

**Diaspora's Engagement in  
Changing the International Relations :  
The Case of Overseas Chinese in Africa**

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< Abstract >

Over the centuries, Chinese diaspora has significantly engaged and involved in economic cooperation in African countries. This article analyzes the historical development and roles in international cooperation of Chinese diaspora in Africa. By classification of the Chinese diaspora, the authors examine how Chinese diasporas have been involved and engaged in economic cooperation in transnational borders. Their strong ties and well developed networks make Chinese diaspora empower economic impacts on the host countries. In the end, the engagement of Chinese trade and labor diaspora in economic cooperation has made the outstanding transformation to most of the African countries and led to the change of international relationship between its home and host countries.

[ **Keywords** ] Chinese Diaspora; Migrants, Chinese Workers; Diaspora Network; China-Africa; Trade Diaspora; Economic Cooperation, International Relations

### I. Introduction

Over the last four centuries, the Chinese diaspora has become the most widespread and continuing series of migrations the world has ever witnessed. About 60 million overseas Chinese have dispersed throughout the globe, integrated into new cultures, and become a major economic force. By the early 1800s, China was hemorrhaging from an array of internal problems and external forces that caused the largest exodus of Chinese overseas.

Chinese South Africans are a group of overseas Chinese that were born and/or are currently living in South Africa. It is interesting that the first Chinese to

settle in South Africa were prisoners, usually debtors, exiled from Batavia by the Dutch to their then newly founded colony at Cape Town in 1660. From 1660 until the late 19<sup>th</sup> century the number of Chinese people in the Cape Colony never exceeded 100 (Yap 1996, 510). The community consists of both those whose ancestors came to South Africa through out the early 20<sup>th</sup> century, until Chinese immigration was banned under the Chinese Exclusion Act of 1904, Taiwanese industrialists who arrived in the 1970s, 1980s and early 1990s (Park 2009, 3) and post-apartheid immigrants to South Africa, who now outnumber native-born Chinese South Africans.

As we notice, China is one of the key economic players in the present world who involves in various economic activities in African countries. Chinese trade, aid, and joint venture multi-activities have increased dramatically in recent decades. It is noteworthy that the new and old Chinese diaspora is deeply engaged in these activities. The involvement of Chinese diaspora has diversified effect and impact on African society, economics, politics, culture, religion etc. and definitely, it will increase in the future. China and Africa geographically is so distant and share different language and culture. However they have dynamic relation in many arenas. Long time ago, when there were no modern communication tools, establishing relations and contacts between the two continents were enormously challenging but they conquered the obstacles. Chinese Han Dynasty started to send envoys to the far west to make alliance with friendly tribes about two thousand years ago (Gao 1984, 241). Following this, Chinese Dynasties continued sending envoys, civilians, or trader to African continent, especially North and East Africa till 15<sup>th</sup> century and they exchanged limited products but later, China suddenly took out from African Continent because of the adopting largely closed-door policy with regard to foreign relations due to internal and external political problems. The Ming Dynasty voyages of Chinese admiral Zheng He and his fleet, which rounded the coast of Somalia and followed the coast down to the Mozambique Channel. The goal of those expeditions was to spread Chinese culture and signal Chinese strength. Zheng brought gifts and granted titles from the Ming emperor to the local rulers, with the aim of establishing a large number of tributary states. In October 1415,

Chinese explorer and admiral Zheng He reached the eastern coast of Africa and sent the first of two giraffes as gifts to the Chinese Yongle Emperor (Snow 1998, 23). Again Chinese diaspora brought in African continent from the 17<sup>th</sup> century. In the nineteenth century, China was highly forced by the colonial powers to reduce restrictions on Chinese emigration and made labor migration in African gold coast. There were also small enterprising groups of traders who came in dependently.

Though Chinese arrived in Africa two thousand years ago but have no much research about the historical development and economic engagement of Chinese diaspora in Africa. During the time being, the features of movement, engagement, and the effect of Chinese in Africa has changed significantly. There is also lack of research about Chinese Diaspora in Africa in terms of the concept of Diaspora and its classification. As a new growing and developing academic field Diaspora, it is significantly important to focus on research intensely about the Chinese diaspora in Africa.

In this article, we will analyze 1) the development and engagement of Chinese migration in Africa, 2) the economic roles of Chinese diaspora in Africa, and 3) theoretical rethinking and classification of the Chinese workers in terms diaspora. Chapter one is introduction that show the necessity and objects of this study. In Chapter two, theoretical overview and research methods will be included. In Chapter three, we will examine the historical features and roles of the Chinese diaspora in terms of their engagement and involvement in international relations. Chapter four is about new era of economic cooperation between China and African countries. In the conclusion we will summarize the historical development and economic cooperation of Chinese diaspora in African continents and draw some implications to develop international cooperation in transnational situation.

