POTENTIAL IMPLICATIONS OF CHINA’S ‘ONE BELT, ONE ROAD’ STRATEGIES ON CHINESE INTERNATIONAL MIGRATION

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**Abstract**

Along with the flows of China’s foreign direct investment following the newly implemented ‘One Belt, One Road’ strategy by the Chinese government will likely generate movements of state employees, entrepreneurs, workers and accompanying family members to respective countries along the Belt and Road. It is not clear how large Chinese migration flows into these countries will be, who they are, how the public reception of the host society will be and how well the migrants will be integrated in the destination country. Based on extant data and literature on current Chinese migration, this paper describes trends and patterns of recent Chinese migration in Africa and Asia, analyses host country public perceptions on China and investigates integration patterns of Chinese migrants. Given that the ‘One Belt, One Road’ strategy has only been officially endorsed in 2015, it is still early to analyse its impacts on Chinese migration in the respective countries. Considering earlier Chinese overseas migration in the past decades, this paper presents potential migration and integration patterns one may expect following the Belt and Road initiative.

**Keywords**

Attitude, China, integration, One Belt One Road, migrants, migration.

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Potential Implications of China’s ‘One Belt, One Road’ Strategies on Chinese International Migration

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Introduction

During his visits to Kazakhstan and Indonesia in 2013, President Xi Jinping called for the establishment of a new regional cooperation model and creation of the Asian Infrastructure Development Bank. Subsequently, in March 2015 detailed plans for the ‘One Belt, One Road’ (OBOR) or the ‘Belt and Road’ Initiative were laid out in a White Paper (NDRC, 2015). Setting to promote regional integration through a network of trade routes, political cooperation and cultural exchange, the OBOR initiative spans across 65 countries through the ‘Silk Road Economic Belt’ traversing Central Asia and West Asia linking China with Europe and a ‘21st Century Maritime Silk Road’ through Southeast and South Asia connecting China with Europe and Africa. Accordingly, plans to connect facilities including the construction of infrastructure such as railways, highways and air routes, ports and telecommunications are a priority area of OBOR.

Although the Belt and Road initiative was made official only recently, China’s economic and trade expansion, for instance, in Africa dates back to the mid-1990s. Particularly after the official adoption of China’s ‘Going Out’ strategy in 1999 (Yeh and Wharton, 2016), China’s trade relationship with Africa has been rising constantly allowing African countries to diversify their export base away from advanced economies such as the United States and the European Union (Drummond and Xue Liu, 2013). Likewise, China’s economic influence and investments have been prominent in Southeast Asia and Central Asia since the early 2000s (Economy, 2005; Peyrouse, 2016). Chinese foreign direct investment is evident not only in physical infrastructure but also in small scale manufacturing enterprises and retail traders. The latter, being operated by Chinese migrants, is present pretty much in every economy where China investment and development projects are located (Kaplinsky and Morris, 2009). It is not uncommon for former employees of major state-funded projects to stay on, legally or illegally, and start new business enterprises. Seeing market opportunities, new migrants were further brought in through family links to join existing businesses or established new ones (Dobler, 2009).

The impacts of China’s growing presence in these regions hence go beyond the macroeconomic effects such as trade flows, commodity prices and economic growth, which are commonly studied in the literature (Jenkins and Edwards, 2006; Zafar, 2007; Besada et al., 2011). Along with investments and trade – either state-owned or private – comes movement of labour, entrepreneurs, accompanying family members and students. That China’s economic development activities go hand in hand with migration is reflected in previous development policies. Similar to the strategy of ‘Going Out’, the ‘Open up the West’ or ‘Going West’ strategy announced in 1999 was implemented to address uneven development regional inequality.
particularly in the Western part of China. This strategy is characterised by an explicit policy facilitating the movement of Chinese, particularly Han Chinese, from other areas into the West (Yeh and Wharton, 2016). The building of infrastructure and transportation networks along the Belt and Road countries coupled with increased direct investments from state-own and private enterprises will promote global trade and consequently more migration of manufacturers, entrepreneurs and the like among these countries.

Correspondingly, it is important to understand what the social, economic and demographic consequences of Chinese outmigration in the Belt and Road countries are, especially if this migration can potentially increase to a large scale. Certain research questions such as public attitudes towards immigrants, migrants’ integration and impacts of migration on local economy are of policy interest. Since the OBOR strategy has been officially endorsed only in 2015, unsurprisingly there is little research on its consequences. Drawing upon evidence of recent Chinese outmigration to Africa and Asia, this paper proposes key research areas needed to understand the potential consequences of the OBOR strategy. The rest of the paper is organised as follows. The next section describes recent trends and patterns of Chinese migration overseas. Section 2 discusses implications of Chinese migration in the OBOR countries in terms of public opinions of the host country towards Chinese migrants and integration of the migrants. The last section concludes.

