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Beyond Chinese Capitalism: Re-Conceptualising Notions of Chinese-ness in a Southeast Asian Business cum Societal Context[1]

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ABSTRACT

This paper explores the role of the Chinese in a Southeast Asian business cum societal context; from different approaches towards Chinese-ness over different notions of intra- and inter-ethnic relation ending up with a critique of the idea of a Chinese diaspora in a Southeast Asian context. The paper furthermore argues that a culturalist reading of Southeast Asian Chinese modes of engaging in capitalist practices and societal entrenchments constitute a deception that produces a variety of stereotypes of Chinese-ness thus disregarding the complexity and dynamic developments within the ethnic Chinese community region-wise. Finally, in relation to Chinese business practices in a Southeast Asian context the paper suggests that cultural notions of guanxi and xinyong do not form a basis for doing business the Chinese way, only options, that intra-ethnic relations do not play an important role in transnational Chinese linkages, and that contemporary conceptions of Chinese identity are always negotiated with the dominant 'other' so as to secure the construction of an economic 'room' or space from where business can be conducted in an overall societal acceptable manner.

Key words: Ethnic Chinese, diaspora, entrepreneurship, ethnicity, identity

Introduction

Contrary to a general notion that Chinese of Southeast Asians descent forms part of a coherent worldwide ethnic group based on common perceptions of Chinese-ness (Ong and Nonini (1997), Redding (1993), Fukuyama (1995)), this paper argues that the Chinese in Southeast Asia consists of several different more or less well societal integrated groups. This differentiation reflects impacts emanating from colonialism, early nation building and contemporary processes of social and political transformations within the individual Southeast Asian nation. A rather negative consequence of this is that ethnic Chinese are subject to various types of 'othering' resulting in, for example, *bumiputra* policies in Malaysia and negative stigmatisation in Indonesia, thus marking them out as distinct ethnic minorities.

Such processes of 'othering' are also reflected in notions of 'Chinese capitalism'. The latter is according to a culturalist reading defined as constituting a flow of ethnicised capital governed by age-old Chinese kinship and language associations wrapped up in Confucian dogmata (Yao 2002). The main *modus operandi* controlling this flow is ascribed to *guanxi* affiliations based on *xinyong* or trust.[2]

This paper takes a critical stand towards such notions. It argues that Chinese business practices do not typify a specific Chinese economy paralleling an 'objective' market economy and thus employs an approach that can be characterised as de-essentialising conceptions of 'Chinese capitalism'. By using such an approach the latter stands out as an occidentalised ethnicisation of capitalist practices.[3] The purpose of this paper is thus to identity and deconstruct such preconceptions.

Furthermore, by confining a study of ethnic Chinese and ethnic Chinese entrepreneurship to intra- and/or inter-ethnic relations within a given Southeast Asian community only gives a one-dimensional perspective of the

ethnic Chinese. This paper recognises the importance of the international realm that ethnic Chinese also belong to. It thus contrasts the international and domestic aspects of being an ethnic Chinese so that their exact societal positioning in their respective Southeast Asian community of residence can be assessed.

In order to gauge how ethnic Chinese switch back and forth between the national and international realm this paper discusses processes of diasporisation and de-diasporisation. Of special interests here is Riggs (2001) notion of 'de-diasporisation', which can be taken to mean being localised without disappearing into the local[4], - a notion that this paper alternatively defines as 'grounded cosmopolitanism'. As for now it suffices to say that the latter is not constrained by a time dimension as is the case with the notion of diaspora. This means that ethnic Chinese are not sojourners or cyclical migrants to the region but residents and citizens thus underlining a generational perspective. As will be discussed below the concept of diaspora seems almost archaic and thus out of date, both empirically and intellectually, when confronted with empirical data from a contemporary Southeast Asian societal context. I am thus not concerned with the actual construction of local, national or transnational ethnoscapes as discussed by Appadurai (1991) or supposedly ethnically related diasporic networks as Weidenbaum and Hughes (1996). Rather, I argue that specific socio-political developments in a given Southeast Asian community have to be taken into account, when trying to understand those processes that activate or de-activate relations to a possible ethnically related transnational community.

