Analyzing Contemporary Chinese Organizational Development in Sydney from an Ethnic Capital Perspective

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Abstract—Realizing the urgency of contextualizing localized Chinese histories in a transnational context, this paper attempts to analyze the latest thrusts of Chinese organizational development in Sydney through a model of ethnic capital conversion. National ideologies such as multiculturalism and pan-Chinese nationalism are perceived as broad political opportunity structures, against which the overseas Chinese seek to maximize their self-interest through a strategic conversion of ethnic Chinese capital to and from other forms of social, economic and political capitals. At the organizational level, this is reflected in the robust development of service organizations and new locality organizations in the late 1980s in Sydney, as well as the different types of strategies they adopt to negotiate with multiple political powers and ensure the best possible outcome for their survival and development in the diasporic space.

Keywords—Chinese community organization; ethnic capital; modernization; transnationalism

I. INTRODUCTION

The migration and settlement of Chinese people is a global phenomenon, which became prevalent in the nineteenth century and since then attracted intense debates among academics, policy-makers and the general public [1]. Bonded by a collectivist culture, Chinese migrants were seldom individual adventurers, their coming and going often managed by clan and locality organizations which claim common ancestry and geographical affinities [2]. In the older days, these organizations provided one-stop services to those socially secluded Chinese labourers, who were utterly neglected if not actively discriminated against by the local administrators [3]. The situation tended to persist until the general liberalization of migration policies in most Western countries in the mid-1970s. At the time, major settlers’ societies like the US, Canada and Australia respectively adopted a non-discriminatory immigration policy and showed respect for the coexistence of multiple cultures as captured by the new doctrine of multiculturalism [4].

The changes taking place in various host societies coincided with the opening of China toward the outside world and had brought about profound transformations in the composition and organization of the overseas Chinese population [5]. Firstly, migration zones were significantly enlarged from South China to the whole China, in particular covering major metropolitan areas of spectacular economic profiles. Secondly, the major streams of migrants now comprised students and professionals, a stark contrast to the illiterate labourers of the early era. Thirdly, most of the Chinese migrants in the 1980s went overseas on their own means and could engage with the mainstream society and fully support themselves shortly after arrival. This largely removed their dependency on the associations and paved the way for a more cooperative and voluntary interrelation between individuals and organizations.

Although traditionalist Chinese associations were losing their edge as the sole medium between the mainstream society and their members, this did not signal a decline of the Chinese organizational network. On the contrary, the loss of monopoly provided opportunities for the proliferation and diversification of new-style organizations at an unprecedented speed. In the Australian context, while core service organizations started in the early 1980s quickly developed into multi-million entities under the auspice of a blossoming multicultural governing philosophy, hundreds of new locality organizations sprang up in the 1990s, catering to the enthusiasm of a powerful PRC state to extend its influence among its overseas compatriots.

This paper aims to capture these latest development patterns of Chinese organizations via a case study of the Sydney Chinese community and contextualize them in the global networks and processes which bridge those localized anchors of reference [6]. The emphasis will be placed on the tactics of Chinese migrants in negotiating with various state prescriptions in a diffuse diasporic space and their concrete effects in reshaping the Chinese organizational network during the past three decades. Intangible as it is, such an agency could nevertheless be conceptualized as the amount of ethnic capital circulating in a global system, whose value fluctuates in response to a series of political-cultural factors. Hypothetically, the broad development patterns of the Chinese organizations should point to direction of a maximization of the aggregate capitals, which have a positive correlation with the sustainability and prosperity of the community under study.
II. A MODEL OF ETHNIC CHINESE CAPITAL CONVERSION

The proposed model of ethnic Chinese capital conversion derives from the time-honoured sociological concept of social capital [7] and is significantly expanded through its application to the ethnic field. As Zhou and Lin rightly pointed out,

Social capital inheres immediately in the social relations among individuals that are often determined and constrained by ethnicity; it is also embedded in the formal organizations and institutions within a definable ethnic community that structure and guide these social relations [8].

