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**Transnational Entrepreneurship and Immigrant Integration:
New Chinese Immigrants in Singapore and the United States**

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Abstract: Tracing the histories of long-standing Chinese migrations to Singapore and the United States, we examine the linkage between transnational entrepreneurship and immigrant integration. Based on data collected from multi-sited fieldwork between 2008 and 2013 in Singapore, the United States, and China, we center our comparative analysis on three main research questions: 1) How has ethnic entrepreneurship affected diasporic development over the course of Chinese emigration since the mid-19th century? (2) What causes the divergent patterns of contemporary transnational engagement with China? (3) How has transnational entrepreneurship influenced Chinese immigrants’ integration into their host societies? We underscore the multi-layered interplay between the individual, diasporic community, and state in transnational social fields. We show that, while ethnic entrepreneurship has been a defining characteristic of the Chinese Diaspora, it is shaped by different migration histories, structural circumstances in both sending and receiving societies, and locations in the transnational social field. We also show that the rise of China has opened up new avenues for transnational entrepreneurship, which have not only benefited hometown development but also enhanced individual migrants’ economic opportunities for desirable mobility outcomes. We conclude with a discussion on the implications of transnational entrepreneurship for identity formation and assimilation.

Key Words: Transnationalism; ethnic entrepreneurship; Chinese diaspora; hometown development; immigrant integration; assimilation

Transnational Entrepreneurship and Diasporic Development: New Chinese Immigrants in Singapore and the United States¹

The Chinese Diaspora is arguably one of the oldest and largest in the world. Long before European colonists set foot on the Asian continent, the Chinese had moved across sea and land, seasonally or permanently, to other parts of Asia and the rest of the world to pursue economic opportunities for the welfare of their families. At present, the people of Chinese ancestry living outside of mainland China, Hong Kong, and Macau were estimated at about 50 million, less than three percent of China's total population.² As of 2013, overseas Chinese and people of Chinese descent spread in more than 150 countries across the globe with nearly three-thirds in Asia, particularly Southeast Asia, 16% in the Americas, 6% in Europe, and the rest in Africa and Oceania.³ Such an expansive Chinese Diaspora is captured in an ancient saying, "Wherever the ocean waves touch, there are overseas Chinese;" or in a present saying, "Where the sun shines, there are Chinese" (Choi, 2013; Poston & Yu, 1990, p. 481).

From the very beginning of Chinese emigration, entrepreneurship has been a central force for diasporic development (Wang, 1991). In this paper, we trace the histories of long-standing Chinese migrations to Singapore and the United States to examine the linkage between transnational entrepreneurship and immigrant integration. Based on data collected from multi-sited fieldwork and archival research, we address three main questions: 1) How has ethnic entrepreneurship affected diasporic development over the course of Chinese emigration since the mid-19th century? (2) What causes the divergent patterns of contemporary transnational engagement with China? (3) How has transnational entrepreneurship influenced Chinese immigrants' integration into their host societies? We underscore the multi-layered interplay between the individual, diasporic community, and state in transnational social fields. In so doing, we first review the literature on ethnic entrepreneurship. We then offer a historical analysis of the changing patterns of Chinese emigration since the mid-19th century in two migrant receiving countries, highlighting linkage between entrepreneurship and diasporic development. Thirdly, we examine how contemporary patterns transnational entrepreneurship diverge among new Chinese immigrants resettled in different receiving countries, focusing on the interplay of diasporic forces and state actions. Lastly, we discuss the bearing that transnational entrepreneurship has on immigrant integration and the extent to which the experience of new Chinese immigrants may transform the normative assimilation story.

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² See http://news.xinhuanet.com/politics/2011-11/30/c_111206719.htm, last access on May 9, 2014.

³ The author's tabulations are based on the estimates by the Overseas Chinese Affairs Office of the State Council, the People's Republic of China, and the *2007 Statistical Yearbook of the Overseas Compatriot Affairs Commission of the R.O.C.*

Theoretical Background

The field of international migration has long identified ethnic entrepreneurship as a sociologically interesting phenomenon (Aldrich & Waldinger, 1990; Light, 1972; Portes & Zhou, 1992; Zhou, 2004). Ethnic entrepreneurship often conjures up images of small, informal, and family-owned businesses. In present times, however, entrepreneurial activities among some immigrant groups in some receiving countries have become increasingly heterogeneous in scale, range, intensity, and levels of formality or institutionalization. As in the past, contemporary immigrants have continued to exploit entrepreneurship as an effective alternative to circumvent disadvantages associated with immigrant or minority status to move ahead in host societies, but, they have done so more proactively, taking advantage of new opportunities that are open to them in the processes of economic globalization, homeland development, and immigrant integration (Zhou, 2004).

Causes and Effects of Ethnic Entrepreneurship

Existing research has sought to understand the causes and effects of ethnic entrepreneurship. Regarding the causes, research has primarily addressed why immigrants have a greater propensity for self-employment than natives and why some immigrant groups are more likely than others to pursue entrepreneurship. Researchers have considered cultural traits, ethnic solidarity, ethnic organization, and sojourning orientation as important cultural factors (Bonacich, 1973; Light, 1972). They have also cited discrimination in the mainstream labor market, disadvantages associated with immigrant status, such as lack of proficiency in the host society's dominant language and lack of transferable professional skills and educational credentials, and the availability of unpaid family labor or low-paid coethnic labor as key structural factors (Bates, 1998; Portes & Zhou, 1992; Waldinger, 1986). Other macrostructural factors, such as market conditions (sizes of coethnic and non-coethnic consumer markets) and access to ownership, are determining factors as well, even when host societies outlaw racism and racial discrimination (Aldrich & Waldinger, 1990).

It is interesting to note that the literature has generated more consensus than controversies on what causes ethnic entrepreneurship. A noted point that, instead of responding to existing host market conditions, many contemporary ethnic entrepreneurs proactively create new opportunities. For example, the availability of low-skilled immigrant labor allows prospective entrepreneurs to develop new businesses in the lines of work that have already been outsourced abroad, such as the garment industry, or previously taken up by unpaid family labor, such as gardening, housecleaning, and childcare (Zhou, 1992). The availability of highly skilled immigrant labor has also become a new source of entrepreneurship in the growing high-tech sector that redefines the mainstream economy (Saxenian, 2006).

Regarding the effects, research has focused on examining how ethnic entrepreneurship affects social mobility, such as income or occupational attainment, of immigrant minorities. Findings on the earnings returns to human capital are mixed. Some researchers show strong empirical evidence that ethnic entrepreneurship yields a significant earnings advantage over other forms of employment net observable human capital and demographic characteristics among ethnic minorities (Fairlie & Meyer, 1996; Portes & Zhou, 1996). Others find that returns

to human capital are significantly lower especially for immigrant groups who are highly-skilled, more resourceful, but lack English proficiency (Bates, 1998; Borjas, 1990). Nevertheless, there has been growing consensus over the findings about other positive effects. First, ethnic entrepreneurship creates job opportunities for the self-employed as well as for co-ethnic workers who would otherwise be excluded by mainstream labor market (Butler, 1991; Light, 1972; Portes & Zhou, 1992; Zhou, 1992). Second, ethnic entrepreneurship fosters an entrepreneurial spirit, sets up role models, and offers training opportunities for prospective entrepreneurs within an ethnic community (Bailey & Waldinger, 1991). Third, ethnic entrepreneurship buffers its impact on the larger labor market, relieving sources of potential competition with native born workers and enhancing the economic prospects of group members as well as out-group members (Portes & Zhou, 1996).