This paper thus forwards the proposition that in modern global capitalism, there are no simplistic distinctions between the economic, political or cultural spheres. Arguably, the production of identity is related to the production of economic and political power. In this context, ethnic identities become a form of negotiated social capital that is disseminated through either existing, in this particular case, more or less truncated ethnic Chinese

(business) networks or contributes towards the creation of likewise truncated regional and/or transnational non-ethnically affiliated business networks.[5]

On the basis of this I suggest, contrary to the general notion of diaspora in a Southeast Asian context, that we replace the notion of conventional diaspora with a latent, fragmented and multi-layered outlet that allows ethnic Chinese (entrepreneurs) to relate to their international connections through processes of diasporisation and de-diasporisation thus endowing the definition of their identity with a cosmopolitan yet locally bounded touch. Furthermore, an impetus for linking or de-linking to the international realm besides business interests is provided by specific social and political developments that either dispel or integrate the individual ethnic Chinese (entrepreneur) to his or her community of residence. Given this societal fluidity the paper thus questions whether *guanxi* affiliations are essential for doing business in either national or international ethnic Chinese business communities as argued by Luo (2000), Yang (1994), Weidenbaum and Hughes (1996), and Yeung (1998). This critique becomes even more pertinent, as many writers attribute *guanxi*-affiliations in discourses on the Chinese diaspora an all-encompassing and dominating role, as it is conceived of as constituting an international router for ethnic Chinese entrepreneurs, migrants and sojourners.[6]

When taking a critical look at the literature on Chinese business practices and *guanxi*-affiliated networks in East and Southeast Asia, however, it becomes clear that such networks are multi-dimensional in terms of both meaning and function. For example, Yao Souchou writes that in China the term *guanxi* refers to any form of 'relatedness'. It does not have any connotations specifically related to either commercial or political activities. In fact, *Guanxi* is a generic term on which phrases representing more specific forms of 'relatedness' are built. Thus, according to Yao we have *guoji guanxi* or international relations, *routi guanxi* or carnal relationship, *fuji guanxi* or marital relationship and so on. All these kinds of *guanxi* vary in terms of their

respective emotional depth, social context and ethical bond. The 'social connectedness' in the commercial world thus represents but one type of *guanxi* among many, so therefore we should strictly refer to *shangye guanxi* or 'commercial *guanxi*', when talking about *guanxi* practices in a business context (Yao 2002: 236).

Zooming further in on the relationship between *guanxi* and business, Wong (1998), Gomez (2004) Gomez and Hsiao (2001) and Jacobsen (2004a) have problems finding evidence of that dyadic-linked *guanxi* affiliated business deals in either a local, national or transnational context dominate the business field. On the contrary, we find that ethnic Chinese transnational business relations are generally base on *ad hoc* arrangements and at best truncated forms of networking practices (Gomez 2004). By this I mean that when Southeast Asian Chinese entrepreneurs, especially those representing small and medium sized enterprises (SME), decide to transnationalise their business they might initially connect to fellow Chinese entrepreneurs, either through family connections or previously utilised business connections. After this initial contact they branch out to the local business community in order to 'sink in' and tap on to the local business opportunities. This is what is meant by truncated business networks. The latter are thus shallow in terms of time and not necessarily confined to intra-ethnic relation but just as well to inter-ethnic business relations. Cribb (2000) furthermore contest the hypothesis that the various institutions, norms and practices of ethnic Chinese are the growth engine behind their enterprises.[7] On the contrary, profit motives combined with a pragmatic reading of a given societal landscape in which to operate seem to prevail when doing business - be it with intra-ethnic or inter-ethnic partners.