Enjoying theoretical affinities with the concept of social capital, the term “ethnic capital” was developed later on to describe the “the sum of valued knowledge, styles, social and physical (bodily) characteristics and practical behavioural dispositions within the given (ethnic) field” [9]. Ultimately reducible to economic capital, ethnic capital observes the rule of capital exchange and could be converted from and into other forms of capital, with the ultimate aim of the maximum appreciation of the aggregate capitals possessed by the agent or group of agents. For example, noting the manifest phenomenon of capital exchange taking place in the field of ethnic politics in Australia, Tabar, Noble and Poynting came up with three commonest modes of conversion—to participate in “ethnic affairs industry” as a professional, to convert economic strength into status within the ethnic community, and to use established mainstream political career as a platform to champion ethnic cause, thereby accumulating more ethnic capital in the process [10].

The findings of Tabar, Noble and Poynting give valuable insights into different types of ethnic capital conversion allowable in a multicultural society like Australia. However, when it comes to the specific case of overseas Chinese organizations, it suffers from its inability to address alternative channels of capital conversions, which are flourishing beyond the domestic policy frame of multiculturalism [11]. Since the 1990s, cross-border operations situated in the diasporic network have become a norm for Chinese organizations, a trend becoming all the more manifest with the erosion of multiculturalism at the domestic front and the external support of a powerful PRC state [12]. Thus, if we cross the boundary of nation-states, and regard the “domestic” side of the story as mere constituents of a global picture, we may arrive at a more powerful model of ethnic capital conversion well suited for the analysis of the diasporic Chinese.

In such an enlarged framework, the dual nature of the ethnic Chinese capital is reflected in the situation manifestation of “Chineseness” and “Whiteness.” Take Chinese-Australians for example, their ethnic capital is in essence a two-fold complex, comprising “Chineseness” and “Australianness”, the latter being a particular strand of “Whiteness”. In the mid-1980s, the quality of “Whiteness” was readily guaranteed upon production of a “foreign passport”. Nowadays, with more Chinese citizens receiving education overseas, “Whiteness” which counts in the marketplace has to be more specific, embodied in professional qualifications, academic achievements, business strength, established political careers, or any other demonstrable evidence of status in the host society. Once the threshold for capital conversion is met, identity carriers will be given ready access to respectability and power in China, which often means several rungs up the social ladder compared with their status in Australia.

Notably, a reversed form of capital conversion is also taking place at a greater frequency these years due to the expanding influence of China and the growing interest on the part of Australia to tap into emerging regional opportunities [13]. The emphasis on an “Asia-literate society” and the subsequent valorization of China-related knowledge and resource serve as strong reasons for an appreciation of the ethnic Chinese capital [14]. Riding on the waves of change, Chinese community leaders, in addition to representing their own communities, are increasingly positing themselves as “China experts” and offering advice to the Australian government and local business sector on the proper way of engaging with China. What is expected to be achieved through such a situational representation of the “cultural self” is to set up a positive chain of appreciation of ethnic Chinese capital at both sites through multiple rounds of transactions into new forms of social, economic and political capital, which are then reinvested globally to realize the greatest value for the identity carriers.

III. DEVELOPMENTAL TRENDS OF CHINESE COMMUNITY ORGANIZATIONS IN SYDNEY

The formation of a global system for the circulation of ethnic Chinese capital has profound implications for the evolution of ethnic Chinese organizations anywhere in the world, those in Sydney being no exceptions. It is quite remarkable to observe how the developmental pattern of Chinese community organizations closely interacts with the broad political opportunity structures home and abroad, which ultimately result in a more efficient accumulation of ethnic Chinese capital.

Generally speaking, Chinese community in Sydney has a very high level of institutional completeness, for all the services required by the members of the group could be provided by or through the wide spectrum of Chinese organizations, covering virtually all areas of social life [15]. Since the 1990s, there has been an exponential growth of the total number of associations in Australia. Community activists estimate that there are at least three hundred Chinese associations in NSW alone, an astounding leap from the level of forty in the early 1980s [16].

