In *Chinese Among Others* (2008), a sweeping yet fine-grained account of Chinese migrants across the world, Philip Kuhn argues that the history of China and the history of the Chinese overseas cannot be separated—that the study of one requires an understanding of the other. Glen Peterson’s *Overseas Chinese in the People’s Republic of China* lends powerful support to this argument. It does so from an angle that is distinct from much of the existing literature in overseas Chinese studies, which tends to concentrate on (1) the socio-economic, cultural, and political links between ancestral homeland and diasporic communities or (2) on the People’s Republic of China’s (PRC) foreign policies towards Chinese living abroad. Instead, Peterson delves into an under-studied and fascinating area: the roles and experiences of Chinese with emigrant pasts or connections, whom he calls “domestic overseas Chinese,” in the PRC during the early decades of the Communist regime.

By now, the courting of overseas Chinese investment and global economic connections by the Chinese Nationalists in the early twentieth century and the PRC government from the 1980s onwards is a well-worn trope. However, Peterson’s contribution is to show that this effort never waned, even during the “high Communist” decades of the 1950s and 1960s, a period typically but not entirely accurately linked to the PRC’s disengagement with its diaspora. By examining the Chinese government’s motivations for this apparent contradiction in policy and exploring the deeply unstable status of some 11 million domestic overseas Chinese, Peterson suggests that there has been more continuity than rupture in official attitudes towards the country’s transnational subjects.

This is not to say that those official positions have not been complex and even paradoxical. Overseas Chinese, domestic and abroad, were “by turns valued and despised for their economic assets and foreign connections” (p. 8). Still, this tension reflects the non-linear development of Chinese Communist Party (CCP) policies and its struggle to reconcile revolutionary ideology with the practical realities of transitioning to a socialist state. The abrupt replacement of preferential treatment and pragmatic accommodations for domestic overseas Chinese with condemnation and persecution in the 1960s was not a foregone conclusion in the years before the radicalization of the late 1950s. Similarly, the group’s eventual rehabilitation during the economic liberalization of the 1970s was not a sudden innovation on the part of the post-Mao administration but rather a partial resumption of policies that had already been in place just over a decade earlier.

Peterson stresses the importance of the Cold War global context in shaping PRC policies towards overseas Chinese, accounting for the seemingly contradictory relationship between the government and its diasporic subjects. Eagerness for valuable economic and political alliances with Southeast Asian states led the PRC to encourage ethnic Chinese abroad to adopt local citizenship. This policy of apparent disengagement by China from its own emigrants was primarily to allay foreign governments’ fears of Communist infiltration. At the same time, the PRC could not afford to give up access to overseas Chinese capital, expertise, and trade networks while facing the threat of US-led attempts at economic isolation. The domestic overseas Chinese thus became a vital bridge for sustaining and amplifying these connections.

Building on a legacy from the late Qing and Republican eras of cultivating overseas Chinese connections, the PRC maintained state bodies such as the Overseas Chinese Affairs
Overseas Chinese in the People’s Republic of China

Commission (OCAC) that were devoted to managing these relations domestically and abroad. Within China, officialdom identified three distinct sub-groups with diasporic connections: the qiaojuan (family dependents in China of emigrant Chinese), guiqiao (former emigrants who had returned to China), and guiqiao xuesheng (ethnic Chinese youth born overseas who “returned” to China for education). Gathered into a general category of guonei huaqiao (domestic overseas Chinese), these sub-groups were both recipients of preferential treatment designed to encourage the inflow of foreign exchange and expertise, and targets of state efforts to manage a valuable but fraught conduit to foreign worlds. Although these official statuses bestowed unusual privileges – such as the private right to keep remittances from abroad, special investment opportunities, and even work and housing assignments—they also marked an individual as a permanent outsider and, hence, a potential threat to the socialist order.

The book’s chapters proceed in chronological and thematic fashion, with each focusing on a particular stage and set of CCP policies for domestic overseas Chinese, offering the rationale, implementation, and (often unintentional) consequences of each. Chapter 2, “Transnational Families Under Siege,” examines state intervention in three important means of diasporic family linkage: letters, marriage and divorce practices, and property ownership. In all three areas, government attempts to manage these sentimental and material interactions for state purposes undermined the delicate balance required to maintain these attenuated family ties.