Arguably, *guanxi* affiliated business practices are thus but one strategy among others employed, when initiating (new) business transactions with Chinese or non-Chinese partners in their respective Southeast Asian communities of residence. This hypothesis reflects Arif Dirlik's (1996)

proposition that an overemphasis on *guanxi* affiliated business practices is a rhetorically determined ethnicisation of capitalist practices.

On the Relationship between Chinese Entrepreneurship and Diasporic Practices

In discussing the concept of diaspora, Fred Riggs points out that we may think of a diaspora as any community of individuals living outside their homeland who identify themselves one way or another to the state or people(s) of that homeland. He continues to stress, however, that rarely if ever do all diasporans organise as a single collectivity – consequently, diaspora organisations often clash with each other or simply seek different goals. It is thus incorrect to reify the notion of a diaspora or speak of it as 'acting' or doing' anything. All actions by diasporans are carried out individually or through organised groups of which they are members (Riggs 2001: 1).

This conceptually ambiguity, that is, 'who is doing what, the migrant or the diaspora?', seems to run like a red thread through the literature on diaspora. Citing Sheffer (1986), Safran (1991) and Clifford (1994) Judith Shuval writes that these authors have all proposed several more or less encompassing definitions of the concept of diaspora. Although they are not identical, the critical components of their definitions are a history of dispersal, myths or memories of a homeland, alienation in the host country, desire for a eventual return, ongoing support for a homeland, and a collective identity defined by the above relationship, etc. (Shuval 2000: 43).

Concurring with these defining features she stresses the importance of highlighting the affective-expressive components. According to her, diasporic discourses reflect a sense of being part of an ongoing transnational network that includes dispersed people who retain a sense of their uniqueness and an interest in their homeland. She continues:

'A diaspora is', , 'a social construct founded on feeling, consciousness, memory, mythology, history, meaningful narratives, group identity, longings, dreams, allegorical and virtual elements all of which play an important role in establishing a diaspora reality. At a given moment in time, the sense of connection to a homeland must be strong enough to resist forgetting, assimilating or distancing' (Shuval 2000: 43).

The main problem with these definitions is that they are quite encompassing and feeble when compared to real life situations that migrants face, thereby running the risk of loosing out as being ideational explanatory frameworks and/or solutions toward a given concrete and thus localised problem. For example, Shuvals' emphasis on highlighting the affective-expressive components of migrant's relations towards a given homeland seems to present linking up to a diaspora as a possible solution to a problem. However, when talking about Southeast Asians of Chinese descent emotional expressions in relation to a given grievance do not necessarily imply any references to a given homeland but rather to emotional expressions in relation to localised and concrete socio-political economic events that in one way or another affects the 'life-situation' of the individual migrant turned permanent residents or citizens. Such grievances towards specific events in their community of residence do therefore not make those people diasporic in relation to most of the above mentioned definitions of what a diaspora is. The question we therefore have to ask is whether a potential longing for a distant or mythical 'homeland' is important and how widespread among migrants turned permanent residents or citizens it actually is! Perhaps it is more widespread in theoretical extrapolations in relation to diasporic practices than in real life! For example, in a response to Leo Suryadinata Tan Chee Beng states:

'As proud citizens of our respective countries, we feel insulted to be called or even referred to as 'Overseas Chinese'. We are overseas in China but not when we are at home in Malaysia, Indonesia, the Philippines, and so forth… Overall, the Chinese in Southeast Asia should not be called 'Overseas Chinese' as

it is a label, which is appropriate only for citizens of China living overseas' (1997: 25, 29)

Statements like these put a question mark on the basic theoretical construction behind diasporic thinking, especially the triangular structure of migrant, host and home. For example, if a host country is a *de facto* home country, and if the migrant is a citizen of that home country, where does that leave the diasporic notion of home country? It even questions whether ethnic Chinese in Southeast Asia can be considered diasporic or belonging to a diasporic community! For example, the Sino-Indonesian Treaty on Dual Nationality, signed in Bandung on 22 April 1955, seems at first glance to lend support to the existence of a Chinese diaspora in the region. This treaty stated that ethnic Chinese had to choose which nationality they preferred, Indonesian or Chinese, during the period January 1960 to January 1962. Most of the about one million ethnic Chinese with dual nationality registered and out of those about 65 per cent opted for Indonesian citizenship whereas the rest went 'back' to the PRC.[8]