1. Trends and Patterns of Chinese Outmigration

China’s migration was tightly controlled during the first three decades after the founding of the People’s Republic of China (PRC) in 1949. During this period, Chinese emigrants comprised those who left to work on stated-sponsored projects or those who left illegally (Fielding, 2015). In the late 1950s, approximately 150,000 workers were sent to newly independent African countries to work in state-to-state cooperation agriculture, technology and infrastructure projects. Most of these workers returned to China after the projects finished (Park, 2009). The historical economic reform in 1978 led to an opening up to the outside world and liberalization of exit controls. As a consequence, there had been a gradual increase in legal migration of researchers and students and migration of poor people, often illegally, to North America and Western Europe. Likewise, the continuing economic growth also promoted migration flows through immigrant investor channels to other countries in Asia, Latin America and Africa (Xiang, 2015).
As presented in Figure 1 based on the total migrant stock estimated by the United Nations (UN) Population Division (United Nations, 2015), the number of Chinese migrants has been rising steadily. The number of people born in China living abroad worldwide rose from 4.2 million in 1990 to over 9.5 million in 2015. The increase can be observed in all world regions as a result of China’s economic growth and the increasing skills and finances of migrants enabling them to migrate (Xiang, 2015). Focusing particularly on the regions along the Belt and Road and Africa (where Chinese foreign direct investment is concentrated), Figure 2 shows that the stock of migrants from China has increased substantially in these regions in 2015 as compared to the early 1990s. The largest percentage increase can be observed in Western Asia (524%), Eastern Africa (297%) and Southern Africa (126%). The rising number of Chinese migrants in Africa corresponds with the growth of trade and China’s investment in these countries. (Mohan and Tan-Mullins, 2016). Note that the increase of Chinese migrant stock is not limited to the OBOR regions but occurs also in other parts of the world such as Southern Europe (781%), Australia and New Zealand (420%) and Northern America (198%).
Although there has been an increase in the number of Chinese overseas worldwide, the patterns of Chinese migration to the OBOR and non-OBOR countries may differ. The composition of Chinese migrants to high income countries has changed over time (Xiang, 2016). High income countries like Australia, New Zealand, Japan, USA, Canada and countries in Europe have benefitted from the immigration of wealthy and highly skilled Chinese emigrants since the late 2000s. Wealthy and well-educated Chinese as well as students prefer developed countries in the global north citing children’s education, quality of life and economic and social uncertainties in China as the main reasons of emigration (Xiang, 2015).

On the other hand, Chinese migration to developing countries in Africa often comprises migration of Chinese civil servants, temporary labour migrants linked to publicly-funded Chinese investment projects, small-time entrepreneurs, in-transit migrants and agricultural workers (Mohan et al., 2014). In this setting, many migrants who have established small businesses in Africa usually originally migrated to work on large state-backed projects. Seeing business opportunities in the region, these migrants stayed on and started inviting friends, family members and people from their hometown to join them (Yeh and Wharton, 2016). The arrival of more migrants opened up new business and employment opportunities in small enterprises both in the service sector such as Chinese restaurants, shops and even brothels and small scale manufacturing plants (Mohan et al., 2014). These migration patterns may also apply to OBOR countries where Chinese foreign direct investment and development projects will be concentrated on. Indeed, there is evidence that in developing countries, particularly in Africa, Chinese workers fill up about 50% of low-skilled and 90% of professional and managerial positions in Chinese construction firms (Chen et al., 2009). The regular use of labour from China of Chinese companies overseas (Sautman and Yan, 2015) implies a potentially similar migration pattern of Chinese workers (and subsequently their family members) in the OBOR countries.
Estimating exactly how many Chinese migrants are and will be in the OBOR countries is, however, a difficult task. First, available data on the number of Chinese migrants are often speculative. Guesstimates of the number of Chinese migrants range from 583,050 to 820,050 between 2003 and 2008 in Africa (Park, 2009) and 2.3 to 2.65 million in Southeast Asia in 2006 (Zhuang and Wangbo, 2010). Although data from the UN Population Division (United Nations, 2015) allow us to gauge the number of Chinese-born population overseas, many scholars have questioned the reliability of migration statistics of the receiving countries (Ma, 2002; Mohan and Tan-Mullins, 2016). Not only official data collection systems are questionable, undocumented migrants are also difficult to account for in the state surveillance system (Mung, 2008). The challenges of poor data quality and lack of accurate migration statistics are foreseen also in the OBOR countries. Second, extant migration data generally are stock data which represent the total number of international migrants in a particular country at a given point in time. Stock data thus only inform about the number of, for example, foreign-born population in a given country regardless of when they entered that country. Flow data which represent the number of persons arriving or leaving a particular country during a certain period of time, on the other hand, are dynamic allowing for deeper insights into migration patterns and population behaviour. However, bilateral migration flow data are scarce since data collections systems for migration flow data are not available in many countries (Abel, 2013).