## II. Theoretical Review

The term "diaspora" refers to a large number of people that have been

forced to depart from their traditional homelands. The reasons for these large-scale population movements are varied. In some cases, diasporas form as a result of political incidents, when a government forces certain people to move. In other cases, populations move to avoid mistreatment or to escape violence in their home country. In any event, members of a diaspora generally keep their cultural and religious traditions alive. It is also defined as 'the dispersion or spread of any people from their original homeland' (Kevin 1998).

Since World War II, the idea of diaspora has proliferated to an extraordinary extent. One reason for this development was decolonization, which forged transnational bonds of solidarity among globally scattered populations, notably those of African origin. Decolonization also led to the expulsion and forcible remigration of many groups, especially those of Asian origin including Chinese abroad.

One of the earliest and most systematic efforts on the concept of Diaspora by William Safran (1991, 83-99), whose work laid the foundation for Diaspora studies through the historical experience argued that the concept of 'diaspora' is linked to those communities that share some or all of the following characteristics: 1) they, or their ancestors, have been dispersed from an original 'centre' to two or more foreign regions; 2) they retain a collective memory, vision or myth about their original homeland including its location, history and achievements; 3) they believe they are not - and perhaps can never be - fully accepted in their host societies and so remain partly separate; 4) their ancestral home is idealized and it is thought that, when conditions are favorable, either they, or their descendants should return; 5) they believe all members of the diaspora should be committed to the maintenance or restoration of the original homeland and to its safety and prosperity; and 6) they continue in various ways to relate to that homeland and their ethnocommunal consciousness and solidarity are in an important way defined by the existence of such a relationship.

Robin Cohen (1997, 1-29) drew the classical tradition on Safran's insights, on his modified list and views: Dispersal from an original homeland, often traumatically, to two or more foreign regions; Alternatively, the expansion from a homeland in search of work, in pursuit of trade or to further colonial ambitions;

A collective memory and myth about the homeland, including its location, history and achievements; An idealization of the putative ancestral home and a collective commitment to its maintenance, restoration, safety and prosperity, even to its creation; The development of a return movement which gains collective approbation; A strong ethnic group consciousness sustained over a long time and based on a sense of distinctiveness, a common history and the belief in a common fate; A troubled relationship with host societies, suggesting a lack of acceptance at the least or the possibility that another calamity might befall the group; A sense of empathy and solidarity with co-ethnic members in other countries of settlement; The possibility of a distinctive yet creative and enriching life in host countries with a tolerance for pluralism.

According to Safran (1991, 83-99) and Cohen (1997, 1-29), they, or their ancestors, have been dispersed or expanded from a homeland in search of work or trade like Chinese in Africa. Diasporas have collective memory and myth about their original homeland and commit to the maintenance or restoration of the original homeland seen in the African ethnic Chinese. They have troubled relationship with host societies. Recently it is also seen in some of other countries. Ethnic Chinese networks and unity prove the strong ethnic group awareness sustained over a long time and based on a sense of uniqueness, a common history and the belief in a common fate. Regarding the type of Diaspora, Cohen classified them according to the cause leaving from motherland; Victim Diaspora: African, Armenian, Imperial Diaspora: British Colony, Labor Diaspora: Indian, Trade Diaspora: Chinese, Lebanese, Cultural Diaspora: Caribbean.

The Chinese diaspora has diversified classification in African case. In earlier period, Chinese is seen in Africa as trader. From the start Chinese traders have been involved in cheap consumer. The traders tend to live quite frugal lifestyles and often utilize family labor, but may also be the ones that employ the semi-legal workers. So there might be having few trade diaspora. In the colonial era, most of them migrated as labor diaspora and besides, a few as trade diaspora. Since 1950, their movement is as trade diaspora and labor diaspora. The Chinese at least as many traders as indentured laborers had begun to spill

outside the Chinese mainland to the rest of Africa as well as South East Asia. Moreover, the merchants' long-term influence was far greater. It therefore seems more appropriate to describe the Chinese as primarily a "trade diaspora" (Cohen 1997, 29).

As Curtin (1984, 2-3) argued, trade diasporas can be traced back even further, providing the most common institutional form after the coming of urban life. Merchants from one community would live as aliens in another town, learn the language, the customs and the commercial practices of their hosts then starting the exchange of goods (Cohen 1997, 83).

In this article, We have followed the historical research method for explaining and describing the historical development and economic cooperation of Chinese diaspora to understand the inner matters in detailed as a historically important circumstance. Sinologists' historical work and Chinese state record about the earlier invasion and limited exchange proves the Chinese adventures and engagement motives in African continent. Colonial powers' official reports, Sinologists' historical work, scholars historical articles, newspapers' reports have provided the basis and trends for understanding the Chinese migration and their engagement in the colonial period. Journals, books, official reports and homepages, working papers, and newspapers are the sources of data as well as relevant information for recent Chinese migration and economic cooperation. It has also provided the perspective for decision making and policy formulation, information to do right things, and applying these to current and future trends. This research on Chinese diaspora in Africa in one dimensional and absolute passage of time will help to play a significant role in the fields of social science. The results and creation of new ideas through the past will help to improve human thought and understanding that will assist to develop the new academic field, Diaspora Studies.