Now, the question is whether these returning migrants really opted for a new life in China if political events beyond their control have taken a different turn. It seems to me after having read James Chin Kong (2003) article on returned 'overseas' Chinese in Hong Kong that this 'repatriation' was a decision forced upon them. Many of these people originally moved from Indonesia and to the PRC due to discrimination there in the 1950s and early 1960s. The 'home' country, in this case the PRC, did not, however, tread the returning (Indonesian) Chinese well. Actually, the discrimination that the Indonesian Chinese migrated from was now carried out by their 'real' compatriots! Many of the returnees then moved on to Hong Kong in the late 1960s and early 1970s only to find out that they could not return to what they thought of as their real homeland, namely Indonesia, the nation they migrated from in the first place! Their PRC passport had made them a security liability there! As such they had to stay put in Hong Kong and were thus stuck in between two 'homelands'.

On the Notion of Contemporary Chinese-ness in Southeast Asia

Such kind of empirical evidences puts an even more serious question mark on the theoretical extrapolations, this time in relation to diasporic movements, and thus prompts us to test the outer limits of diasporic identities. Echoing the argument that ethnic Chinese networks and diaspora are not necessarily coherent and inter-related Ien Ang (2001) sounds a warning note. She writes:

> '…, while the transnationalism of diasporas is often taken as an implicit point of critique of the territorial boundedness and the internally homogenising perspective of the nation state, the limits of diaspora lie precisely in its own assumed boundedness, its inevitable tendency to stress its internal coherence and unity, logically set apart from 'others'. Ultimately, diaspora is a concept of sameness-in-dispersal, not of togetherness-in-difference (Ang 2001: 12-13).

Here Ang concurs with the critique forwarded by Tan Chee Beng namely that the ethnic Chinese are not alike even though they are of Chinese descent somewhere down along the line. Like any other ethnic group they try to adapt to the community in which they are residing thus becoming more or less integrated there. Playing on the definition of diaspora as literally meaning 'the scattering of seeds' Ang defines diasporic networks as producing subjects for whom notions of identity and belonging are unsettled. A dominant tendency, she continues, in thinking about the Chinese diaspora is to suppress the ways in which diasporic identities are produced through creolisation and hybridisation in favour of a hierarchical centring and a linear rerouting back to an imagined ancestral home.

Such a decentred conception of diaspora in which the constitution of identity is based on creolisation positions cultural interaction and identification in the field of social engineering and political strategy. For example, playing on the interaction between achieved and ascribed identity and adding a time dimension of about one or two generations for allowing you as an ethnic

Chinese to internalise the various practises of your community of residence, it is tempting to say you are what you are expected to be; a contextually determined individual that reflects your current relationship towards your country of residence. Consequently, having an identity as an ethnic Chinese in, for example, Malaysia or Indonesia does not necessarily imply that you are affiliated to Mainland China or devoted to Chinese culture and traditions. On the contrary, you are a Malaysian or Indonesian of Chinese descent who for the time being has deposited your social and political loyalty in the local powers that be.[9]

By accepting such a perspective we see that a transnationally related identity is not a result of diasporic movements or a nationalist ideological interpretation of 'overseas Chinese' as in the case of PRC, but rather a bottom-up initiated perception of identity making in a potential hostile community of residence. Adherence to a transnational identity thus depends on domestic socio-political events and developments.

