Migration, diaspora and development: The case of the People’s Republic of China

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Introduction

Since China adopted its reform and opening up policy in the late 1970s, overseas Chinese and foreigners of Chinese origin have played an irreplaceable role in China’s efforts to exchange and cooperate with foreign countries, introduce large amounts of overseas funds, enter the international market, and sell home-made goods to different parts of the world.

Li Ruihuan, former Chairman of the 9th National Committee of the Chinese People’s Political Consultative Conference, made the above remarks in 2001 to welcome delegations from the overseas Chinese communities. Indeed, no observer would argue against the fact that overseas Chinese investment in the People’s Republic of China (hereafter ‘China’) has been one of the most crucial impetuses for its breathtaking economic growth over the past three decades. This chapter provides a discussion on the contribution of ‘overseas Chinese’ in the economic development in China over this time period. An analysis of this development – sometimes referred to as ‘diaspora-led development’ – illustrates the importance of the Chinese state in shaping the nature and pattern of the development process.
The chapter begins by giving the historical background of Chinese international migration, and the relationship between the Chinese state and the diaspora. An analysis of the magnitude and pattern of investment by overseas Chinese in recent decades follows. Illustrations highlight the role of the state as an active agent in wooing the financial, social and human capital ‘stored in the diaspora’. The chapter concludes with some policy suggestions that might help in tackling the challenges of out-migration.

International migration of Chinese people

Chinese people have been involved in international migration for centuries. As early as the tenth century, maritime traders began to settle in the outlying posts of their trade empire throughout Southeast Asia. The Chinese diaspora is composed of individuals, families, and whole communities who have decided, or have been compelled, to move to other places, for a wide variety of reasons. These movements are estimated to have involved some 36 million persons (Government Information Office, Republic of China, 2004). It is however necessary to note that a significant proportion of the Chinese diaspora are people who were born outside China and Taiwan – members of families which have been established overseas, often for several generations. They are therefore, strictly speaking, not Chinese migrants.

Migration from China has been a geographically diverse phenomenon. The coastal provinces Guangdong, Fujian and Zhejiang have been the major sources of Chinese migrants, though out-migration has also become more common from other provinces in recent years. Spatial concentration is again found in some counties and villages in these provinces, which are known as qiaoxiang, literally ‘sojourner’s villages’ – a Chinese term denoting areas where a substantial number of inhabitants either have had experiences of migrating abroad or have family members overseas. In the Chinese case, the geography of out-migration has had a great impact on the geography of diaspora-led development; I shall return to this point in a latter section in the chapter.

It was not until the mid-nineteenth century, when European influence intensified in China, that Chinese people began to move overseas in large numbers. Between 1868 and 1939, some 6.3 million Chinese were estimated to have departed from Hong Kong alone, and considerable numbers also began their journey in Xiamen (in Fujian) and Shantou (in Guangdong). These migrants were predominately men going overseas to work as indentured labourers or so-

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1 My discussion here focuses on the migration of Chinese people from China. For a more detailed account of the migration of ethnic Chinese people from Hong Kong, Taiwan and Southeast Asia, refer to Pan (1999).