### **III. Chinese Migrants and Their Engagement in International Transactions**

### **1. Limited Exchanges in the Earlier Period**

Once upon a time, there were no modern communication tools but was human's movement. Gradually people invented different parts of the world and established relationship among them. According to Gao Jinyuan (1984), the Emperor Wuti of the powerful Han Dynasty sent envoys to the far west about two thousand years ago and they reached many distant countries including Pathia, Babylonia, Seleucid Media, Likan, etc. French sinologist and explorer of Central Asia, Paul Pelliot told that Likan to be Alexandria of Egypt, which was a trading center under Greek rule and was later annexed by the Roman Empire. British scientist and historian, Joseph Needham in his great work *Science and Civilization in China* also equates that Likan was with Egypt and the Han's envoys did actually reach there (Gao 241).

Though China sent envoys to make alliance with friendly tribes against the trouble making powerful enemies in the north but it also made direct/indirect exchanges of products between them. According to Basil Davidson (1959, 158), Chinese goods reached in the beginning of the Christian era in the North Africa and some bronze pots of Chinese shape discovered in Meroe, the capital of ancient kingdom of Kush which was situated largely in the present Sudan and it was also said that the beautiful Queen Cleopatra of Egypt who reigned between 51 and 30 BC wore a dress made of Chinese silk. They reached across the mid-Asia to the Mediterranean Sea through the famous Silk Road.

The second emperor of the Tang Dynasty (618-907) united the whole country from intermittent wars, dripped about 400 years and became once again powerful and prosperous. The two powerful empires, Arab (include North African) and China became on the whole on friendly and contacted frequently between them for trade purpose. Many Arabs went to China, several thousand Arabs and Persians living in and around Yangchow and were even more of them in Canton. Chinese porcelain pieces, stone wares and coins of the Tang Dynasty have been found in Egypt, Kenya and Zanzibar in the course of archaeological quarries there (Gao 1984, 241).

A new development in the Tang dynasty was the rise of maritime trade. China exported by sea large quantities of silk, porcelain, tea, lead, zinc, lacquer ware, and bronze ware (Djao 9). The large-scale international migration of Chinese laborers began with the defeat of China by Britain Opium War. This new phase of emigration had notable characteristics.

During China's Sung Dynasty (960-1279) Chinese developed agriculture, commerce and handicraft industry including iron-smelting, porcelain-making and shipbuilding and the rulers' encouraged to extend foreign trade as a source of revenue by sea route because of the threatened by hostile states to the north. Chinese trader visited a number of African States through Indian ocean such as Berbera, Shenli, Zanj, Fris, Alexandria, Mulanbi, Kunlun, Zanj<sup>1)</sup> and tried to engage more regular and bigger scale in trade. Chinese coins and porcelains or fragments of them of Sung Dynasty have been found in Zanzibar, Brava, Kilwa and even as far in land as Zimbabwe and at a site on the south shore of the Limpopo. No records have been found about Chinese movement to Africa during the Yuan Dynasty (1279-1368) without a cartographer named Ju Sibei drew a map of Africa with 35 African place-names that shows the remarkable knowledge about Africa.

Historical evidence show that there have been economic and political relationships between China and Africa as far back as 500 years ago (Mohan and Kale 2007). One of the most important periods in the history of Chinese movement to Africa is China's Ming Dynasty (1368-1644). Chinese prolonged and increased their regular trade activities with Easter African countries in this period. In the early fifteen century, the famous eunuch admiral Zheng He reached the east African coast at least 2 or 3 times and visited Mogadishu, Brava, Juba and Malindi. He brought large amount of valuable materials such as gold, silver, silk, porcelains, coins etc. to exchange with local products. As a result, the exchange of products increased significantly in this period. It is said that a village in north Somalia still bears the name of 'Zheng He Village' in

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1) Berbera, Shenli (both in Somalia), Zanj (Zanzibar), Fris and Alexandria (in Egypt), Mulanbi (in Magrib) and Kunlun Zanj (which historians identify as Madagascar)

memory of Zheng's historic visit. Many African states also sent their envoys to China in this period. The effort and help of Ming Dynasty to extend Chinese business relations with Africa was historically significant but after three officially sponsored voyages, the second Ming emperor forbade further expeditions, and these early contacts failed to establish any direct trade links between Chinese and Africans(Gao 1984, 245).