Transnational Entrepreneurship

Much of the scholarly research on ethnic entrepreneurship has presupposed a national context within which the structure of opportunities for ethnic entrepreneurship emerges and economic mobility for immigrant groups occurs (Aldrich & Waldinger, 1990). Sweeping economic globalization and rising rates of international migration since the 1970s have brought about unprecedented changes in immigrant communities and ethnic economic activities in both traditional and emerging migrant receiving countries. These trends have led researchers to think beyond the constraints of existing conceptual and analytical frameworks in understanding ethnic entrepreneurship.

An emerging transnational perspective locates ethnic entrepreneurs in the transnational social fields. Levitt and Glick-Schiller (2004, p. 1009) define social field as “a set of multiple interlocking networks of social relationships through which ideas, practices, and resources are unequally exchanged, organized, and transformed.” Transnational social fields are created by immigrants and their institutions and connect them to their respective homelands through direct or indirect relations. The boundaries of these social fields are fluid and may or may not coincide with nation-state boundaries. For example, in his study of new Chinese immigrants in Singapore, Liu (2012a) applies the idea of transnational social fields to examine the phenomenon of a “transnational Chinese sphere,” in which Chinese overseas interact with Chinese in China to carve out a borderless space to facilitate steady and extensive flows of people, ideas, goods and capital, although states also play an important role in shaping the nature and characteristics of these flows. This space also constitutes a dynamic interface between economy, politics, and culture, which has contributed to creating a collective diasporic identity as well as social and business networks.

Portes and his associates (1999) advance a typology of three sectors of transnationalism (economic, political, sociocultural) at two levels of institutionalization (informal versus formal) to delineate the types and the levels of scale and formality of transnational economic activities. Ethnographic case studies in the United States offer rich information about the wide variety of transnational entrepreneurship, including financial services handling migrant remittance; import/export firms, international couriers and shipping companies; cultural enterprises; manufacturing firms); and returnees’ microenterprises that are established in places of origin

with migrant wages and personal savings in the United States (Itzigsohn, 1995; Portes & Guarnizo, 1991).

While many of the same causal processes affecting ethnic entrepreneurship have also influenced economic transnationalism, human capital stands as one of the most important determinants, affecting not so much the likelihood of engaging in transnational activities as the formality and scale of such activities. Low-skilled immigrants have shown a tendency toward transnational entrepreneurship, but their transnational practices seem to be oriented more toward sending countries and tend to be small-scale and informal, as in the case of “suitcase” entrepreneurship (Portes & Guarnizo, 1991; Itzigsohn, 1995). However, the same groups that are found to engage in informal transnational economic activities also show signs of large-scale, government- or corporation-sponsored transnational entrepreneurship (Portes, Escobar & Radford, 2007).

Highly educated and highly assimilated immigrants have also been found quitting their well-paying salaried jobs to pursue entrepreneurship because they can better utilize their skills, bicultural literacy, and transnational networks to reap greater material gains, as in the case of Israelis, Iranians, Indians, Chinese, and Taiwanese, and many of their transnational businesses tend to be formal and based in host countries, using transnational entrepreneurship as an effective means of maximizing their human capital returns and expanding their middle-class status. Their transnational engagements are primarily in high-tech industries, large scale import-export businesses, and financial services, which are not only found in ethnic enclaves but throughout the mainstream economy (Liu, 2012a; Saxenian, 2006; Yeoh & Chang, 2001). The size and economic heft of these enterprises have attracted the attention of sending countries (Liu, 2012a; Portes & Zhou, 2012).

One of the foci of the emerging research on transnational entrepreneurship emphatically highlights the role of the nation-state. Historically, sending-country governments have operated on a transnational scale either to reach out to their diasporas to include them into the nationhood or to shut them off. In contemporary times, few migrant sending states do the latter. Instead, many have shifted their development thinking and changed their attitudes toward diasporas by actively engage with their expatriates in the transnational social fields (Iskander, 2010; Portes & Zhou, 2012; Rodriguez, 2010).

The levels of economic development in sending countries shape particular structures of opportunities unique to national-origin groups and thus determine who is engaged in what type of transnational activities. In countries where industrialization and development were at their early stages, informal trade and commerce dominate, as in the case of Mexicans, Salvadorans, and Dominicans who traveled back and forth to engage in informal economic activities that bypass existing laws and the regulatory agencies of the state in both sending and receiving countries and take advantage of differential demands and prices on both sides (Portes & Guarnizo, 1991). At more advanced stages of economic development in sending countries, formal and large-scale transnational activities, such as import/export, transnational banking and investment in both knowledge-intensive and labor-intensive industries are likely to dominate. These transnational economic activities, in turn, have positive impact on state policies, as many sending countries have come to depend on migrant remittances and capital investments as a

reliable source of foreign exchange, collateral for the solicitation of international loans, and capital mobilization for economic development (Iskander, 2010; Portes & Zhou, 2012; Rodriguez, 2010).

Filling the Gaps

There are several gaps in the existing literature that we aim to address through our comparative analysis of Chinese transnational entrepreneurship in Singapore and the United States. First, there has been an underlying assumption in the existing literature that entrepreneurship is a forced choice for immigrants resettled in another country. We suggest that ethnic entrepreneurs, low-skilled and highly-skilled alike, do not merely react to host country circumstances, but respond to multi-layered opportunities or constraints in the diaspora, the homeland, and the transnational social fields as well. Those with bicultural literacy, bi-national work experiences, and access to transnational networks are more likely than others to act as agents to initiate and structure global transactions. Second, the existing literature has overlooked the effect of ethnic entrepreneurship on immigrant integration. We suggest that ethnic businesses constitute the economic basis of the diasporic community and that transnational entrepreneurs contribute to further strengthening that basis, which facilitate immigrant adaption into host societies. Third, the existing literature has emphasized the role of the sending state in promoting immigrant transnationalism but has paid relatively little attention to the role of the host-state. We suggest that host countries, especially traditional resettlement countries like the U.S., tend to be indifferent to, and sometimes suspicious of, immigrant transnationalism and that such indifference negatively influences diasporic development and indirectly creates obstacles to immigrant integration. Figure 1 sketches an analytical framework for our current comparative analysis of Chinese transnational entrepreneurship in Singapore and the United States. We frame our comparative analysis of Chinese entrepreneurship in Singapore and the US around the dual processes of transnationalism and integration. We consider ethnic entrepreneurship as an important driver for diasporic formation and development, which is impacted by unique immigration histories and contexts of reception and in turn creates economic opportunities and basis for social capital formation. We argue that transnational entrepreneurship not only benefits hometown development but also widening the path to integration.

[Figure 1 about here]

Methodological Consideration

In our comparative analysis, we use the concept of “diaspora” to refer to extra-territorial populations, including temporary, permanent, or circular migrants, as well as their native born descendants (Gamlén 2008). However, diasporas are not fixed in time and space and they differ in immigration histories and contexts of reception. By diasporic development, we focus on the extent to which an immigrant community serves as basis for social mobility opportunities and identity.