The paucity of reliable information on the number of Chinese migrants overseas can pose challenges both in the host society and for China. The large number of Chinese migrants often exaggerated by the media in the host countries can influence public opinions towards migrants. Little knowledge about the number of migrant inflows and outflows, types of migration (e.g. temporary labour migrants, economic migrants), occupation (e.g. entrepreneur, manager, labourer) and socio-demographic composition (e.g. age, sex, education) of the Chinese migrants makes it difficult for policy makers to design targeted policies and programmes. For instance, the policy of the Chinese government instituted in 2002 to encourage high-skilled migrants, especially in science and technology sectors to return to China (Debnath, 2016) would need to locate where these migrants are. For the host countries, access to reliable and timely international migration flows can help informing the planning of access to basic social services, housing, taxation systems and so on.

Furthermore, to understand the impacts of Chinese migration in OBOR countries, it is fundamental to know the size, composition and distribution of these migrants. This calls for future research that addresses the knowledge gap in describing trends and patterns and estimating the magnitude of migration of Chinese people to the Belt and Road countries. Indeed, the recent estimates of global bilateral migration flows both the total flows and flows by gender by Abel and Sander (2014) and Abel (2016) allow us to understand the dynamics of migration patterns of Chinese migrants and their gender composition. Further disaggregation by other socio-demographic characteristics such as age, education and occupation will help identify who the migrants are. To supplement official migration statistics, alternative data sources or ‘big data’ can be used to study human mobility. Recent studies have introduced big data such as email log in locations (Zagheni and Weber, 2012) or mobile phone data (Deville et al., 2014) to estimate
population movement and distribution. This can be an alternative data source for estimating Chinese migration flows.

2. Implications of Chinese Migration in the Belt and Road Countries

Similar to classical migration studies, how Chinese migrants are welcomed and integrated into the host society is a fundamental research question. Studies on public attitudes to immigration in Europe and North America commonly explain that attitudes are shaped by two dimensions: 1) native-born citizens’ individual self-interest e.g. competition over resources, impacts on the local labour market, fiscal burden; and 2) sociopsychological aspects e.g. cultural values and beliefs, group-specific stereotypes (Hainmueller and Hopkins, 2014). Attitudes towards immigrants vary with the skill levels, ethno-religious composition and legal status of the immigrants as well as socio-demographic characteristics of the natives and socio-economic contexts of the receiving countries (Hainmueller and Hiscox, 2007; Ceobanu and Escandell, 2010). Given that most immigrants in advanced economies are low-skilled foreign workers from low-income countries, it has been commonly found that natives from lower socio-economic background e.g. the less educated, the unemployed or unskilled labourers are more likely to report unfavourable attitudes towards immigration and immigrants (Ceobanu and Escandell, 2010). Likewise, it is widely perceived that skilled migrants contribute substantially to tax revenues and hence are often viewed positively by the citizens of the destination countries (Facchini and Mayda, 2009). Similarly, the patterns of public attitudes towards Chinese migrants in the Belt and Road countries are likely to depend on the skill levels of the migrants. Unlike their predecessors in the earlier waves of migration who were mainly poor and uneducated (Suryadinata, 2017), many of the new Chinese migrants are the highly educated or entrepreneurs who pursued investment in Southeast Asia, South Africa and Latin America as a result of China’s overseas economic expansion since the 1990s. Given the findings that skilled migrants contribute to increasing employment, capital accumulation and income in destination countries (Ortega and Peri, 2009), public opinions in the OBOR countries towards the new Chinese high-skilled migrants could be positive. On the other hand, the mobility of Chinese labourers can stir up negative attitudes among low-skilled workers in the destination countries in fear of competition for low-wage jobs. In particular, the fact that Chinese firms such as those involved in infrastructure, oil and mining operations in Africa often hire Chinese contract labourers along with local labour can create resentment in view of the high levels of unemployment in many African countries (Park, 2009).

How the public in the OBOR countries view Chinese migrants thus depend considerably on who the migrants are and which segment of the local population is being considered.

Despite China’s emerging role as an important source of migrants in African and Asian countries, there are not many empirical studies that directly consider how Chinese migrants are perceived in these countries. Given the growing economic influence of China on Africa, however, a few opinion surveys have been carried out to evaluate Africans’ perception about Chinese engagement with their respective countries. Generally, African perceptions on China-Africa relations and the impact of China are positive and friendly (Sautman and Hairong, 2009; Wang
This is reflected in the recent Afrobarometer Survey conducted in 2014-2015 in 36 countries in Africa which includes a series of questions related to perceptions about China’s influence. Figure 3 presents the proportion of the respondents reporting positive or very positive attitude towards China’s economic and political influence in their own country (Afrobarometer, 2016). Although there is a substantial variation across countries ranging from 33.2% in Algeria to 50.2% in Malawi and 92.1% in Mali, on the average China’s image is quite positive (62.1%).