These evident prove Chinese adventures and limited exchanges of products with the African continent. Chinese dynasties obtained communication obstacles and maintained exchanges but it was irregular and limited. Many Chinese traders or officials went to African countries and stayed short or long time as trade diaspora. But later, there was a sudden closed down of the Chinese movement to African the late fifteenth century by the Ming Dynasty. The reason was at least two-fold, first was the change of policy on the part of the Ming court and second was the invasion of European colonialists in both Asia and Africa. As a transitional area between Asia and Europe, South African rejoin was geographically important to the colonial power. The European colonial power turned round the South East African zones to Indian Ocean and attacked in the east African coast areas and looted or burnt down. The Japanese adventurers also attacked in the Chinese coastal areas and damage or losses the human lives and properties. Later they wanted to start again but could not because of the blocking by the European invader. Then the colonial power had invaded India, Indonesia and other Indian and Pacific states as well. Besides, the Portuguese and the Dutch invaded China's coast areas and occupied some islands. The Ching Dynasty (1644-1911) also adopted largely a closed-door policy with regard to foreign and trade relations when the western power adopted the capitalism, colonialism and imperialism by the industrial revolution but it was shattered by the British imperialism in mid-19th Century and fallen a target to the greedy colonialists and imperialists. A third group of Chinese emigrants would be the unskilled workers (Djao 2003, 14). They were required to do the heavy manual work for the Europeans in construction, transportation, mining, and plantations.

## 2. Labor Migration and Enterprise in the Colonial Period

There were three ways whereby Chinese laborers went overseas to work abroad: the coolie trade, the contract-labor system (indentured labor), and paying one's own way (Djao 2003, 20-24).

The first type of Chinese workers toward overseas is Coolie trade. The word "Coolie" is often used to refer to all Chinese emigrant labor (Pan 1998), but "Coolie trade" specifically means "the seizure and sale of cheap human labor" (Djao 2003, 21). The word "Coolie" might have been derived from one of the Indian languages. The slang for the coolie in the Guangdong and Fujian dialects was Zhuzai (means pigs), because the workers were bought and sold just like pigs, and they were treated so inhumanely throughout their overseas experience that their lot was like that of the beast. The coolie trade began to the French Isle of Bourbon in the West Indies. Once the workers were in the hands of the crimps, they were virtual prisoners. From recruitment centers such as Xiamen, the coolies were sent to Hong Kong, the British colony such as India and Africa, where they were transferred to ocean-going ships. The coolies landed in their colonial territories. Coolies died in great numbers en route of illness, starvation, thirst, beatings, and even suicide (Djao 2003, 21). When we focus on the Chinese-Africa business contact, in the first phase, the colonial labor demand established "coolie trade" from 1850 to 1950. Coolie trade focused mainly on plantation, mining, and railway construction. Alongside this were small but enterprising businesses that serviced Chinese labor markets and undertook small-scale export (Adisu and Sharkey et al 2010, 3).

The second way of Chinese labor migration is indentured Labor. The seizure-sale method declined after 1874 (Pan 1998, 61) as a result of protests from the Qing government against the treatment of Chinese laborers overseas, rebellion of the workers themselves, and criticism from international antislavery groups (Djao 2003, 22). It was modified and then replaced by the contract-labor system. At the point of recruitment or at the point of embarkation, there was a contract between the coolie and the representatives of the establishment overseas. Contract laborers were recruited for continental railway construction and mining

companies. The Chinese workers were assigned to the most dangerous operations, such as installing and igniting explosives, but received wages lower than the white workers were indentured for a specific number of years to the sugar planters. The last documented case of contract workers was 1940, when over a hundred men were shipped to the tin mines of Indonesia. Thus the contract-labor system lasted until the eve of Japanese occupation of Southeast Asia.

The third way of overseas Chinese workers was the credit-ticket system. The credit-ticket system was a form of emigration prevalent in the mid to late nineteenth century, in which brokers advanced the cost of the passage to workers and retained control over their services until they repaid their debt in full (Patricia and Galenson 1987, 26). Chinese workers went abroad independently, borrowing money for the fare of passage overseas and any embarkation fees. Upon reaching the destination, they would pay down their debt plus interest with wages earned (Djao 2003, 23). There is considerable disagreement over the voluntary nature of the credit-ticket system. However, because of the lack of documentation regarding the credit-ticket system, it is difficult to prove whether or not Chinese laborers were truly free agents.

Though Chinese had no interest and plan in labor migration but it was regulated in the end of the nineteenth century by the colonial force. In the aftermath of the abolition of the trans-Atlantic slave trade and domestic slavery in Africa, indentured Asian labor became an important means of meeting global labor demands. So after a period of restriction time, again Chinese were brought in South Africa, Mauritius and Madagascar by colonial power in this period. The number of Indian and Chinese at the Cape appear to have dwindled dramatically during the late eighteenth early nineteenth centuries, only being mentioned in singular random letters of correspondence or small contract work reports in parts of the Cape (Yap 1996). The systemic and huge migration flow began in the second half of nineteenth century because of the global labor demand, especially in the African gold coast. Much of this movement was related to colonial labour demand, the so-called 'coolie trade', especially in the aftermath of the abolition of slavery (Mckeowon 1999, 327-330).