Our data were collected from two parallel research projects by the authors between 2008 and 2013 in Singapore, the United States, and China. Both projects relied on mixed methods that combined an in-depth survey of online listing of Chinese immigrant organizations, interviews with business leaders in diasporic communities and with government officials in China,

participatory observations, and content analysis of major local and community newspapers.⁴ Both projects focused on new Chinese immigrants and their transnational organizations.⁵

We choose Singapore and the United States for our comparative analysis for two main reasons. First, China is the ancestral homeland for Chinese immigrants who have resettled in Singapore and the United States. Historically, transnational flows of Chinese immigrants were subjected the same regulations and controls of the Chinese state. But immigration histories into these two countries prior to 1949 were significantly different. Southeast Asia-bound flows started out as merchant/trader migration several centuries earlier, while US-bound flows primarily labor migration in the mid-19th century. Between 1949 and 1978, emigration from China to either Singapore or the U.S. was basically reduced to a trickle, and transnational ties from the Diaspora to the homeland were severely severed. Since 1979, the People's Republic of China (PRC) government has adopted an open-door policy and launched economic reforms, which lead to new waves of emigration from China. Different migration histories but similar sending-state circumstances offer important contexts in which we consider the relationship between ethnic entrepreneurship and diasporic formation.

Second, while both Singapore and the U.S. are preferred destinations of Chinese immigrants in past and present times, these two receiving states are vastly different. Singapore is a small city-state at the heart of the long-standing Chinese Diaspora in Southeast Asia, striving to be global and cosmopolitan since it has become a sovereign state in 1965. Its total population is estimated at 5.4 million, of which Chinese-ancestry people comprise of 74% (or 4 million) as of 2013 (Department of Statistics Singapore, 2013). The country was part of the British Straits Settlements between 1826 and 1963. It gained independence from the British colonial empire in 1963 as a part of Malaysia but was later separated from Malaysia to found an independent nation state, the Republic of Singapore, in 1965. In contrast, the United States is a vast country, independent of British colonial control in 1776, and has now grown into a world super-power, occupying an unchallenged leadership position in the world system since World War II. It has the largest ethnic Chinese population, estimated at 4 million, but they comprise of less than 2% of the total US population in 2012. Chinese immigrants, old and new, encounter very different contexts of reception, in terms of their ethnic group's social position in the host society, public attitudes, government policies, and labor market conditions receptive or hostile to the ethnic group, and the strength and viability of the pre-existing ethnic community. Such contextual variations allow us to look deeper into how multiple layers intersect the relationship between transnational entrepreneurship and diasporic development.

Migration, Entrepreneurship, and Diasporic Development

Early Patterns of International Migration from China: Trader v. Labor Migration

At the outset of Chinese emigration, Chinese traders and merchants played a pivotal role.

⁴ In the US, we examined relevant contexts in two major Chinese language newspapers, the *Chinese Daily News* and *China Press*, and in Singapore, one major Chinese language national paper, *United Morning News*, and one English language national paper, *The Straits Times*.

⁵ We refer "new" Chinese immigrants to those emigrated from China after 1978.

Until the mid-19th century, movements in and out of the Chinese empire largely centered on tribute missions to China as well as the trading of manufactured goods from China and of tropical goods to China (Wang, 1991). Despite fluctuating state policy on emigration restriction, more than one million of Chinese had settled in Southeast Asia by the mid-19th century, and the Chinese trade diaspora had been firmly established in where the Chinese merchant elite dominated not only its own ethnic economies but also local economies.

European colonial expansion into Southeast Asia in the early 19th century changed the geopolitical order and marginalized the existing Chinese trade diaspora in the region. However, Chinese traders and merchants proactively responded to marginalization by carving out new occupational niches, expanding beyond maritime trade into cash-crop farming and other land-based industries (Wickberg, 1999). They also served as agents for, or partners of, European colonists and other Westerners who traded in Southeast Asia, and later as labor brokers to facilitate large-scale labor migration from China to plantations, mines, and other work sites (railroads) in Southeast Asia and to non-Asia destinations dominated by Europeans colonists or settlers (Wang, 2003; Wickberg, 1999).

Large-scale Chinese labor migration started in the mid-19th century. Between 1851 and 1875, nearly 1.3 million emigrants (including smaller numbers of artisans and merchants) left China, about 27% (350,000) went to the Malay Peninsula and 12% (160,000) to the United States (Pan, 1999: 62). Because of the influence of diasporic networks established by Chinese traders and merchants who later turned labor brokers, labor migrants of the time hailed from the same origins as the traders and merchants. They were predominantly poor and uneducated peasants who migrated with a sojourning goal—to earn and save money abroad in the hope of returning home with gold and glory in a short period of time.

Subsequent emigration waves were severely disrupted during the Sino-Japanese War, World War II, and the Chinese civil war in the 1930 and 1940s and further constrained by post-war geopolitical developments. Post-war decolonization and nation-state building in Southeast Asia created new legal entry/exit barriers for cross-border flows. The PRC, founded in 1949, became the target of international sanctions as the West joined forces to cut China off from the outside world in order contain communism. China itself was caught in incessant political strife. Migration to and from China was strictly prohibited by the Chinese state.

China has revived itself to be a major sending country since it adopted an open-door policy and launched its economic reform in the late 1970s. It has relaxed its policy on emigration, which, interacted with changing immigration policies in Singapore, the United States and other receiving states, has set off massive emigration with little sign of slowing down over the past three decades. While contemporary emigration from China has been diverse, including family-sponsored migration, merchants' migration, labor migration, and student migration, patterns of immigration to Singapore and the United States differ, largely because of differences in immigration policy, geopolitical position of the receiving state in the world system, and bi-country relations, which profoundly influence diasporic development.

Diasporic Development in Singapore

Chinese immigration to and resettlement in Singapore was an integral part of the earlier Chinese trader/merchant migration to Southeast Asia, which predated the British arrival in 1819. Chinese immigrants dominated trade in the region and turned many coastal areas into distinct entrepôts—port cities with harbors and markets through which Chinese silk, porcelains, and other manufactured goods were exchanged (Reid, 1996; Widodo, 1996). British colonization in the early 19th century allowed Singapore to grow into an entrepôt city with a free port and an unrestricted immigration policy (Tan, 2007).

As it emerged as a global port city after 1870, Singapore became a key destination for Chinese immigrants. At the time, there were two main streams of Chinese immigration, one from the existing diasporic Chinese communities already resettled in Southeast Asia, made up of mostly merchants and traders and their families and servants, and the other directly from China, made up of mostly unskilled laborers. In 1849, the Chinese in Singapore grew to nearly 28,000, making up of half of the total population. By the end of World War II, Chinese population future grew to 730,000, accounting for 78% of the total population (Ee, 1961).

The Chinese community in Singapore was originally formed on the basis of the place of origin rather than on the homogeneity of a common ethnicity. It was not as geographically concentrated as the Chinatowns found in Western settlement states beyond Asia, and it was internally organized along the lines of social classes and dialect groups. The community was controlled by a powerful trader/merchant class, who also dominated the local and regional economy. Chinese merchants were not simply confined to running their own stores in local communities, they also operated transnational businesses and overseas trade and commerce and served as middlemen to trade between Western colonists and the local Chinese and between Chinese and indigenous people. Some of their businesses later evolved into international banking, shipping, and import/export industries, forming powerful and highly resilient global networks of transnational entrepreneurs (Liu, 2012b; Fong & Luk, 2006; Frost, 2003). The trader/merchant class and the working class were divided, much unlike the situation in the United States where these two classes were bonded into interdependence to cope with host society's exclusion.