**Figure 3:** Percentages of respondents reporting positive attitude toward China’s economic and political influence in own country

Source: Afrobarometer Surveys 2014/2015
Figure 4: Percentages of respondents reporting favourable opinion of China, 2015

Although the above surveys provide some ideas about how China is viewed globally, to my knowledge, there is no cross-national surveys that explicitly ask the public about their opinions.
towards Chinese migration or Chinese migrants. The general favourable opinion on China and the accompanying economic investment may not translate into the same attitude toward Chinese migrants themselves. Kaplinsky (2008) suggests that different level of acceptance towards Chinese migrants depend on differential impacts on subgroups of populations in the destination country. Who gets affected by economic competition or benefits from the presence of Chinese investment, projects and migration determines the relations between migrants and the host society members.

Likewise, there is no clear pattern how Chinese migrants are integrated into the host society. The relations between Chinese migrants and the natives are likely to be subject to the type of migration and the nature of their work. For example, Chinese contract workers in construction projects in Vietnam typically live in dormitories provided by the employer or move from one project site to another (Van Chinh, 2013). Naturally, these migrants have limited interactions with local communities. Whilst Chinese entrepreneurs engaging in trade, services and light manufacturing businesses in Africa are expected to contribute to the local economy such as through offering employment opportunities and technology transfer, such interaction is also fairly limited (Zhang, 2015). The settlement of Chinese migrants in Asia and Africa described by several studies appears to be in the form of ethnic enclave where the migrants live isolated from the locals, only consume Chinese products (e.g. food, DVDs and social media) and maintain strong ties with their family back in China (Lee, 2009; Tan, 2012; French, 2014). Suryadinata (2017) explains that the relatively poor integration of new Chinese migrants, especially the wealthy and high-skilled individuals who emigrated after the liberalisation of China’s emigration policies in 1980 is partly due to their capacity to move back and forth between China and the host country. Poorer migrants in the early migration waves, on the other hand, were more likely to remain in the host country since they could not afford to return to China and eventually integrated into local society. This suggests that the patterns of integration also depend considerably on the socioeconomic characteristics of the migrants. In fact, some studies find that Chinese migrants working in small-to medium-sized enterprises are more likely to live among Africans and learn local languages than Western expatriates (Sautman and Yan, 2015).

Given that most studies on Chinese migration are carried out at a local scale, it is not possible to draw a systematic conclusion of how Chinese migrants fare in the host society. Similarly, how the new Chinese migrants associated with the Belt and Road initiative will be integrated in the OBOR countries depends considerably on the nature of their migration and their socioeconomic characteristics as well as on the sociopolitical climate in the destination countries. This calls for future research to pay particular attention to heterogeneity of the Chinese migrants: who they are, what type of migration and where they go to. Furthermore, different dimensions of integration should be considered. Examples include language skills, housing, children’s education, intermarriage and labour market participation. Large-scale surveys of Chinese migrants across OBOR countries will also provide a systematic overview of Chinese settlement patterns in these countries.
Conclusion

No doubt, it is too early to draw any conclusions on the implications of ‘One Belt, One Road’ strategies on Chinese migration. Drawing upon the experience of the ‘Going Out’ strategy which results in increases in China’s foreign direct investment and trade overseas, one may expect a subsequent rise in international migration of Chinese labourers and entrepreneurs in the OBOR countries. How these migrants will be integrated in the OBOR countries are likely to depend upon many factors both individual characteristics of the migrants themselves and contextual characteristics of the host society. In order to pinpoint the consequences of the OBOR strategy on Chinese migration requires improvement of current research on Chinese migration and Chinese overseas. Identifying the research gaps such as the lack of accurate data on the distribution and composition of Chinese emigrants and scarce empirical studies on Chinese migrants integration thus can help develop relevant research questions and improve research design for the new research on Chinese migration in the Belt and Road countries.

In particular, to understand the trends and patterns of Chinese migration as well as how migrants in the OBOR countries fare require better official migration data and more precise estimates of migration flows which also account for undocumented workers. Digital records, social media data or mobile network data can potentially be an alternative source to capture mobility patterns and social networks of migrants. It is equally important to know the composition and distribution of the migrants. This information is fundamental for studying how the members of the Belt and Road countries perceive Chinese migrants and how integrated the migrants are in the destination country. Given that economic activities associated with the OBOR strategy will involve not only the large-scale publicly-fund projects but also private and small-scale enterprises as well as individual economic migrants, this diversity needs to be taken into account when studying the implications of Chinese migration in the Belt and Road countries.
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