Amid the ebb and flow of different types of associations, several conspicuous trends could be observed 1. Firstly, although the overall turnover rate of community organizations was very high, most service organizations established in the 1980s survived, and through modernizing reform, consolidated

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1 The following analyses are based on my survey of existing organizations in Sydney and more than forty interviews with longstanding community members from July 2011 to Feb. 2013. The acquired data were then compared with the list of major organizations published by the Australian Chinese Community Association (ACCA) in 1982 to deduce the broad patterns of organizational change in the past thirty years.

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into core organizations within the community network. Secondly, the inner diversity of political associations was deteriorating, with non-PRC affiliated groups fading away from public consciousness. Replacing them was the explosive growth of hundreds of new locality associations, which were engaged in all kinds of transnational exchanges and profit from their liaisons with mainland China. Finally, the past thirty years witnessed the mushrooming of a huge number of social, cultural, educational and professional associations which originated from close circles of friends with similar social backgrounds. Being small in size and spontaneous in their organization of activities, they were the perfect form of entry-level associations. However, they usually did not have long-term sustainability unless they eventually evolved into multifunctional associations with a strong service section or developed viable projects in the transnational sphere.

If we view Australian multiculturalism and Chinese nationalism as two predominant policy frameworks from which Chinese organizations could look for support, it is obvious from the previous analysis that most organizations are positively attuning themselves to one or both sets of policy imperatives. While the boisterous development of service organizations owes a lot to the introduction of multicultural policy which subsidizes ethnic-specific services and activities and enables the conversion of Chineseness into a multicultural capital recognized by the mainstream society, the global promotion of the pan-Chinese identity has encouraged qualified ethnic Chinese to re-invest the resource they accumulated overseas back in China for bigger gains, often through the vehicle of new locality associations. The centrality of service organizations and overseas-oriented organizations corresponds with the two major channels of realizing a greater value of ethnic Chinese capital as suggested by the proposed model. Admittedly, the two different pathways require varying strategies for success, which are quintessentially reflected in the modernizing reform of mainstream service organizations and transnational networking of overseas-oriented organizations.

IV. THE STAGE OF MODERNIZATION

Modernization itself is a nebulous term which requires a context-specific interpretation. When it applies to Chinese associations, it refers to the systematic changes in their composition, structure, management and cultural orientations, which make them in alignment with the rules and prescriptions set for civic associations in the modern society. Modernizing reforms not only ease the interactions between the organizations and the mainstream society, but also increase their chances in applying for government grants and other external funding [17]. In Australia, formalization is a compulsory criterion of eligibility to apply for funding and other support under various multicultural programs of federal and state governments.

For all these practical reasons, most of the older Chinese organizations have set out to incorporate themselves one after another since the 1980s, and newly founded ones in the 1990s are usually incorporated from the very beginning. Unsurprisingly, pioneers in attempting thorough internal reforms are those long-standing community service associations and representative peak bodies, which are already invited into the policy-making process as key stakeholders and are thereby held publicly accountable for their activities. In the following subsections, two representative cases will be analyzed to demonstrate the different paths of modernization designed according to a realistic appraisal of comparative advantages.

A. Chinese Youth League of Australia (CYL)

In Sydney, CYL is a renowned association for its long history and cultural specialty. Founded as a drama association in 1939 in the midst Chinese resistance against Japanese invasion, it greatly contributed to the war efforts by giving charity performances, organizing political campaigns and advocating on behalf of Chinese seamen stranded in Australia because of the war. In the 1950s, it was instrumental in uniting indentured Chinese workers to struggle against their exploitative employers and petitioning to the Immigration Department to repeal the War Time Refugee Removal Act to safeguard the residency right of Chinese workers [18]. The CYL’s radical politics and close rapport with the PRC government made it an easy target of McCarthyism rampant in Australia in the 1960s. For many years, it was dubbed a communist organization and experienced severe difficulties. The dramatic turn of events came in the 1970s with the normalization of Australia-China relationship and the introduction of multicultural policy. Since then, CYL has tapped into its strengths in cultural performances and cemented its image as a mainstream provider of Chinese cultural programs. According to Arthur Locke, former President of CYL:

As early as February 1977, CYL organized the first large Chinese cultural concert at the Sydney Conservatorium of Music. This won wide renown for CYL and established the foundation of many more cultural concerts to come. Among the items in the program was a recital: “The Chinese Are Part of the Australian Family”, which formed the draft of the dance drama “Dragon Down Under” presented during the Bicentenary. From 1986, CYL received the sponsorship by the NSW State Government to hold the “Chinatown Carnival” as one of the main events of the annual multicultural festival, which included a rich program of Chinese songs and music, folk dances, acrobatics, wushu, lion dances and other cultural performances. The Southern Lion Dance was the favorite of the audience. The crowd would burst into joyful roars as the 30


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meter-long dragon danced in majestic splendor in the street procession\textsuperscript{3}.

The increasing awareness on the part of CYL to integrate Chinese cultural forms into a broader multicultural heritage was culminated in the cultural concert “Dragon Down Under” held at the Great Hall of Parliament House for the celebration of the bicentenary of settlement of Australia. The five acts, “A Land of Many Splendor”, “Over the Treacherous Seas”, “Endurance”, “Australia China Friendship” and “A Nation in Jubilation” re-enacted the epic story of Chinese settlement in Australia and contextualized it in the grand picture of Australia’s birth as a nation. It moved the then Prime Minister Bob Hawke to remark that:

The performance of Dragon Down Under is an event of great cultural and historic significance. The history of the Chinese people in Australian has never before been portrayed in such an imaginative and colourful manner [19].

\textbf{B. Australian Chinese Community Association (ACCA)}

In comparison to CYL which took a long time in translating their cultural specialty into multicultural credentials, ACCA was started from the outset as a service organization with a strong reliance on government funding. This understandably heightened its awareness of the importance of good governance structure and sound tracking records, which are essential qualities to ensure its long-term viability.

Conceived in a series of public meetings of high-profile Chinese community leaders in 1975, ACCA was founded with a well-developed committee structure with its executive members delegated to assist with the Association’s eleven subcommittees: Administration, ACCA News, Cultural Education, Membership, Public Relations, Social, Social issues, Community Services, Youth and Special Projects [20]. The comprehensive array of services provided by the ACCA led to a remarkable increase of its members, which necessitated an update from manual maintenance of membership records into a data-base system in 1983. The data-base system boasted of unlimited capacity of storage, but was designed optimally for 4, 000 indexed records. It could automatically generate reports about the annual membership intake, geographical residence profiles of members as well as their subscription status. The accurate recording of data greatly facilitated the application of government grants, which required an objective evaluation of the client base. As a result, the ACCA became a most favored service-provider for the Chinese community and was the first Chinese organization to be awarded a grant under the Grant-in-Aid Scheme in the 1980s.

To date, ACCA provides a wide range of government-funded community care and migrant settlement services, including dissemination of community information, mediation and advocacy, casework, counseling, referrals, assistance with employment, as well as specialist services for the aged, the youth, migrant women and refugees. The majority of ACCA’s service staff have formal qualifications in nursing, social work or aged care, and services are provided in the homes of clients, at community centres, or at ACCA’s own premises.

The substantial growth of ACCA’s services and the increasing complexity of government regulations accentuated the need for a periodic review of its Constitution. A comparison of the two versions of ACCA Constitution in 1984 and 2012 saw a substantive expansion of contents and refinement of provisions regarding membership, management, general procedures and finance, manifest in the lengthening of the Constitution from merely five pages in 1984 to twenty pages in 2012. Table I provided a bird’s eye view of major changes taking place in a span of twenty-eight years.

