethnic enclave economies in laundering and, later, the restaurant trade. But the history of the Chinese labour diaspora needs to

be complemented by the extraordinary story of the Hokkien and other traders who first set up networks for international business and commerce. Chan is closely aware of this history and many of his respondents make explicit reference to it.

In this book, Chan covers issues of prejudice and discrimination, the problems facing elderly Chinese (where he finds that filial piety is not always to be assumed), the integration of refugees, the consequences of unemployment and the patterns of global entrepreneurship. Above all, he assesses and illuminates the dynamics of Chinatowns, those unusual Chinese inventions that can be found in London, Sydney, New York, Montreal, Toronto, Vancouver, San Francisco, Bangkok and many other places. Chinatowns allow the Chinese to be in, but not of, their surrounding society. Chinatowns also go in and out of favour as policymakers shift between integrationist policies and recognition that Chinatowns conveniently allow governments to escape their social responsibilities. The multiple 'protective, defensive, legal and paternalistic' associations effectively deal with the internal affairs of the community and mediate the relations between the residents of Chinatown and the outside world. Chinatowns have thus far survived precariously between the claims of the developers, the demands of city planners and their role as ethnic curiosities servicing the needs of tourists. They have survived too because many Chinese have resisted suburbanisation. As one respondent said to Chan, Chinatown 'belongs to us'.

We are now in a new era of renewed connection between the Chinese abroad and at home, as China's hothouse economy propels it to superpower status in the twenty-first century. Chan also covers this story, with an effective chapter on the business dealings of Singaporeans in China. Singapore is now the fifth largest investor in China, and it is a testimony to the tenacious memories of home that most capital has been invested in the original regions of emigration. The Chinese Singaporeans illustrate the dual aspects of their heritage – a commitment to legal rational ways of doing business drawn from their experiences on the island, which separates them from their Chinese forebears, and an evocation of a common heritage, origin, language, kinship, diet and religion, which unites them.

In all, this book can be heartily recommended for providing new insights on the world's most dynamic diaspora, showing how it survives and thrives. Of course, not every Chinese abroad is in a favourable economic situation, and many refugees from Indochina are still struggling to gain a foothold. However, there is little doubt that Chinese overseas are gaining fresh confidence in a global era and in a geopolitical world order that, finally, is moving in their favour.

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Introduction

Classical sociologists have written much about alienation, anomie, self-estrangement and exploitation (by the self and others). Simmel's (1908) essay 'The Stranger', Schuetz's (1943) essay of the same title and the works of Park (1928) and Stonequist (1937) on the marginal man portray the inner turmoil of a stranger in a foreign land with an understanding, sympathy and imagination that is not often seen in sociological works.

I first began to think about what it meant to be a stranger when I was doing fieldwork on the Chinese community in Canada in 1978. My respondents and informants confided in me, giving details of racial discrimination and the anguish that it caused them. I became interested in the stigma attached to racial characteristics, which, whether real or imaginary, are manifestations of 'difference' and 'otherness'. I also became curious about how people coped with the damaged sense of self that resulted from discrimination. This personal concern led quite naturally to a series of studies of Chinatowns. Feeling themselves to be strangers, migrants tend to gravitate towards each other, to form their own close-knit communities as an institutional defence against the hostility of others. In that sense, Chinatowns are a self-defence strategy – migrants band together, often involuntarily, keeping their distance from the outside world to avoid its racism. Chapters 1 to 4 of this book examine the experiences of the Chinese in Canada as individuals, groups and communities. Working with groups as diverse as miners, elderly women and community leaders, I pieced together a sociology of victimisation by and social response to racial discrimination, which is certainly one central aspect of being a stranger.

Chapters 5 to 8 are concerned with a harsh aspect of being a refugee, the Other, which is that of forced migration. I did fieldwork in refugee camps in Hong Kong, a place of first asylum, as well as in various Indochinese communities and neighbourhoods of Montreal in Canada, a place of resettlement. I studied forced migration from many angles, from the prison-like atmosphere and chronic stress, which might last for years, of the holding camps to the loss, grief and mourning for family, status and place that occurred in the country of resettlement. My focus was on the condition of refugeehood and, more precisely, on how forced migration changed the refugees and their families, for better or for worse. Their stories

made it all too clear that many of these people felt cut loose from their moorings, in both the inner and the outer world. They were strangers everywhere, some of them even to themselves, as Kristeva (1991) would put it. To survive their predicament, some individuals organised themselves into groups, associations and communities, both formal and informal. Families got together for meals regularly, or early migrants formed associations to help out the more recent ones. Out of these informal connections, social networks, solidarity and the spirit of mutual aid arose. Like the Chinatowns, the social organisation of refugees was established partly in self-defence and partly as a way to hold onto a sense of continuity, identity and meaning.

Two of the things that characterise the ethnic Chinese overseas are their subjection to discrimination and their over-representation, relative to the local people in the host society, in self-employment. In an attempt to link the two phenomena, studies reported in this book draw upon strands of theoretical and empirical literature on the sociology of race and ethnic relations on the one hand and on economic sociology on the other hand. The sociology of race and ethnic relations has an abundance of deep social theory to make sense of a stranger's encounters with prejudice and discrimination, and their strategies of coping and adaptation to differential treatment. At both the personal and the collective levels, one such coping strategy is to create self-employment in ethnic enterprises; as such, research into ethnic or immigrant businesses emerges out of the interface between the sociology of race and ethnic relations and economic sociology.