Going further into this reveals that the construction of a Southeast Asian ethnic Chinese is a combination of ascribed and negotiated elements that combined make up a local specific understanding of Chinese identity, - ascribed an ethnic identity by the 'dominant other' and constituting a negotiated version of Chinese-ness in collaboration with his or her local community of residence thus making him or her an Indonesian, Malaysian or whatever Southeast Asian citizens of Chinese descent. Ian Ang's own personal history is a strong case in point. A crack in such constructions occurs when specific social and political events exposes fault-lines between various ethnic groups otherwise thought of as 'completely' assimilated thereby defining some of them as being *bumiputra* or *pribumis* while others are identified as localised permanent residents or citizens of Chinese descent somewhere down along the line thus 'othering' them in the process. Conceptions of belonging thus fluctuate according local social and political

conditions, not some affective-expressive components, as Shuval would have it.

In an interesting article, 'Who Wants to be Diasporic?', Allen Chun (2003) writes that one can see the conceptual limitations and the sociological relevance of the term diaspora in that it only applies to particular contexts. The concept of diaspora not only invokes the existence of social margins and alienated communities. It also defends values of marginality in challenging the hegemony of the centre to speak on behalf of dispossessed 'others' (Chun 2003: 2-3).

He continues that over time, however, increasing numbers of Chinese became assimilated or creolised into their communities of residence such as the *peranakans* in Indonesia and the *babas* in Malaysia, but this fact simply accentuated the polarisation of the ethnic Chinese population in contrast to other ethnic groups. In fact, their separateness is not just a function of ethnic differences but also of their status as, say, business people operating in tightly controlled personal networks. The applicability of the term diaspora to characterise the ethnic Chinese in the Southeast Asian region, even in the pre-modern era, is therefore debatable.

In Chun's words, the history of diaspora reveals in the final analysis not a primordial semantic meaning of the term so much as the restrictions imposed on its use by its underlying socio-political context. The latter is the most important one. A case in point involves the now changing use of the term 'overseas Chinese'. In the pre-modern, pre-national period the Chinese sojourners in Southeast Asia were less citizens of a unified polity than disparate dialect groups tied together by kin ties and attachments to a provincial homeland. As Wang Gungwu noted: '…the Chinese never had a concept of identity, only a concept of Chinese-ness, of being Chinese and of becoming un-Chinese.' (Wang 1989: 1).

During the pre-modern era, the multicultural skills of Chinese traders were less a function of their multiple identities than strategic considerations based on occupational and political necessity. Success in social intercourse and economic exchange demanded fluency in many dialects and languages as well as familiarity with diverse customs. Wang Gungwu phrases this pragmatism in the following way:

> '…for most of these merchants and entrepreneurs, being Chinese had nothing to do with becoming closer to China. It was a private and domestic matter (that) only manifested (itself) when needed to strengthen a business contact or to follow an approved public convention' (Wang 1991: 139).

Finally, Chung maintains that much of the success ethnic Chinese entrepreneurs have experienced in Southeast Asia has been achieved through multicultural skills, often by downplaying ethnic difference through processes of assimilation. In the political realm, cooptation and networking have been staple norms of social mobility strategies by the ethnic Chinese, even if it results in cultural assimilation. As such, maintenance of ethnic identity and lifestyles is irrelevant or secondary to these politico-economic concerns (Chun 2003: 8-9).

Insightful as these extrapolations are I am just like Ian Ang nonetheless sceptical towards the use of the concepts of assimilation. If one, for example, take the latter to its ultimate limit this would lead towards the assumption that ethnic distinctive features will become hybridised to such an extent that the original ethnic identities involved are gradually being dissolved and a new set of commonly agreed upon cultural denominators will take over as identity markers. Such a perspective can only be deceptive. According to my understanding, processes of assimilation or hybridity always rest on a foundation of asymmetrical inter-ethnic power relationships.