Chapters 3 and 4, “Youdai: The Making of a Special Legacy” and “Open for Business: The Quest for Investment and Remittances” continue the theme of state efforts to use transnational familial and economic connections to achieve socialist goals. There is a powerful irony in the OCAC’s extension of youdai, or privileged treatment, in the forms of exclusive entitlements ranging from the protection of qiaojuan families’ overseas remittances to special access to consumer goods beyond the reach of the general public. Although overseas Chinese capital could no longer enter the country through traditional investment channels such as native place associations and corporate institutions after 1949, OCAC officials sought to attract this precious resource through qiaojuan in China, and then to direct it to state-run companies. Attendant benefits included dividends that would be paid to qiaojuan relatives, options for residency or citizenship, or even educational opportunities for investors’ children. These efforts actually intensified from 1955-57, coinciding with the CCP’s abolishment of private property in China and the policy of disengagement from overseas Chinese. The logic behind this seeming paradox is that many in the government regarded the transition to socialism as a decades-long process, and the education and integration of domestic overseas Chinese into the socialist order as a gradual, organic phenomenon.

However, the system of preferential treatment was unable to sustain the gale winds of rising political extremism. By Chapters 5, 6, and 7, “Patriots, Refugees, Tycoons and Students: ‘Returning’ to China in the 1950s,” “Socialist Transformation and the End of Youdai,” and “Cultural Revolution and Beyond,” the potential for a severe backlash against the domestic overseas Chinese—in the 1960s, including several hundreds of thousands of ethnic Chinese from other countries migrating to China—becomes a tragic reality. Peterson traces in detail the shift from idealism and optimism to disillusionment and despair through the development of overseas Chinese “state farms,” the thwarted ambitions of many “returned” overseas Chinese students, and the sad outcomes for the majority of these individuals. These unhappy dénouements included physical and emotional suffering during the Cultural Revolution, legal and illegal re-migration out of China, and in some cases, death at the hands of others or through suicide during outbreaks of violence against overseas Chinese.
In both adjusting some broader contours in the historical picture of post-1949 China and capturing the confused pathos of individuals caught in a political storm, Peterson shows his mastery of a topic that he has been researching and publishing on since the 1980s. His is an important contribution to a thinly populated field—the few other scholarly works that are on this topic are from the 1980s, and the number has only slowly increased during the 2000s. The paucity of research is likely due to the political sensitivity of the topic, as well as the difficulty in accessing source material. Peterson overcomes both of these challenges. Now that overseas Chinese investment is a publicly lauded strategy in the PRC, perhaps it has become more acceptable to explore its troubled history. Peterson also draws from an impressively large and diverse corpus of sources. These include official publications, speeches, and planning surveys from PRC authorities; Chinese-language newspapers targeted at domestic overseas Chinese; publications from non-PRC locales with large ethnic Chinese populations, such as Hong Kong, Singapore, and Jakarta; and documents from US and UK national archives.

This history of the domestic overseas Chinese subtly, but significantly, shifts our understanding of economic pragmatism and ideological flexibility during the early years of the PRC. During this period of flux, the state found it useful to create an entire social category and class of people that seemed diametrically opposed to the ideal of the new socialist state. Although the late twentieth and early twenty-first centuries seem to testify to the ultimate economic wisdom of this strategy, this book shows that the long relationship between the Chinese state and its prodigal subjects has often been vexed, complicated, and sometimes tragic in nature. While deeply sympathetic to the victims of this dynamic, Peterson is careful to prove that these outcomes were not simply the upshot of irrational government action, even if policy implementation was often incompetent or damaging. Rather, he masterfully conveys that significant official resources and energy were directed towards this relatively small population because they were a valuable segment of the domestic economy. The results speak to the complex and still-evolving history of the overseas Chinese and the risks involved in state efforts to keep its transnational population within orbit of home.

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