The Chinese community is also fragmented by different dialect groups. Earlier Chinese immigrants in Singapore were mainly from Fujian and Guangdong provinces, intended to sojourn only for a limited period of time, but were later resettled (Frost, 2003; Kwok, 1999). The Hokkiens from Fujian province formed the largest group, followed by the Teochews from eastern Guangdong, the Cantonese from southern Guangdong, and the Hakkas from northern Guangdong. These dialect groups organized themselves on the basis of a clan, hometown, district, or a region/province into associations. The merchant elite formed the leadership of these organizations. Together with the Chinese language media and Chinese schools, these organizations become pillars of the diasporic community (Liu, 1998).

Within two decades following World War II, nearly all European colonies in Southeast Asia collapsed. With colonists gone, indigenous nationalists and socialists in many newly independent nations in Asia competed for power and struggled to rebuild their countries. After its independence in 1965, Lee Kuan Yew's government radically departed from its own past,

rejected the hegemony of Western-liberal democracy and aimed to build a global city-state where liberal market and authoritarian state co-exist side by side. On the one hand, the government promoted nation-building, nurturing a cohesive Singaporean national identity in a multi-ethnic society, not to be confused with the “Chinese” identity. On the other hand, the government consciously maintained the Chinese numerical majority, at about third-quarters, through policy intervention (Kong & Yeoh, 1997). Until Singapore established diplomatic relations with China in 1990, immigration directly from China was basically stopped. Consequently, the Chinese diasporic community has become integrated in the Singaporean society from being politically marginal or outside to the nation to becoming the core of the nation. The Chinese economy has also integrated into the national economy. In Singapore, a new Chinese immigrant entrepreneur would not identify his or her business as an “ethnic” business.

Diasporic Development in the United States

The United States is home to the largest concentration of people of Chinese descent outside Southeast Asia. Size aside, the United States is an ethnically diverse but highly racialized society dominated by the white Anglo-Saxon Protestant culture with European Americans on top, African Americans and Native American Indians at the bottom, and Latinos and Asians in between. Although all immigrants are expected to assimilate into the melting pot, racial minorities, Chinese included, were historically excluded from and, at present, conditionally accepted by the American nation.

The history of Chinese immigration to the US dates back to the late 1840s, initially as part of the global Chinese labor migration of the mid-19th century. Much like labor migrants to Singapore, US-bound Chinese immigrants were contract laborers, and their trans-Pacific journey was financed by the credit ticket system. Most hailed from south Guangdong province, and few from Fujian province. Chinese immigrants originally came to the US with the intention to sojourn only for a limited time with the intention of eventually returning home. But in contrast to their counterparts in Southeast Asia, they encountered a much more hostile host society: When mines were depleted, railroads were built, and recession hit, they became easy scapegoats for economic distress. In the 1870s, “white” workers who experienced labor market insecurities and exploitation channeled their frustrations into racist attacks on Chinese, leading to the passage of the Chinese Exclusion Act (Saxton, 1971).

During the process of labor migration to the United States, a small group of merchants rose and grew (Zhou & Kim, 2001). Unlike their counterparts in Southeast Asia where Chinese traders and merchants constituted a long-established trade diaspora, Chinese merchants to the United States were mainly engaged in commerce and served the basic needs of their sojourning countrymen. As a by-product of labor migration, this small merchant class, nonetheless, played an important role in diasporic formation in the U.S. (Wong, 1988).

Chinese exclusion forced merchants and laborers into isolated Chinatowns, forging an uneasy bond that transcended class. Although Chinese merchants continued to migrate legally because they were not excluded by law, they too were residentially segregated in ethnic enclaves and excluded from participating in the wider American economy and society, just like their working-class co-ethnics. Consequently, they and their fellow workers were bounded an

interdependence relationship for mutual survival. They used Chinatowns as a platform to launch their ethnic businesses, contributing to the formation of the ethnic enclave economy, and rely on transnational practices to grow their businesses.

The diasporic Chinese community followed an organizational pattern similar to that of the diasporic community in Singapore, with ethnic businesses serving as its base on which a range of ethnic organizations (including family and kin associations, hometown associations, and merchant-labor associations, or *tong*), the Chinese language press, and Chinese schools were established (Wong, 1988; Zhou & Lee, 2013). In the era of Chinese exclusion between 1882 and 1943, in which both laborers and merchants were subjected to racial discrimination, the diasporic Chinese community displayed several distinctive features: (1) a small merchant class established a firm foothold at the outset of Chinatown's formation; (2) organizations and interpersonal relations were based primarily on blood, kin, or place of origin; (3) ethnic businesses were interconnected to a range of interlocking ethnic institutions that guided and controlled interpersonal and inter-organizational relations; and (4) the ethnic enclave as a whole operated on the basis of ethnic solidarity internally and social exclusion by external forces (Zhou, 2009). Unlike that in Singapore where the Chinese Protectorate was established by the colonial government to manage Chinese affairs, the diasporic Chinese community in America was self-governed by an overarching organization, called Chinese Consolidated Benevolent Association (CCBA).

The repeal of the Chinese Exclusion Act during World War II did not open door to Chinese immigration, which was then subjected to an annual quota of 105 as stipulated in the National Origins Act of 1924. Chinese immigration was at low tide, and did not pick up even after Congress passed the Hart-Celler Act in 1965 because of the severed ties between China and the United States. At this point of no return, the diasporic community gradually adjusted its sojourning orientation to a settling one. But the diasporic community was gradually transformed into an "ethnic" community marginal to the American nation, a pattern of diasporic development quite different from that in Singapore.

Changing Immigration Dynamics and Divergent Engagements with the Homeland

New Chinese Immigrants to Singapore

New Chinese immigration to Singapore is a post-1990 phenomenon. Beginning in the late 1980s, Singapore confronted two urgent challenges: The need for talent to keep its global economy competitive, and the need to deal with problems associated with its below-replenishment fertility. Singapore registered one of the lowest total fertility rates in the world: 1.57 in the mid-1990s and 1.2 in 2009, far below the population replacement level of 2.1 children born per woman (Sun, 2012). The state implemented a series of policies to address these challenges. First, the government would encourage and work closely with companies and recruitment agencies to recruit foreign talents. In 1988, for example, a Singapore government-sponsored delegation came to Los Angeles to set up a booth at a Los Angeles International Airport (LAX) hotel to interview potential job candidates for multinational corporations based in Singapore. Especially targeted were Chinese students who had received advanced degrees but

had difficulty finding jobs in the US because of their US visa restriction.⁶ Qualified candidates were offered jobs on the spot.⁷ “Contact Singapore” was established in 1998 by the Prime Minister’s Office, administered by Ministry of Manpower and later allied with the Economic Development Board, to serve as a “one-stop” center to assist the highly skilled professionals and entrepreneurs to live and work in Singapore.