For example, in the case of the Manadonese Chinese and the Minahasa, the dominant ethnic group in North Sulawesi, Indonesia, it would

be absurd to imagine that the latter would give an inch of their perception of ethnic supremacy in relation to the Chinese even though both parties claim to be totally assimilated, especially the Chinese part! However, processes of assimilation can only be a means to an end and never an end product in itself. According to my mind, claims of inter-ethnic assimilation are a subtle way of stipulating power relations that basically are manifested in social integration and more or less peaceful co-existence. Beneath the rhetoric of assimilation ethnic distinctions remain but have descended towards a lower level of social practice. Seen from a positive perspective they resurface during ceremonial occasions, which are socially acceptable to the dominant 'other', for example, the Chinese New Year (*Imlek*) and the Chinese lion dance, and from negative perspective they re-boot otherwise dormant socio-political fault-lines that tend to draw up problematic ethnic classifications thus offsetting inter-ethnic social and political tensions (Jacobsen 2004a).

Returning to the essence of Chun's discussion, namely that classical diasporic thinking is an outdated mode of understanding the relationship between transnationalism and localism and should be replaced by what he calls 'situatedness', a closer look at network practices, especially in a historical perspective, among ethnic Chinese reinforces his point. The tendency in network practices seems to go towards greater complexity over time, where the grounded 'situatedness' of the individual actor in relation to network formation gradually becomes more important than transnational ethnic affiliated networks.

Lau-Fong Mak and I- Chun Kung (1999) distinguish historically speaking between two main types of Southeast Asian Chinese networks; primary ethnic Chinese networks and secondary and achieving networks. More or less cohesive groups consisting of ethnic Chinese who spoke a creolised language and who practiced a distinctly marginalised subculture formed the former during the 18th and 19th century. Such networks were furthermore determined by occupation. In Singapore, for example, business

related to commerce, international trading, finance and manufacturing were closely associated with Hokkien speakers, whereas the Hakka and Cantonese were mainly engaged in carpentry, smithing and herbal medicine. The Hainanese was mostly attracted to service-oriented occupations, while the Henghwa and Hochchia groups dominated transportation-related businesses. Finally, the Teochiu group was more inclined towards primary production activities such as planting, poultry rearing and fishing (Mak and Kung 1999: 4-5).

According to Mak and Kung, occupation and speech-recognition suggests rigid social systems. A closed immigrant community usually constitutes dense networks, which provide the new immigrants with critical resources such as training, financial support, job contacts, supply of labour and information. Many early Chinese migrants in Southeast Asia depended on this form of a network to make a living.

These types of networks began fading in the 1950s and 1960s throughout Southeast Asia. As a result, the earlier Chinese business networks based on speech origin gradually became no longer universal or prevalent. In Singapore and Peninsular Malaysia, for example, such networks are showing signs of eclipse, although neighbouring countries such as Indonesia and the Philippines might still retain some of them (Mak and Kung 1999: 4-5, 9).

In relation to secondary and achieving networks this type connects individuals who share certain experiences, status and resources. Club memberships, religious affiliations, and alumni groups are some of the common criteria for forming social and business networks. Of these, alumni or classmates are a more vital and common source of social embeddedness and thus more conducive towards networking practices. These kind of networks spread all over Southeast Asia with a sharp concentration in Malaysia, Indonesia, Singapore, Thailand and the Philippines.

Finally, according to Mak and Kung the latest development within the secondary network category is that it does not necessarily draw upon any of neither the ascribed traits nor anything specific Chinese, but draws rather on business- and professional affiliations. Among ethnic Chinese in Southeast Asia, and especially in Malaysia, this kind of network consists primarily of the English educated or the racially-protected professional groups. They do feel a certain degree of commonality, but it is not as strong as the underdog feeling experienced by the Chinese educated. Mak and Kung are in particular referring to the *bumiputra* policy in Malaysia as producing this perception of 'underdog feeling'. If a difference has to be made between the English and the Chinese educated group of ethnic Chinese entrepreneurs the former may be labelled power elite and the latter economic elite. As long as globalisation remains the mainstream avenue of business development, members of the English educated network will continue to occupy the apexes of power, politically as well as economically. Furthermore, as long as networks continue to be bifurcated between various streams of education, tensions between the economic and power elite will continue and thus further diversifying the ethnic Chinese community within the region (Mak and Kung 1999: 7-9,15).