In 1860, proposals to use Chinese labor were driven by late nineteenth-century European racist ideologies as well as economic factors

(Goldberg 1993). In 1873-1874, H. Brackenbury suggested that “Chinese ... would be imported, who would breed in with the natives, and infuse some energy into the Fanti races (Henry 1968, 352) Chinese laborers were migrated into the Gold Coast in several times in the late 19<sup>th</sup> and earlier 20<sup>th</sup> century. In the end, it is calculated, about 70,000 to 100,000 Chinese laborers were imported and worked in mines in South Africa from 1904-1907 (Richardson 1977). Chinese labors were also recruited for plantations in Mauritius, Madagascar and Africa during the 19<sup>th</sup> Century by the French and British. And many were employed by the Germans for building the central rail way in Tanganyika at the beginning of this century (Gao 1984, 241-250).

Chinese were supposed to superior, hardworking, and productive than Africans but they were considered cheaper than local wage labor. They followed the labor contracts and after finishing the contract period, they had to come back to home land but many of them did not come back. They engaged in economic activities for living and played role in development (Richardson 1977, 1-4). Overall, indentured Chinese labor in overseas gold mining illustrates the expansion of international capital and the circulation of labor tied to the commodification of gold as currency.

### 3. Engagement in enterprise in the modern period

A small number of Chinese individuals came to settle and carried out small-scale independent trade and service activities. French traders also brought few Chinese merchants in partnership for the direct trade with China soon after 1750 in Mauritius and they involved in business activities in this rejoin. Some of the region’s earliest factories were established by Chinese: tobacco processing and alcohol distillation (Brautigam 2003, 456). Then gradually, they were producing shoes and boots, rum, and aloe bags for shipping sugar. Many Chinese established business and social center to support the living Chinese. At that time, the Port-Louis market in Mauritius was said to be dominated by Chinese traders, and one visitor reported, ‘in every out-of-the-way nook and corner of the island’ you found ‘a Chinaman’s shop (Snow 1955, 55). They would find

Chinese food and accommodation, and the opportunity to make business contacts. At the turn of the century, some 80 percent of the Chinese in Mauritius were traders, but as their level of education rose, other opportunities presented themselves, and by 1944 only 33 percent remained as merchants. By the 1950s, Madagascar had more than 1,600 Chinese shops (Huguette 1985, 1-80). Thus these enterprisers lived as well as played role to economic development in this rejoin.

As we noted, the evidence shows that there were huge Chinese labor and enterprising migration in the colonial period. The most of enterprisers have engaged in small businesses. Some of them stayed in African continent and they are the ancestors of today’s 3rd or 4th generation. It is noteworthy that the flow of Chinese migrants to other countries was for a long time determined by China’s emigration policies and changing geopolitical relations. As Mohan and Tan-Mullins (2009, 9) argue, recently, in the case of Africa, migration has moved to being largely independent of state action, despite an overarching discourse from the Chinese state which treats migrants in a positive light compared to earlier periods.

## IV. Role of Diaspora in Developing Economic Cooperation

The reforms in 1978 and the liberalization of emigration legislation in 1985 had grown a diverse migration flow from China to different parts of the world including African continent. In the era of globalization, the vast movement of capital and human resources is seen since 1990s all over the world and China also takes this opportunity. Chinese state owned organizations/companies; multinational companies; private firms; and small enterprisers engage most of the African countries with huge capital and human resources not only from main land China but also different parts of the world.

## 1. Rediscover the Relationships

The People's Republic of China (PRC) was formed in 1949. At that time the emigration was not only officially ended but also restricting movement to illegal emigration or people joining existing family in overseas. China and Africa rediscover their relation from the Bandung Conference on Non-Alignment on April, 1955 and then the first Afro-Asia People's Solidarity Conference was held in Egypt in 1956. Diplomatic ties between China and Africa date back to 1956 through the establishment of Sino-Egyptian relations. Then China gradually established diplomatic relation with the newly independent African countries and helped those supporting resources and engaging various activities. China provided African countries in the 1960s and 1970s with political support in several liberation and independence struggles and gave them development assistance, in spite of its own poverty and political isolation (Jakobson 2009, 403-433). They developed atmosphere in laying foundations for further ties of economic cooperation with African countries. Late Premier Zhou Enlai Visited Africa in 1963-63 and computed the five principles, the bases of the China's relations with African. He also expounded the eight principles which China must adhere to in rendering economic and technical aid to African countries including support the African countries in their efforts to develop their national economies and seek a new economic world order (K.P.Leung 2012). China's Africa policy based on the classical foundations of a support of historical legitimacies, namely: 1) Historical links to liberation movements (historical legitimacy), 2) A Third World ideological heritage dating back to the Cold War (ideological legitimacy), and 3) An evolving partnership based on principles of non-interference and neutrality (political legitimacy). Though economic engagement was very limited in the reconstruction period but increased significantly. Between 1955 and 1965, trade between Africa and China increased nearly seven folds (Kossi 2012, 6420-7).