Second, the government would acquire foreign talent via its own educational system. Starting from the early 1990s, Singapore has used a combination of American-style programs taught in English and free or subsidized tuitions to attract foreign students. It has started offering full scholarship to high school students from China in 1992 to enroll in the local junior colleges and universities. It also, perhaps more importantly, has eased routes for permanent immigration after graduation in efforts to attract foreign students (Batalova, 2007). For example, one of the main strings attached to some of the scholarships is that awardees must work in Singapore for six years upon graduation (Liu, 2012a). A survey shows 74 per cent of such students became permanent residents after completing their studies.⁸

Third, the government would provide financial assistance and generous start-up funds to promote entrepreneurship among new immigrants. This strategy is also associated with the encouragement of mainland Chinese firms to list on the Singapore Exchange Mainboard. By January 2011, 157 Chinese companies were listed in Singapore, with a total market capitalization of approximately 49.5 billion SGD (38.7 billion USD), while secondary-listed ones were valued at 4.5 billion SGD (3.5 billion USD) (Liu, 2008; Liu, 2012a).

As a result of deliberate policy intervention, the foreign permanent resident population represents the fastest-growing segment of Singaporean population, with 28% of its total population being “on-resident” foreigners who were on various work permits or long-term visas.⁹ Although Singapore’s foreign talents initiative was aimed at no particular ethnic group, China has become a main source over the past 25 years, thanks to relaxation of China’s emigration controls and Singapore’s long-standing immigration history and its cultural and geographical proximity. A significant proportion of the permanent residents and non-resident

⁶ In the 1980s, many Chinese graduate students studying in the United States for their advanced degrees were on J-1 exchange student or visiting scholar visas. The US J-1 visa requires that visa holders must return to their home country to live for two years before they may be eligible for migration visas or non-immigrant work visas (H-1).

⁷ Interviewed with two of these candidates, who were offered jobs but later declined to take job offers in the United States.

⁸ Reported in *Lianhe Zaobao (United Morning News)*, November 7, 2002.

⁹ Total population in Singapore was at 5.4 million in 2013, 70 per cent was resident population (3.31 million citizens and 531,200 permanent residents); 74% Chinese, 13% Malay, and 9% Indian (Department of Statistics Singapore, 2013).

foreigners are those from the mainland China, estimated somewhere between 700,000 and 800,000 (Yim, 2011).¹⁰

New Chinese immigrants have hailed from all over China rather than from the traditional sending places in Fujian and Guangdong provinces. They are a highly selective lot: disproportionately well educated with the majority holding post-graduate degrees from the United States, U.K, Japan, Australia, and other Western countries, have “portable” or “transferable” jobs skills and work experience, and generally hold high-paying professional occupations, as the government applies stringent criteria in terms of applicants’ educational credentials and salary levels when granting permanent residency (Liu, 2012a).

Because of high immigration selectivity, the dominant mode of socioeconomic incorporation into the host society is through occupational achievement via education rather than through the entrepreneurial route as earlier Chinese immigrants. New Chinese immigrants are generally overrepresented in select research and higher education sectors. Take the example of the National University of Singapore: Among its 1,671 full-time teaching faculty members in 2000 (the latest year data on nationalities of faculty/researchers are openly available), nearly half (47 per cent) were foreigners, of whom 14 per cent were PRC citizens. Among the 842 full-time researchers, nearly three-quarters (621) were foreigners, of whom 39 per cent were from the PRC (cited in Liu, 2008).

While the professional route is a visible pattern of local integration among new Chinese immigrants in Singapore, the entrepreneurial route serves as a viable and natural pattern, since the ethnic Chinese economy has long incorporated into Singapore’s national economy and since Chinese are a “core” rather than an “ethnic” group in Singaporean society. New Chinese immigrant entrepreneurs have displayed two distinctive characteristics in comparison with their predecessors and local counterparts: many are “technopreneurs” who have the capacity to mix their scientific know-how with business acumen tend to concentrate in high-tech sector; and their business has characterized by a high degree of transnationality in terms of its operation, corporate management, and mindset. Even though new Chinese immigrant entrepreneurs are not readily connected to the long-standing business networks, they are actively involved in developing their own close personal and institutional ties with the Singapore state and with China taking advantage of their job skills and bi-cultural, bi-lingual proficiency (Liu, 2008). Their transnational business endeavors are commensurate with the pragmatism embedded in Sino-Singapore relations. Indeed, the increasing presence of new Chinese immigrant business in Singapore is part of the burgeoning trade between the two countries. Two-way trade grew 24 times to US\$69.3 billion in 2012, from \$2.8 billion in 1990, when the two countries established formal diplomatic relations; mutual visits reached 2.8 million person-times in 2012. The flows of capital and people have been facilitated by the ease of transportation and communication. There

¹⁰ This estimate included transients such as short-term contract workers. There are currently no official statistics on the number of new Chinese migrants, as immigration statistics by country of origin is treated as a sensitive issue in multi-ethnic Singapore.

are now more than 590 flights a week between Singapore and China, while Singapore's www.zaobao.com is China's leading foreign news source (Liu, 2014).

New Chinese Immigrants to the United States

New Chinese immigration to the US is a post-1980 phenomenon. From 1924 to 1965, US immigration was subjected to the National Origins Act, which applied a per country immigration quota based on the populations of the existing national-origins groups. The Act aimed to restrict immigration for Southern and Eastern Europe at the time when Asian-exclusion legislation was already in place. With the lifting of legal barriers to Chinese immigration after World War II and the enactment of a series of liberal immigration legislation since the passage of the Immigration and Nationality Act Amendments of 1965 (also known as the Hart-Celler Act), the Chinese American community has increased 15 times: from 237,000 in 1960 to more than 3.8 million in 2010. Much of this tremendous growth is partly due to US immigration policy reform and partly due to China's open-door policy. Immigration from the PRC occurred only after December 1978 when the United States normalized diplomatic relations with China and has been accelerated after 1980. According to the US immigration statistics, 314,896 immigrants were admitted to the United States from mainland China, Hong Kong, and Taiwan as permanent residents between 1960 and 1979, only 10% were from mainland China. In contrast, 1,813,312 were admitted between 1980 and 2010, nearly two-thirds (65%) were from mainland China. The total number admitted from 1960 to 2010 was almost five times the sum total admitted from 1850-1959. The 2009 American Community Survey data also attests to the big part played by immigration. As of 2009, foreign born Chinese accounted for 61 per cent of the ethnic Chinese population, 59 per cent of the foreign born arrived after 1990, and 61 per cent of the foreign born were naturalized U.S. citizens.

Post-1980 Chinese immigrants have arrived in America from diverse origins, unlike their earlier counterparts in the US, but much like their counterparts in Singapore. However, post-1980 Chinese immigrants are much more diverse in their socioeconomic backgrounds than their earlier counterparts and than their counterparts in Singapore. Some arrived in the U.S. with little money, minimum education, and few job skills, which forced them to take low-wage jobs and settle in urban Chinatowns. Others came with family savings, education and skills far above the levels of average Americans. The immigration of highly skilled Chinese is remarkable, especially via the student-turned-immigrant route. But unlike Singapore, it is the US businesses, rather than the government, that have been instrumental in highly skilled migration. The path to permanent residency is more stringent in the U.S. as graduates must first secure employment in the US and have their employers sponsor their immigration. Since 1980, China sent over 755,000 students abroad between 1978 and 2008, half of them to the United States. Less than 15 percent returned. The events in Tiananmen Square in 1989 prompted the U.S. Congress to authorize about 60,000 Chinese students and their families already in the United States to stay permanently (Zhou, 2009). Passage of the H-1B legislation in the 1990s facilitating the hiring of highly-skilled technicians and professional by American firms further accelerated the flow. The annual cap of Most highly skilled Chinese immigrants on H-1B visas were former students studying in the US. When they obtain their immigration visas through their US employers, most have already been in the U.S. for five years or more counting the time in graduate school.