On Grounded Cosmopolitanism among Chinese of Southeast Asian Descent

When comparing the statements made by Ien Ang, Tan Chee-Beng, Wang Gungwu, Allen Chun and Mak and Kung and compares them with my own research on the ethnic Chinese entrepreneurs in Manado, North Sulawesi, Indonesia, all seems to agree that the theoretical parameters behind studies of the relationship between adherence to a diaspora, processes of identity formation, and questions of (ethnic) belonging are in for a critical overhaul. As an initial step in this direction I would like in this final section to point towards a renewed interest in the concept of cosmopolitanism, especially the version that has been termed 'grounded cosmopolitanism'.[10]

On April 29, 2004, the Asia Research Institute at the National University of Singapore held a workshop on '*Identities, Nations and Cosmopolitan Practice: Interrogating the Work of Pnina and Richard Werbner'*. One of the outcomes of this workshop was a volume based on the proceedings surrounding the topic of 'Ethnicities, Diaspora and 'Grounded' Cosmopolitanisms in Asia'. This is a rather interesting volume, as it touches on some of the ways in which to re-conceptualise notions of diaspora and cosmopolitanism.

In the introduction to the volume, Joel S. Kahn advocated for a re-evaluation of this rather antiquated concept. He wrote:

> 'Although some may continue to advocate (…) the notion of the "cosmopolitan" as a rootless, identity-less "citizen of the world" – of the kind favoured by (Emmanuel) Kant, there has been a growing awareness of the importance of other models of cosmopolitan practice. These are based on a rather different view of cosmopolitanism as fixed in circumstances that are unique and contingent, and cosmopolitans as inevitably embedded in particularistic cultural circumstances' (Kahn 2004: 3).

Kahn ascribes the honour of introducing this 'anthropological' version of cosmopolitan practice to Pnina and Richard Werbner thus embedding it in recent social and political theory. This is, however, not about importing western universalising models into an Asian context. On the contrary, according to Kahn there have been and still are local or regional cosmopolitan models in Asia to be recovered. He continues that Southeast Asia has diachronically speaking always been one of the most cosmopolitan regions in the world due to the fact of being the gateway to the East and the West respectively (Kahn 2004: 3).

These insights are very important when discussing decentred diasporas in relation to ethnic Chinese in Southeast Asia. First of all, it reinforces the critical approaches towards diasporic theory as forwarded by

Ang, Tan, and Chun in that such theories has to be grounded in local social and political circumstances if they are to have any explanatory power beyond mere theoretical extrapolations. Thus, instead of looking for diasporic affiliations as those advocated by Shuval et al, a conception of grounded cosmopolitanism would be more conducive when discussing transnational movements among ethnic Chinese (entrepreneurs) in Southeast Asia. The logic behind this is that one can move around nationally as well as internationally without loosing one's sense of belonging, whether it is grounded in terms of ethnicity or citizenship in one's community of residence. The classical diasporic perception of a homeland, however illusive it might be, presupposes a static, harmonious, and happy society that is capable of comforting the more or less voluntary 'exiled'. As such this can only be an illusion. For example, how many Indonesians and/or Malaysians of Chinese descent regard PRC as their father- or motherland? They might like to do business with the PRC or visit it as tourists, but to settle down permanently is not on the agenda. It is such deceptive perceptions of a 'homeland' that this paper seeks to debunk when forwarding the alternative notion of 'grounded cosmopolitanism'.