During the Mao Zedong era, relations between the PRC and Africa were marked by rhetoric reflecting Cold War politics as well as the solidarity of

developing nations and their common cause of combating colonialism and imperialism (Jakobson 2009, 403-433). Chinese aid was used to cement 'South-South' solidarity through grant aid, prestige construction projects, and teams of technical advisors, especially in the areas of agriculture (Brautigam 1998). Chinese tried to get the chance to move to all over African countries with the support of state program in various fields. For example, Mao Zedong sent as many as 150,000 Chinese technicians and workers to the continent to work in agriculture, technology and infrastructure development. About 50,000 Chinese workers built the first single large stand most symbolic of the era's China-Africa links was the Tanzania-Zambia railway, 1860 kilometer long in 1970 with a loan of \$401million. Many of them stayed on to engage in commercial activities. However, China increased his supporting hand gradually through an extensive aid program to Africa in 1970s. Between 1970 and 1976, China committed about US\$1,815 million to Africa (Kossi 2012, 6420-6427).

The 2<sup>nd</sup> and 3<sup>rd</sup> generation of Chinese established successfully and engaged in different kinds of businesses and professions in South Africa, Mauritius and Madagascar in this period whose ancestors brought in colonial period. Trading opportunities and proactive government policy in South Africa and Mauritius expected more foreign set up in manufacturing in the 1960s and in the 1970s. Furthermore, the government moved to a more aggressive export-based strategy and encouraged foreign firms because of the markets became flooded. In this situation Chinese traders took that opportunity and they brought many ethnic Chinese to invest in new business from different parts of the world.

Gradually this opportunity was also seen in other African countries. For example, ethnic Chinese entrepreneurs living in Mauritius helped persuade the government to establish an export processing zone, and then travelled to Asia, inviting co-ethnics from Taiwan, Hong Kong, Malaysia, and (later) mainland China to join them in joint ventures (Brautigam 2007, 2). Also in Nigerian entrepreneurs in the eastern Nigerian town of Nnewi they used their connections to ethnic Chinese trading networks to assist in the transition from importing auto spare parts, to producing them, creating a small industrial boom. In other sense, overseas Chinese could be understood in terms of 'pariah capitalism' (Chun

1989, 234) in that they have played a role of intermediary between livelihood of majority of indigenous people and commercial interest of some domestic elite or foreigners.

## 2. Reform, Liberalization and Economic Cooperation

Emigration from China has grown to unprecedented levels since the onset of reforms in 1978 and the liberalization of emigration legislation in 1985 (Xiang 2003, 21, 48). The decentralization of trade helped to get exclusive rights to export, import, and foreign exchange and the crucial change of the open-door policy opened up the possibilities of trading with Africa for a range of Chinese actors. Beginning in agriculture, they reformed urban industry, private businesses, even opened the foreign investment and created a series of special economic zones. Controls on private businesses and government intervention continued to decrease, and was small-scale privatization of state enterprises.

Premier Zhao Ziyang's declaration in 1982 of the four principles to guide China's engagement with Africa: equality and mutual benefit, efficiency, diversity, and mutual development played significant role to influence and increase the engagement of Chinese in Africa. The opportunity and potential African countries represent the markets for Chinese goods to maintain of economic growth bot only for China but also for them. The 'going out' strategy in 1999 makes a business opportunity for low-cost Chinese manufactured goods in a near billion-person market of Africa. The adventures of Chinese enterprisers increase their movement into African countries. Chinese entrepreneurship and market access in Africa has been further encouraged by finance provided by the Export-Import Bank of China, which was established in 1994, and the China-Africa Development Fund, set up by the China Development Bank in 2007 (Brautigam 2009, 152).

This wave of Chinese migration was with the significant numbers of immigrants in African countries from mainland China. The migration routes meant a single male was the pioneer and then followed by his family through

establishing business and further recruiting family members or clans. However, these family ties sometimes extend to the lineage and clan level, which sees whole villages caught up in migratory circles (Haugen 2005, 639-662). Many of them either started small businesses or began as employees for businesses. After years of hard work, by late 1990s, many of these earliest immigrants from mainland China became quite successful, owning established and profitable business, mostly as importers and wholesalers of Chinese products and as owners of their own factories (Park 2009, 5). Many traders have expanded beyond their initial trading businesses into other industrial fields, including mining, manufacturing, and property development (Brautigam 2003, 2). Gradually they also move from one city to another city, one country to another country where business opportunities are available. Engaging in business activities as diverse as petty manufacturing, printing, pharmaceutical and medical services, restaurants, beauty salons and last but not least, general trade, these independent Chinese migrants are often acknowledged for bringing affordable new commercial services and goods to low-income households on the African continent (Laurence and Alena 2011, 6).