Nationwide, levels of educational achievement among Chinese Americans are significantly higher than those of the general U.S. population since 1980 because of immigration selectivity. The 2009 ACS data showed that half of Chinese Americans aged 25 and over had at least a college degree (25% held post-graduate degrees), compared to 31% of non-Hispanic whites; that 53% of Chinese Americans aged 16 and over held a professional occupation, compared to 40% of non-Hispanic whites; and that median family income for Chinese American families were \$80,600, compared to \$69,500 for non-Hispanic white families. While major urban Chinatowns continue to receive new immigrants, new Chinese communities in suburbs, referred to as Chinese ethnoburbs, have sprung up to create new diasporic formation. While the residential pattern of contemporary Chinese immigrants is much more spread out, both Chinatown and Chinese ethnoburbs serve as important centers for entrepreneurial development and ethnic life.

Demographic diversity and a more open host society allow Chinese immigrants to go beyond their ethnic enclave to seek new modes of incorporation. While low-skilled immigrants and those without English proficiency continue to take the time-honored path of toiling at low-wage jobs in the ethnic enclave economy and moving up gradual into mainstream America, many highly-educated Chinese immigrants have bypassed Chinatowns to obtain professional occupations and incorporate into the American middleclass. A significant proportion of the immigrants, both low-skilled and highly skilled, have pursued entrepreneurship as their chief, or alternative, means of social mobility. Self-employment rate for adult Chinese parallels that of non-Hispanic whites. According to reports from the 2007 survey of business owners, Chinese owned businesses in the U.S. numbered 423,700, up 60% from 1997. For every thousand Chinese, there were 140 Chinese owned firms (compared to only 68 Filipino-owned firms, 52 African American-owned firms, and 32 Mexican-owned firms for every thousand co-ethnics). Chinese-owned firms, while mostly found in ethnic enclaves or ethnoburbs, offer various professional services in law, finance, real estate, and medicine, and are engaged in capital- and knowledge-intensive research and development in telecommunication, computer science, pharmaceuticals, biochemistry, and biotechnology. For example, Yahoo! Inc., Computer Associates International (a *Fortune* 500 public firm specialized in computer technologies based in New York), Watson Pharmaceuticals (a large public firm based in Los Angeles) were owned or founded by ethnic Chinese but rarely considered “ethnic” businesses because the immigrant entrepreneurs successfully shed their ethnic distinctiveness and incorporated their businesses into the core of the mainstream economy. By and large, however, immigrant-own businesses in the United States have remained “ethnic” and marginal to the national economy.

Causes for Divergent Patterns of Transnational Entrepreneurship

New Chinese immigrants have continued to adopt entrepreneurship as one of the most effective routes of upward social mobility in both Singapore and the United States. However, immigrant entrepreneurship is not inherently transnational. Both homeland circumstances and receiving-country policies are critical.

Since the late 1970s, the Chinese state has not only created an open and welcoming institutional environment but has also been proactively involved in the transnational social fields. Some of the state-sponsored activities include building infrastructure to attract foreign capital

investment, facilitate joint ventures and economic cooperation, and advance scientific, technological, and scholarly exchange (Zhou & Lee, 2013). For example, the Chinese government set up four special economic zones (SEZ) in 1980 in Guangdong and Fujian, hometowns to the majority of the people of Chinese descent all over the world, in order to tap into diasporic Chinese resources with great success. Between 1979 and 1987, 90 per cent of foreign capital investments in SEZs, mostly in labor-intensive manufacturing, came from the Chinese Diaspora.¹¹ Since 2000, the Chinese state and local governments have changed the SEZ model to knowledge-intensive development models, building hi-tech industrial development parks, science, technology, engineering, and mathematics laboratories, and other research and development facilities and crucibles, to attract new generations of diasporic Chinese to invest in China. The hi-tech investors and technopreneurs have been disproportionately new Chinese immigrants who have resettled in the US, Singapore, and other advanced Western countries. The Chinese state has also attempted to reverse the brain drain through innovative programs and initiatives. Policy toward students abroad, that initially emphasized “return,” was relaxed in the 1990s to recognize that returning to China is not the only way to serve the country. The Chinese government now considers returned students and scholars a leading force in areas like education, science and technology, high-tech industries, finance, insurance, trade and management and a driving force for the country’s economic and social development.

Despite exposure to the same homeland circumstances, however, divergent patterns of transnational entrepreneurship emerge. In Singapore, the state has proactively engaged in direct foreign investment in and economic exchange with China. Transnational entrepreneurship is part of a state project, promoted among both native Singaporeans and new Chinese immigrants (Liu, 2012a; Yeoh & Chang, 2001; Yeung, 2000). Diverse origins and high immigration selectivity of new Chinese immigrants on the other hand have changed the configurations of the diasporic community. For the newcomers, the age-old concept of the “hometown” has been deterritorialized and transformed from representing a specific locality (e.g., a sending village or township) to being a cultural/ethnic symbol representing the Chinese from the mainland collectively and China as a nation state (Liu, 2012a). New Chinese immigrants establish organizations of their own. The Singapore Huayuan Association (later renamed the Hua Yuan General Association of New Immigrants from China) was established in 2001 by mainland-born Chinese professionals. Its membership includes those who have become Singaporean citizens or permanent residents as well as those who are on long-term student visas or employment permits. These new Chinese immigrant organizations aim to assist members in better integrating into the multi-ethnic society of Singapore, to promote information exchange and communication, and to promote commercial and trade relationships between Singapore and China.

Through diasporic development and engagement with China, new Chinese immigrants are developing a hybrid ethnic identity that is simultaneously Chinese and Singaporean. As a result, many ethnic organizations have evolved into civic organizations without ethnically distinctive features. Transnational practices are not only a first-generation endeavor, but also involved multiple generations, whose members reactivate ancestral homeland ties and networks to do business in and with China.

¹¹ See <http://qwgzyj.gqb.gov.cn/qwhg/146/1346.shtml>, last accessed on May 9, 2014.

In contrast, the US state is largely indifferent to immigrant transnationalism, leaving it entirely to the market or in the hands of the ethnic community. So transnational entrepreneurship has remained an ethnic group project. Because of diverse origins and socioeconomic backgrounds, new Chinese immigrants to the United States have greatly replenished the memberships of traditional Chinatown organizations, but also given rise a proliferation of new Chinese immigrant organizations in burgeoning ethnoburbs or in cyberspace. Three types of new immigrant organizations outside the traditional ethnic enclaves are particularly remarkable: Extended hometown associations, professional organizations, and alumni associations. These new organizational types are similar to those found in Singapore, as they are distinct from traditional ones and deterritorialized. As such, their constituency is not bound by primordial ties such as locality and kinship. For instance, new Chinese associations in the United States tend to be bicultural and take the form of a “unique hybrid” with a membership that is “resourceful, educated and literate in both Chinese and American cultures, and fluent in both languages” (Zhou & Kim, 2001). The extended “hometown” associations are inclusive with members who may have originated from all over China. Professional organizations are based on various professions, ranging from sciences, engineering, medicine, law, and humanities and social sciences. Alumni associations are formed on the basis of college and universities and, to a lesser extent, high schools from which immigrants graduated in China. The main missions of these new organizations are similar to those organizations organized by new Chinese immigrants in Singapore, with the explicit dual goals of assisting immigrants to integrate into the host society and to maintain diaspora-homeland ties. However, new Chinese immigrant transnational entrepreneurs in the US are more likely than their counterparts in Singapore to use their organizational titles, rather than the titles of their own firms, to legitimize their entrepreneurial identity because many are either professionals employed by firms in the mainstream economy or small-business owners in ethnic enclaves.