\begin{table}[h]
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\caption{Major Revisions of the ACCA Constitution from 1984 to 2012}
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\hline
\textbf{Areas} & \textbf{Major Revisions} \\
\hline
Membership & 1. Inclusion of new membership categories like corporate membership and life membership; \\
& 2. New provisions about disciplining of members, cessation of membership and member’s liabilities. \\
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Management & 1. Specification of the tenure of the President as no more than three consecutive annual terms; \\
& 2. Establishment of a Council to replace the Advisory Committee as a formal advisory body; \\
& 3. New provisions about the appointment of a Public Officer; \\
& 4. New provisions about the finality of decisions made by Executive Committee. \\
\hline
Procedures & Elaboration of procedures in the following aspects: \\
& 1. Vacation of office; \\
& 2. Proceedings of the Executive Committee, especially in emergencies; \\
& 3. Convening of annual general meetings and special general meetings; \\
& 4. Notice and nomination. \\
\hline
Finance & 1. Specification of the responsibility of the Treasurer; \\
& 2. Stricter procedures for making payments; \\
& 3. Stricter supervision over the sale, purchase and other dealing with the real property. \\
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In all these respects, ACCA is exemplary in its readiness to initiate changes to cope with new challenges arising from its quick expansion. Despite their different emphases and approaches, both CYL and ACCA build up their success through a proper evaluation of their own strengths in the multicultural setting and the careful planning of structural reforms to realize their potentials. However, the tortuous course of self-initiated reform and the weakening hold of multiculturalism as a public policy in the late 1990s mean that their success could hardly be replicated by newly established organizations [21]. This partially explains the outward orientations of the majority of Chinese organizations established by the end of the twentieth century.

\footnote{The quotation is based on an interview conducted with Arthur Locke in January 2013.}
V. THE STRATEGY OF TRANSNATIONAL NETWORKING

As elaborated in the previous section, the consolidation of a service organization required strenuous efforts in self-adaptation to the host society. The buildup of a good track record alone could take years, or even decades to accomplish. This, coupled with a less favorable policy environment in Australia since the Howard administration, re-oriented the flow of ethnic Chinese capital in the transnational network and brought about an explosive growth of new forms of exchanges on a scale unimagined of in the pre-globalization era.

Indeed, China’s rising profile in the international arena and its welcoming gestures toward the Chinese overseas these years probably have done more than anything else in lifting the symbolic status of ethnic Chinese capital and attracted its flow back to the homeland. As Weidenbaum and Hughes grudgingly admit in analyzing the “bamboo network” of expatriate Chinese entrepreneurs,

There has been a recent turnaround in the relationship between the overseas Chinese and their homeland. Ironically, overseas Chinese who once fled the mainland under difficult circumstances are now by far the largest investors in mainland China... So far, a tentative symbiotic relationship has developed. The living standard of mainland China is rising rapidly with the influx of foreign investment; that investment, in turn appears to be earning substantial profits for overseas Chinese investors [22].

In the past few decades, hundreds of locality organizations were founded in Australia with the explicit aim of reviving links with China and promoting exchanges between homeland and the resident country [23]. Also included in the category of overseas-oriented organizations were professional associations with a global membership, Chinese media organizations and political organizations like Councils for Peaceful Reunification of China, which were established all over the world. Quite different from service organizations, overseas-oriented organizations drew their strengths from the ability of networking with the governing class home and abroad and influencing policy-making in areas related to diasporic politics.

Contrary to the belief that transnational Chinese associations are merely puppets of China, most of them in reality operate more like power-brokers, which strike a balance in the vicissitudes of international politics and thrive from a cordial relationship between the home country and host country [24]. The simultaneous liaison with multiple political forces is the usual strategy of most locality associations, even though they normally put their emphasis on homeland. For instance, if we examine the report of Australian Hangzhou Association for the first half of year 2010, its main activities included reception of officials from Hangzhou, participation in conferences hosted by the Office of Overseas Chinese Affairs of Hangzhou government, as well as a short-course on social issues of contemporary China organized by Zhejiang Province, to which the city of Hangzhou belonged. Despite all these home-bound activities, the Association did not lose touch with the mainstream society in Australia. It actively participated in the electoral campaigns of the Opposition Leader Tony Abbot, made donations to the NSW Labor Party, and in the meantime spared no efforts in promoting business opportunities available in Hangzhou to Australian political and business leaders [25].