It seemed that, as strangers in a strange place, immigrants and refugees responded to racism and the inevitable hardships of making it in a host country with ethnic solidarity. In this sense, ethnic consciousness and cohesiveness may well be the unintended consequence of discrimination. Chapters 9 to 13 of this book present essays arguing that ethnic networks are a response to the hardships that immigrants face. Once established, such networks are conducive to the growth and development of ethnic or immigrant businesses. However, there seems to be an involuntary, even unwanted, element to ethnic entrepreneurship and ethnic capitalism. Many ethnic businessmen are 'reluctant merchants', who have realised that their access to the political and professional landscapes outside their enclaves is blocked. Unable to participate in the capitalism of the host society, minorities create their own, an ethnic capitalism. Thus, the economic sociology of immigrant entrepreneurship needs to be placed within the larger context of prevailing race and ethnic relations.

Understood in that sense, there is an urgent need to rethink theoretical attempts to attribute Chinese business success to Chinese culture, the so-called 'supply side' of ethnic entrepreneurship, be it cultural values, familism, ethnicity or so on, by advocating an added sensitivity to the structure and context of prevailing race and ethnic relations, the so-called 'demand side' of ethnic business. Such a corrective, as attempted in the last five chapters of this book, typically proceeds by identifying the many myths and misconceptions of Chinese businesses. One may want to cast oneself in a 'revisionist' mood – that of deconstructing, demystifying, or deglamorising the layman's romance with ethnic Chinese enterprise. Ethnicity,

if indeed useful to business, is typically 'made' in the host society rather than imported wholesale from the place of departure. Culture or, for that matter, identity is rarely transplanted as is; instead, it is produced and reproduced, constructed and deconstructed, in exploitation of structural advantages and in adaptation to contextual constraints. Identity is often identity in context, in situation – a sort of situated identity or positionality. Emergent immigrant culture is culture adapted. Ethnic entrepreneurship should thus be seen as a collective, social response to structure and context. The field of ethnic entrepreneurship perhaps requires an 'opening out' and 'opening up' of the little black box of culture. Our analytical gaze should be focused on Chinese entrepreneurs' modes of daily interactions and transactions with their milieu, the Other, the non-Chinese, the larger, much larger world out there, way beyond the narrow confines of family, clan, lineage, ethnic group, community or what the journalists call 'tribes'. As it happens, the many myths and misperceptions of Chinese businesses will fall, one by one.

This book moves through three moments. The first moment begins with the Chinese migration to Canada, as immigrants and refugees who quickly find themselves being subjected to prejudice and discrimination in both historical and contemporary contexts. A study of the Chinese experience in Canada often turns out to be a study of racism. The kind of racism that the Chinese have experienced is systemic and institutional, a kind that has gone beyond the triviality of one person ill-treating another person. On an intimate level, the sociologist is deeply involved in documenting the costs of racism and segregation for the individuals and, as it happens, identifies with their suffering. This first moment is a moment of the pathos of race and ethnic relations produced by international migration and immigration when strangers attempt to take part in the fierce game of ethnic competition for scarce resources. This game, this human drama, is all too familiar in the sociological literature. It is a story told over and over again.

In the face of discrimination, the ethnic Chinese of Canada respond by digging deep into the social support resources embedded in their social networks made up of families, kin, friends, neighbours and an assortment of voluntary associations, many, though not all, of which are located in Chinatowns across Canada. This is the book's second moment. At this moment, we have heard stories of the Chinese coping with racism by segregation, withdrawal and avoidance as self-defence, individually and collectively. If Chinatowns are indeed sociological examples of institutionalisation of isolation and alienation, then such attempts at social organisation are at best an outcome of the dialectics of the action of the individual or the group and forces of history and social structure. The kind of sociology that I am putting together here is not one of strangers as helpless victims of racism, taking their suffering lying down, but of strangers learning to do things together, putting their emergent ethnicity to good use and strategically exploiting their sense of agency in a dialectic of control. This second moment is about human survival, about ordinary people asserting themselves in extraordinary times. It is not about going under, but about getting through suffering – by no means a familiar theme in sociology.

The third moment of this book arrives when one knocks at the door of economic

sociology pertaining to ethnic or immigrant entrepreneurship. The human drama of survival is now enacted in the form of ethnic enterprises as strategies of adaptation to blocked opportunity in the host society. Contrary to culturalist articulations of the Chinese propensity for entrepreneurship, not all successful businessmen are Chinese, and not all Chinese are successful businessmen. Many of them may well be 'reluctant merchants'. Culture, if of any explanatory value at all, must be a trimmed-down fellow. Immigrant entrepreneurship indeed has many faces. One face, a familiar one, is that of glamour, ethnic pride and triumph in a society hostile to its newcomers, its racial others, while the other face, its dark side, a less unfamiliar one, is that of immigrant businessmen subjecting themselves to self-exploitation (long hours of menial labour, low wages and poor health) and exploitation of their families, kin members and co-ethnics. Ethnic capitalism is capitalism nevertheless, the dark, exploitative side of which is underexplored in the sociological literature. Eager to escape from racism in the mainstream labour market and desiring autonomy, ethnic Chinese resort to internal exploitation to create and sustain their own enterprises.

I still remember what I was told by a Chinese businessman when I was doing interviews in Montreal some twenty years ago. The owner of a successful Chinese food company, he lamented about his children not showing interest in inheriting the business that he created. Yet his Canadian-born children, although determined to escape from the stigma of confinement to the ethnic subeconomy, experienced prejudice in the primary labour market and were thus at best ambivalent about integration into Canadian society. Although eager to bid farewell to their prescribed ethnicity, they were frustrated at discriminatory treatment by society at large. The net result is one of double alienation, from one's own ethnic group and from the society beyond it. Indeed, it is a classic moment of sociological marginality and inner turmoil: the individual is at the margin of two communities, but in neither site would they find personal comfort because they reject one community, their own, and are rejected by the other community into which they are anxious to seek entry. They are caught in between. Their anguish is simultaneously personal and public.