Transnational Entrepreneurship, Identity Formation, and Immigrant Integration

Immigrant integration generally refers to the process by which the socioeconomic characteristics of immigrant group members come to resemble those of natives in host societies. There is also a subjective dimension, referring to the extent to which immigrants feel accepted as full members of the nation in the receiving country. From our interviews with immigrants and organizational leaders, we find that the majority of new Chinese immigrants in both Singapore and the United States are settled, growing roots in the receiving country even, if they retain strong ties to their ancestral homeland. We also find only a small number of new Chinese immigrants are routinely in entrepreneurial activities across national borders, that those who actively participate in the transnational social fields tend to be the socioeconomic mobile, and that transnational entrepreneurs look to the ancestral homeland for *better* opportunities that would take them to a *higher* ground.

In the US, first-generation Chinese (foreign-born) are more likely than 1.5- or 2nd-generation (US-raised or US-born) Chinese Americans to engage with the homeland. But this is not the case in Singapore. Chinese Singaporeans of second or higher generations (including the mixed race) are as likely as new Chinese immigrants to do so. In either case, transnational entrepreneurship is a choice, serving as one of the alternative means to status attainment for those who choose it.

As we have discussed in the previous section, Chinese diasporic communities are developed on a complex array of business enterprises and organizations whose leadership is taken up by the entrepreneurial class. Responding to China's open door and economic reform, the entrepreneurial class in both countries is better positioned than individual immigrants to engage in transnationalism because of their well established and long-standing institutional basis in diasporic communities. However, the relationship between entrepreneurship and immigrant integration are quite different in two host countries.

Singapore: Integration through Re-Sinicization

In Singapore, Chinese-owned businesses, especially transnational businesses, form an integral part of the national economy, and thus are no longer considered "ethnic" in the same sense as those in the United States. In fact, the Chinese merchant/trader elite had become well integrated into the colonial society and had dominated the local economy even before independence. In this respect, immigrant integration and their engagement with the ancestral homeland are complementary rather than contradictory processes.

Diasporic development in Singapore is moving toward nation-building that de-ethnicizes Chineseness and emphasizes multiculturalism (Tan 2003). At the macro level, however, new Chinese immigrants encounter contradictory forces that re-sinicize them. On the one hand, they feel less structurally and culturally constrained than their counterparts in the United States, because, like in China, they have no need to assert their Chineseness in a Chinese-majority host society. After all, they are favourably treated by the state's immigration policy that aims to prevent the decline of the Chinese population below the desirable proportion (around 75%). On the other hand, however, they face strong resentment and hostility by their co-ethnics on the ground.

Some Chinese Singaporeans see new Chinese immigrants as a different lot – both from themselves and from their forefathers who migrated to Singapore in past centuries from South China. A mainstream media columnist lamented,

“For a moment, I felt like a stranger in my own country. It was the same feeling I got last Saturday night when I went to Geylang [a popular neighborhood for locals and tourists in downtown Singapore] ... Making my way there, I was struck by the sheer number of Chinese nationals milling around me... Everywhere I turned I heard Chinese being spoken with accents that sounded strange to me.”¹²

The public discourses on new Chinese immigrants rarely make reference to ethnic solidarity and a shared cultural identity of the sort that mainland Chinese or non-Chinese often assume. Locals dispute the idea of a common immigration heritage or cultural connections and invoke instead the national identity and political allegiances as points of reference vis-à-vis new Chinese immigrants (see Liu, 2014 for details).

¹² Tan, Sumiko, 'I felt like a stranger in my own country', *Sunday Times*, July 10, 2011.

New Chinese immigrants, in contrast, generally embrace the state's calls for integration and consider Singapore their new home. They form new ethnic organizations for two practical purposes. First they organize to build new social networks and create social capital resources that expand beyond the confines of nation-state boundaries. Their immigrant organizations also help members collectively cope with challenges, such as hostility and xenophobia toward new immigrants, in the process of sociocultural integration. For example, the Hua Yuan Association launched a "New Immigration Contribution Award" in tribute to the integrative efforts while asserting through the mainstream media that integration should be a two-way process that requires locals to accept newcomers and understand them and that identity-building is a long-term process requiring efforts on all sides. The government has also taken note of the increasing anti-foreign sentiments in the nation and its negative impact. For example, in his speech at the 2012 National Day Rally, Singapore Prime Minister Lee Hsien Loong not only reaffirmed the "Singaporean First" policy, but also reiterated the need for Singaporeans to show a generosity of spirit to newcomers and for newcomers to embrace Singaporean values and make an effort to integrate into Singaporean society.¹³

Because of recency of immigration and the geopolitical location of Singapore, new Chinese immigrants' response to integration is also shaped by the rise of China and by Singapore's significant position in a realigned regional geopolitical order with China playing a central role. Seeking transnationalism as a means of improving the socioeconomic status on the part of new Chinese migrants does not appear in conflict with the state's dual goal of economic growth and integration. In fact, going global and engaging China are what exactly what Singaporeans and their institutions, including big or small businesses, have been doing and are encouraged to do (Tan 2003). In the process of multi-generational engagement with the ancestral homeland, something paradoxical is emerging: Singaporeans going to China invoke their Chinese ethnicity and reaffirm it as a result while Chinese immigrants engaging with China via transnationalism reaffirm their newly acquired Singaporean identity with a distinct Chinese flavour. Transnational Singaporeans and Chinese immigrants look to China as a way of construct a sort of hybrid identity as both Singaporean and Chinese.

The United States: Integration through Ethnicization

The United States is one of several largest countries in the world in population size but has the absolute dominance in global geopolitics and economy. It is founded on the moral and philosophical wisdom of Christianity. At the founding of the nation, White Anglo-Saxon Protestants (WASP) and their language and culture defined the national identity and the mainstream. For a long time in American history, the America nation promoted assimilation, or the severing of ethnic ties, among immigrants of different cultural backgrounds. However, racial minorities of non-European origins were excluded from the process. Due to major structural changes, such as civil rights movements, immigration reform, and multiculturalism, the American mainstream is now redefined as one that encompasses "a core set of interrelated institutional structures and organizations regulated by rules and practices that weaken, even undermine, the influence of ethnic origins per se," that it may include members of formerly

¹³ Cited in *Straits Times*, August 26, 2012.

excluded ethnic or racial groups, and that it may contain not just the middle class or affluence suburbanites but the working class or the central-city poor (Alba & Nee, 2003, p.12). Even though the American mainstream is segmented by class, successful integration entails the incorporation into the middleclass core, not the segments of the mainstream occupied by working or lower classes.