Many large entrepreneurial and highly prestigious state projects started to operate most of the African countries by the support of state own financial institutions. They are playing significant role in development varies fields of African countries. They bring not only capital but also human resources. For example, 740,000 Chinese labors were engaged in Chinese projects in Africa in the end of 2008. In the 'China's Year of Africa' in commemoration of 50 years of the diplomatic 2006 Chinese President Hu Jintao proposed eight-point including China's promise of US\$3 billion of preferential loans and US\$2 billion of preferential buyer's credits to Africa in the next three years, setting up a China-Africa development fund which will reach US\$5 billion to encourage Chinese companies to invest in Africa, promising to establish three to five trade and economic development zones in Africa in the next three years and train 15,000 African professionals; send 100 senior agricultural engineers to Africa, setting up agricultural technology demonstration centers and build 30 hospitals in Africa; provide 30 million RMB of grant for building 30 malaria prevention and

treatment centers in Africa; send 300 youth volunteers to Africa; build 100 rural schools in Africa (Jakobson 2009 403-433).

Chinese engagement in economic cooperation in African continents is increasing years by years. At present, about 1600 Chinese companies are operating business in 49 African countries and thousands of Chinese projects engaged in development. For example, The Ghana Investment Promotion Centre (GIPC) accounts for 482 Chinese projects in Ghana at the end of 2010. In Nigeria, they engaged in roads, railways, bridges, dams, hospitals, airports, schools, stadia and legislative building. Chinese are also engaged a large number of cooperative agricultural projects in the Republic of Congo, the Democratic Republic of Congo, Guinea, Mali, Mauritania, Niger, Sierra Leone, Somalia, Tanzania, Togo, and Uganda. Over 10,000 agro technicians have worked on some 200 agricultural projects involving the establishment of farms and agricultural stations as well as training. Burski, in a recent paper, claims that there are currently over 50 agricultural villages in 28 African countries with a total of over 15,000 Chinese peasants now living in isolated, remote, rural areas of Africa (Burski 2012). Chinese diaspora engages in medical field in many African countries. For example, 15,000–20,000 medical personnel come to Africa to assist in the development of hospitals and clinics. In 2004, the twentieth medical team had been sent, with about ten doctors working in the main hospital of Unguja, Mnasi Mmoja, and ten in Mkoani on Pemba, in the Abdullah Mzee hospital, built in the mid-1960s by a Chinese architecture and engineering team (Hsu 2007, 113-124).

The level of transactions between Africa and China has burgeoned since the turn of 2000s. During the 2006 a Forum on China-Africa Cooperation, African and Chinese leaders reiterated their intention to forge a new type of strategic partnership based on equality and mutual benefit (Wang and Tchané 2008, 46). In this situation, Chinese FDI has increased sharply in the past year. According to Sautman and Hairong (2007), Africa has the highest return on FDI, ranging from 29% in 1990 to 40% in 2005. Although China's trade with Africa is small compared to US\$1.76 trillion in world trade, it has grown from US\$3 billion in 1995 to US\$55 billion in 2006. Under the circumstance, in October 2007, the

Industrial and Commercial Bank of China agreed to purchase 20 percent of Standard Bank Group of South Africa, the largest bank in Africa, spending \$5.6 billion on that one investment (Wang and Tchané 2008, 46). According to statistics of World Bank (2011), the two way trade between China and Africa has increased from \$10 billion in 2000 to \$123 billion in 2010 and since 2009 China is the largest trading partner of Africa. From 2003 to 2010, Chinese foreign direct investment in Africa has increased 26 folds. Chinese foreign direct investment in Africa has increased from \$490 million in 2003 to \$13.04 billion in 2010. In 2009, China's total aid to Africa is \$11.15 billion. As a result, trade between them has increased making China the continent's third largest trading partner after the European Union and the US. China has continued to push closer ties with Africa and has awarded US\$10 billion in aid for the next three years and dispatched volunteers to provide medical assistance and build hospitals and schools (Ewing 2009).

Though Chinese diaspora engages in economic cooperation all over African countries but the old states like South Africa, Mauritius, and Madagascar have experienced higher integration between the Chinese and the local communities. As Mohan and Tan-Mullins (2009) investigated, for example, in Mauritius almost 30,000 older generation Chinese migrants have taken up Mauritian citizenship, in Madagascar intermarriages are common and at least 60% of the Chinese are mixed ethnically.

As Wang and Tchané (2008, 46) mentioned economic relations between China and Africa become increasingly commercial rather than aid driven, future relations between the two will be shaped more and more by shifts in comparative advantages and changes in global supply chains. It was two decades ago that China dismantled the state's monopoly on foreign trade. Since then, Chinese private and joint-venture firms have become dominant forces in exports and imports. That has been the case in Africa, where China's private sector is at the forefront of trade, direct investment, and the contracted construction business (Wang 2007). In this shape of transition in their relationship, the Chinese diaspora and their networks that have boosted private economic sector play important roles.

### 3. The Role of Diaspora Network

According to contemporary network theory, the role of immigrant network in creating the immigrant economy is significant. Massey (1988, 396) defines migration networks as "sets of interpersonal ties that link migrants, former migrants, and non-migrants in origin and destination areas through the bonds of kinship, friendship, and shared community origin. Migration networks, through the bonds of kinship, friendship, and shared community origin help to promote interpersonal ties that link migrants, former migrants, and non-migrants in origin and destination areas (Massey 1988, 396).