Similarly, the diasporic perception of 'host' community or country is equally misfitting when discussing Southeast Asian ethnic Chinese and their perceptions of belonging. As stressed by Tan Chee Beng, it is an offence to address an ethnic Chinese an 'overseas Chinese', as the country in which they reside is their home. Ethnic Chinese in Southeast Asia are thus neither migrants nor sojourners to this region. They are at home when in their respective country of residence. This also exclude the final element of the diasporic triangle of migrant, home and host, when discussing Southeast Asian ethnic Chinese, namely the status as migrant. According to Merriam-Webster Online a migrant is a person who moves regularly in order to find work or, I would add, move from one country, place or locality to another. As we have seen in this paper this is not the case for the ethnic Chinese in Southeast Asia. They do not move around looking for jobs. Nor do they move

around on a regular basis. They are citizens of their country of residence where they have their business even though the latter might have been transnationalised to a certain extend, - a fact that do not make them diasporic! On the basis of the above, the only logical conclusion is that current diasporic theory cannot be applied to ethnic Chinese in this region, as Southeast Asian Chinese do not fulfil any of the three main basic parameters of that theory.

Consequently, the concept of grounded cosmopolitanism is thus much more appealing when studying ethnic Chinese in general, ethnic Chinese entrepreneurs together with Chinese business networking in Southeast Asia. As has also been argued in this paper, the social and political circumstances surrounding the ethnic Chinese entrepreneurs and their enterprises in this region is of paramount importance when assessing whether a business is viable or not. In case the local social and political environment is not conducive for doing business then one has to engage in negotiating an acceptable solution with pertinent representatives from one's community of residence thus creating a way in which one's business melt into the entrepreneurial landscape of that community, whereby a sense of social and political security, however flimsy and precarious that may be, is produced.

In case the social, political or economic situation in one's community of residence descents into a problematic phase thus threatening otherwise more or less harmonious inter-ethnic relations, as the Chinese in Indonesia experienced during the fall of Suharto in May 1998, then the international community per se constitutes a temporary safe haven. Not, however, in the form of pushing the, say, Indonesian citizens of Chinese descent towards a Chinese father- or motherland, regardless of where and how distant it might be perceived, but rather towards providing the temporary refugee with a series of options that is conducive to his or her current situation, - be it along ethnic lines or otherwise. In the before mentioned Indonesian case many Chinese moved or fled to Singapore, Malaysia or Hong Kong only to monitor the situation in Indonesia with an eye to return at a later and safer date. There

is thus at any point in time during such crises no doubt about notions of belonging. The father- or motherland is after all Indonesia, not the PRC or any other place! The country of refuge is a temporal one that allows the refugee to maintain their perception of Indonesian identity. Such events show the explanatory capabilities of the concept 'grounded cosmopolitanism'.

Combining the two, the international and the local, means that it is possible to be simultaneously cosmopolitan and local, or as Kahn formulates it, both communalistic and open to otherness, simultaneously. The point is that an ethnic Chinese is not an entrepreneurial sojourner endowed with a more or less pronounced longing for a Chinese father- or motherland. An ethnic Chinese is an individual that is grounded in a specific locality that he or she call his or her home. The primordial longing that is simmering behind the notion of a Chinese diaspora is thus not on the agenda when talking about grounded cosmopolitanism. On the contrary, home is where you are, that is, where you have decided it to be and that your community of residence accepts that decision. As such, your identity is a flexible mixture of ascribed, constructed and negotiated elements that is perfectly fitted to meet the conditions of an increasingly complex, diversifying and interrelated world.

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[1] Paper presented at the 7th ASEAN Inter-University Seminar held at the Vietnam National University, 19-21 July 2006.

[2] A short hand definition of *guanxi* is that it constitutes a form of social exchange based on sentiments and emotions and are marked by a mutual belief in reciprocity and loyalty.

[3] See also Wee 2004 and Gomez 2004.

[4] I owe this insight to Arif Dirlik, personal communication Sep. 2004.

[5] Yen 2002, Douw 2001.

[6] McKeown 2001, Bolt 2000, Kotkin 1992, Callahan 2002

[7] See also Li and Wright 1999

[8] Mely Tan 1997: 33-35.

[9] I have discussed the fluidity and thus political expediency of ethnic identity extensively in Jacobsen 2002 and 2004b.

[10] For discussions of contemporary theories of cosmopolitanism, see Vertovec and Cohen (2002) and Breckenridge et al. (2002).

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