The US immigration reform of the 1960s brought about massive influx of non-European immigration, but the state has implemented few policies to help integrate America's newcomers. Integration is entirely left to market forces and immigrant's own agency along with their right value and work ethics. This stands in sharp contrast with the Singapore state. Chinese immigrants and their US-born and US-raised children experience a different type of paradox as they strive to integrate into mainstream America. For the second generation, although they have attained levels of education, occupation, and income equated with or even surpassing, those of non-Hispanic whites, and although many have moved near to or even married whites, they still feel that they are not fully "American" and they tend to developed a pan-ethnic identity, "Asian American," to distinguish themselves from their parent generation on the one hand and assert themselves into American society on the other.

For immigrants, the process of ethnicization is through actively participating in the ethnic community. Indeed, many have moved ahead in society by doing so (Zhou, 2009). First, ethnic entrepreneurship in the United States is still part of the ethnic enclave economy, serving as the economic base of the ethnic community. Successful entrepreneurs or established professionals aspiring to become entrepreneurs are more actively involved in diasporic development and do so through organizational building and participation (Portes et al., 2007; Portes & Zhou, 2012). Leaders, rather than members, tend to use ethnic organizations as a means of building transnational business partnerships or acting as "go-betweens" to better capitalize on economic opportunities. In many cases, leaders voluntarily form nonprofit civic organizations and claim leadership roles in order to advance these self-interests (Zhou & Lee, 2013). Once they firmly establish a foothold or reputation in the community and earn the trust of Chinese government officials and entrepreneurs, they enter into partnerships with businesses on both shores or offer their services as consultants or brokers to promote transnational trade and investment. A member of an alumni association put it succinctly:

"You think they [the leaders] spend so much time and money for nothing?
Oh no. An organizational leadership is a short-cut to power in China.
With an organizational title and some legwork, you can get to meet high ranking Chinese officials up close and personal. Otherwise, you cannot even make an appointment with the secretary of a local official."¹⁴

Second, transnational entrepreneurship can open up better economic opportunities for immigrant entrepreneurs, contributing to local economic development by expanding existing businesses. It also facilitates the flow of Chinese capital, making the enclave economy both local (linking to regional economies in the US) and global (linking to the Chinese economy and beyond) (Zhou, 2009).

¹⁴ Interview with Mr. Wang in Los Angeles, January 2010 in Chinese, translated by Zhou.

Third, Chinese immigrant organizations are intrinsically linked to an ethnic enclave or ethnoburb — the physical or symbolic location of an American ethnic community. Growing entrepreneurship can stimulate organizational development as immigrants utilize organizations to advance their individual economic interests and meet their entrepreneurial aspirations. The proliferation of organizations in turn provides additional building blocks to reinforce the ethnic community's foundation and reaffirm a sense of ethnic identity among group members (Zhou & Lee, 2013). For example, San Francisco's Chinatown, located in a low-income immigrant neighborhood, has continued to serve as a focus point for coethnic interorganizational and transnational engagement because of its long-standing institutional basis. When the Chinese government sends delegations to the US, immigrant Chinese organizations serve as local hosts to Chinese guests by holding welcoming banquets in Chinatown or a Chinese ethnoburb that draw organizations and their members who may or may not lodge in the physical community. Likewise, Chinese professional organizations or extended homeland associations will hold regular meetings in Chinatown, or the Chinese ethnoburb. Organizational involvement thus increases the basis for social capital formation beyond the physical community.

At this point in time, only a small fraction of the Chinese diaspora is actively and routinely engaged in transnationalism. It is still too early to tell whether transnationalism will ever become a main mode of socioeconomic integration in Singapore or the US in the future, but it seems clear that contemporary transnational entrepreneurship and diaspora-homeland interactions are transforming the normative assimilation story, a story that immigrants understand better than natives.

Conclusion

Based on a comparative analysis of Chinese diasporic communities in Singapore and the United States, we examine the relationships between transnational entrepreneurship and diasporic development and immigrant integration. We show that, while ethnic entrepreneurship is a defining characteristic of the Chinese Diaspora, it has been shaped by different migration histories, structural circumstances in both sending and receiving societies, and locations in the transnational social fields. We also show that the rise of China has opened up new avenues for transnational entrepreneurship, which have not only enhances an individual's economic opportunities and earnings potentials but also promotes diasporic development in ways that strengthens the basis for network building and social capital formation.

Transnational entrepreneurship does not necessarily impact Chinese immigrants and their communities in the same way as it does individuals or families. However, when transnational entrepreneurship is linked to the existing social structure in which a particular identity is formed, the effect on the group becomes highly significant. On the one hand, transnational entrepreneurship opens up international capital, labor, and consumer markets beyond the constraints imposed by the host society and economy and thus expands the economic base by diversifying industries, creating potential for the enclave economy to integrate both horizontally and vertically and making it more competitive and viable. On the other hand, the expanded social networks provide greater material support for existing social structures of the diasporic community, which in turn strengthens the basis for social capital formation. However, the access

to social capital resources for transnational entrepreneurship may not be equal for all group members. While networks that pivot around family or kin relations are manifested in trust-based strong ties, these strong ties may be less beneficial and of less value than those occupationally-based weak ties.

Furthermore, even though transnational entrepreneurs may conduct their routine activities across national borders, it is possible that they weigh their future orientation and permanent settlement more on the host country than on the homeland, hence a sojourning orientation to their economic activity on one side and a more settler's orientation on the other. Examining two industrial sectors - high tech firms and accounting firms - in Los Angeles' Chinese immigrant suburb, known as "ethnoburb," a prior research found that Chinese transnational activities with the economic base in Los Angeles stimulated the growth of other traditional low-wage, low-tech businesses in the ethnoburb (Zhou & Tseng, 2001). In this case, transnational entrepreneurship necessitated deeper localization rather than deterritorialization and contributed to strengthening the economic base of the existing ethnic enclave. When transnational entrepreneurs orient toward the ancestral homeland, they may overlook the importance of building and strengthening social structures that help enhance their future well-being in the host country.

Our comparative analysis suggests that a complex set of interacting variables has determined the pace, direction, and outcome of transnational entrepreneurship in immigrant societies such as Singapore and the United States, as Figure 1 shows. While our findings confirm earlier studies on internal, psychological, and external elements in shaping the nature and characteristics of ethnic entrepreneurship (e.g., Aldrich & Waldinger, 1990), we highlight the critical importance of structural forces such as the state policy on migration in general and on entrepreneurship in particular, sectorial focuses of business activities, intra- and extra-diasporic linkages (or the lack of them), and the rise of China as a regional and (potentially) global economic power which in turn provides substantial business opportunities especially for high-tech oriented new Chinese immigrant entrepreneurs in neighboring countries such as Singapore. While new Chinese immigrant entrepreneurs have shared characteristics in the two countries, a fundamental difference—that Chinese business in the US remain "ethnic" and their counterpart in Singapore constitutes the "core" of the country's economic life (which allows new immigrant entrepreneurs to eventually transform from their temporary marginality to potential centrality in the nation's socio-economic mosaics)—leads to divergent patterns of business development and diasporic identity formation.

Overall, we show that studies on transnational entrepreneurship benefit from a comparative angle, which in turn will enrich theoretical formulations. Cross-country comparison can be undertaken at different levels, as thematically centered (e.g., diaspora's role in diplomacy in different nation states such as Israel and India) or as spatially oriented (e.g., the Chinese experiences in two or more geopolitical regions). This comparative approach will help unveil different dynamics, processes, and consequences of transnationalism and complex factors behind variations on diasporic development and immigrant integration.

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