As Brautigam pointed out(2003, 467), in Africa where most of states are weak, and infrastructure poor, business networks cannot substitute for a weak state, but, as institutions, they can make markets work better by providing information, lowering risks, and easing the transaction costs that accompany transitions from trade to industry, and from production for the local market to production for export.

It is widely noticed that most of Chinese in Africa have built networks not only with the Chinese in mainland but also with the ethnic Chinese in the rest of the world. The network effects significantly on recent trade migration of Chinese to Africa. In case of Chinese, network-supported migrants have help in arranging transportation, in finding housing and jobs at their destination, and in effecting a satisfactory personal and emotional adjustment to host countries (Goodman 1981, 137-148). In particular, the ability of Chinese traders to utilize networks rapidly and communicate as a co-national helps explain their ability to keep costs low. However, the recent Chinese traders in South Africa are not necessarily well connected to the old Chinese communities.

What then bring them to maintain ethnic ties and engage in network building? It is well known that, in destination countries, earlier Chinese migrants had suffered from a lot of difficult situations of cultural marginality and material deprivation. In this situation, they had responded by developing social networks besides trade networks throughout Southeast Asia as early as the 1100s. These

have gradually spread to formal "tribute missions, as well as informal domestic and foreign commercial trade. In this situation, most of Chinese in Africa have utilized their 'ethnic enclave' in belief that participation in a pre-existing ethnic economy can have positive economic consequences, including a greater opportunity for self-employment." (Portes and Jensen 1987, 768) As we have seen, recent migration to Africa builds on older trajectories laid down during the colonial and cold war periods.

Since the mid-1990, the Chinese diaspora began to create local networks of retailing in Africa, bringing low-cost products that were more competitive than European goods had ever been (Valerie 2007, 1). In the late 1990s and early 2000s, there was a recurrence of temporary labor migrants employed by the 800 or so Chinese multinational companies who are usually working on designated projects with fixed periods overseas. As Mohan and Tan-Mullins argued (2009, 13), it is needed to emphasize that this wave of migrants was driven by the increasing Chinese state engagement with African states. Besides, for the smaller private entrepreneurs who lack formal state backing, it is important to analyze what role existing diasporic communities play in enabling integration into African society and how they are organized to facilitate connection back to China (Mohan and Tan-Mullins, 2009, 19). Also family ties and informal networks are the basis of developing transnational private Chinese business organization. As Mung (2008, 105-106) noticed, most of Chinese diaspora have engaged in 'triangular' networks in that they do not only relate to China, but also interacts with the society of African countries where it has settled. In this context, we could expect that their strong ties with homeland and communities within host countries could be regarded as the key factors to change Beijing's economic policies, and positions international relationship in the world.

### V. Conclusion

Although geographically China and Africa is so distant and share different language and culture, they could keep dynamic relations in many arenas still

now. Over the centuries, Chinese diaspora has significantly engaged and involved with various activities in economic cooperation in African countries. Also the number and scope of engagement are increasing rapidly.

As we noted above, the historical development and economic cooperation of Chinese diaspora in African continents have three stages. First, in the earlier period, Chinese trade diaspora sending by government had entered African countries and engaged only in exchanging limited products due to communication obstacles and lack of modern communication tools with China as well as North and East African countries. Second, the colonial power of European countries brought Chinese in South Africa, Mauritius, and Madagascar for different purposes from the seventeenth century. However, later, there were huge labor migration flows as labor diaspora forced by colonial power in South African gold coast. Third, Chinese government built the basement of mutual and truthful relations with newly independent African countries through supporting and helping by material, capital and human resources from the mid of twentieth century after reforming the People's Republic of China. Later the onset of reforms in the country provide opportunities towards the world for Chinese people. As a result, there is seen huge Chinese migration not only from the mainland China but also from the different parts of the world to take the business opportunities. Besides, Chinese state own organizations operate many prestigious projects in African countries and Chinese labor are working there.

As we examined, Chinese trade, aid, and joint venture multi-activities have increased dramatically in recent decades. The new as well as old Chinese diaspora are deeply embedded in these activities. With utilizing their strong ethnic ties they could deeply engage and lead various economic activities in their host countries, in result, encourage the development of international cooperation between both countries beyond the patterns of traditional ethnic enclaves or state-led enterprises. In this shape of transition in their relationship, the Chinese diaspora and their networks that have boosted private economic sector play important roles. As a result, they have played crucial effects African society and economics. This tendency is likely not to be weak in the future.

To conclude, the deep involvement and engagement of Chinese trade and

labor diaspora in economic cooperation has made dramatic transformation in most of the African countries. In this context we can expect that the strong ties of Chinese diaspora with homeland and communities within host countries could be regarded as the key factors to change the international relationships between their home and host country.

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