The centrality of networking in the agendas of overseas-oriented Chinese organizations underlies their unique style of management. Compared with service organizations, these organizations usually have a higher threshold for membership, which is based on an intangible appraisal of social status. For example, Australian Council for the Promotion of Peaceful Reunification of China (ACPPRC), the peak body of the pro-PRC faction, requires that all its members have to be the elites of the society, whether they are doctors, lawyers, senior professionals, industrialists, scientists, artists, religious leaders, community leaders or other accomplished figures within the community. Also, the recruitment of new members is by invitation rather than application. For smaller-scale locality associations, the eligibility rules are not as strict; but at the very least, their members must have the capacity to contribute to the organization in a substantial way through the use of their personal resources, such as wealth, status, connections or professional expertise. While there is a material limit to the possible amount of monetary contributions, intangible assets like status and personal connections could be repeatedly invested. Therefore, it is quite usual to see social dignitaries sitting in the executive committees of a variety of locality associations, resulting in the manifest phenomenon of interlocking leadership in the Chinese community [26].

The efficiency of such a system is apparent, for it can mobilize with ease all the resources required to accomplish a pre-conceived task. New members can be selected and enlisted any time as determined by practical needs. Essentially, it functions as an extension of traditional guanxi system, where exchanges of interests are taking place among people of similar social standing on a dual principle of equivalency and reciprocity [27]. If we regard ethnic capital conversion as a special form of business practice, it is not surprising that the immensely different sociopolitical conditions between China and the West would give rise to rampant speculations. According to my interviewees, in the past ten years, more than one hundred Chinese organizations are established in Sydney aimed at transnational networking. It is not unusual to see three or four organizations registered in Sydney to represent one single city in China. “More than half of all registered associations are merely shells headed by a few so-called leaders, who do not have any real impact in the community.” One interviewee confided to me, “Nevertheless, carrying that title, certain opportunists are able to liaise with Chinese government for self-interest. Believe it or not, some community leaders spend more time cultivating guanxi with Chinese officials than staying in Australia.” 4 Aware of the extent of speculative behaviors, the Chinese central and provincial governments resolved to build up a stricter evaluative mechanism to review the performance of a multiplicity of overseas Chinese associations and distinguish between the worthy and the opportunists. However, whether this idea can be turned into enforceable policy measures remained to be tested.

4 The interviewee opts to remain anonymous when being quoted.
VI. CONCLUSION

The above analysis contextualizes the latest trends of Chinese organizational development within a unified model of ethnic Chinese capital conversion. Though at times acting as willing accomplice of state initiatives, diasporic Chinese never truly surrender themselves to the dictates of governmentality. In the domestic domain, they strive to expand the scope of multiculturalism, and through modernizing efforts, are admitted into various advisory bodies of migrant affairs to handle practical issues faced by their members as well as the broader ethnic constituency. In the international sphere, they play a bridging role between host society and home country, creating possibilities for a closer partnership through their dissemination of knowledge of China to the West, and vice versa. At the organizational level, this is reflected in the perfection of corporate governance by core service organizations, as well as the skillful networking practices of transnational organizations, which enable them to profit from the status differentials between China and the West.

In the specific case of Chinese Australians, the prospective national strength of Australia and China, the present and potential cooperation between the two countries, and the degree of their reliance on the Chinese-Australian community, all have significant bearing on the pricing of the ethnic Chinese capital. The closer the bilateral tie becomes, the more benefits there are because of a higher pricing of the ethnic capital and a greater volume of exchanges. The optimal result for the Chinese Australians will be, in this context, a balanced expression of two sets of belonging, one not leading to the compromise of the other, and the appreciation of the twin facets of the ethnic Chinese capital due to the positivities arising from constructive Australia-China relations.

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