

New Transnational Chinese Migrants in Malaysia

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It has been more than 40 years since Deng Xiaoping introduced the Open Door and Reformation policies in 1978. The initiatives transformed China from a backward, ideological-dominated nation to be a modern and powerful economic powerhouse. This transformation process also undergone changes from a gradual and experimental stage in the 1980s and 1990s, to be a full-blown economic development that saw the country rising to be the fastest growing economy in the world. This transformation also brought massive changes to Chinese business enterprises from the state-owned enterprises to be multinational corporate bodies that helped to spearhead stronger economic performance for China. In 2010, the country overtook Japan as the second largest economy in the world. The introduction of the Belt and Road Initiatives (BRI) in 2013, further strengthened the development of Chinese economy, and provided impetus for stronger economic performance.

The country's spectacular economic development over the last 40 years also brought about changes to its people, including the need to travel abroad. Encouraged by the need for staff to run its enterprises abroad, staff members of corporations, first, employees of state-owned enterprises, later, of multi-nationals, began to travel abroad in unprecedented manner. There were also the students who went abroad with the hope of receiving higher education, and to learn skills that were needed for the development of the country. Another group of people were those who went abroad with a view to settle and invest. These new arrivals are found throughout the world, and Southeast Asian countries have become some of the most popular destinations for the Chinese. This new phenomenon of new Chinese migrants has gained importance as part of that new Chinese Overseas experience – of massive economic development, and emigrating abroad, either on short-term basis or in other cases, for long term stay, or even leaving China for good to become citizens of the countries they chose to settle.

The influx of these new Transnational Chinese migrants have evoked different reactions in the host country, ranging from acceptance to very negative reaction of rejecting their presence. There is a need to make sense of this new Chinese experience, and its impact on the host countries. This paper will look into the experience of this phenomenon of new transnational Chinese by offering perspectives from four dimensions of activities, namely, Chinese workers in Malaysia, the Malaysia as Second Home Scheme, Chinese students in Malaysia, and the Hui (Uighur) factor. The paper argues that while there may be similar experience as in the case of other Southeast Asian countries including Thailand and Singapore, the Malaysian case could offer some unique perspectives which may help in the further understanding of the transnational Chinese diaspora experience in Southeast Asia. The paper will also look at how Malaysia was coping with this group of new migrants.

The Chinese in Malaysia

Like the rest of Southeast Asia, Malaysia started receiving Chinese immigrants in large number since the mid-19th century. These early transnationals or migrants formed the basis of the present day ethnic Chinese population. Today, the Chinese in Malaysia numbered around 7 million, and constitutes 23% of the total population, making it a sizeable minority whose position could not be ignored. Chinese emigration basically ended in early 1950s, with some exceptions including those who emigrated from Hong Kong or Indonesian Borneo (Kalimantan). Those who arrived, had integrated and became part of the Malaysian citizenship. Even though the community was an immigrant society, it had since the country's independence, became part of Malaysian citizens and contributed towards the nation-building process of the country. The situation in Malaysia is not unlike other parts of Southeast Asia where the Chinese immigrants settled into the national lives of the respective nation, and were treated with varying degrees of acceptance and tolerance by the indigenous community.¹

Like the experience of the Chinese presence in other parts of Southeast Asia, the Malaysian experience is well-documented and well-researched.² Even as the community settled and adjusted in the region, several features or characteristics of the community began to emerged, these including the distinctiveness of the community vis-à-vis the local indigenous community including having their own settlements, their own schools, religious and social institutions, and cultural expressions. While many of these features resembled those found in their ancestral land, there were also localised elements infused into them, as the Chinese immigrants interacted with the local indigenous communities as well as through their exposures to western cultural elements via their dealings with the colonial powers.³ There were also inter-connectivity that took place between Chinese communities in the region and the globe, making them part of what has been described as the experience of transnational Chinese connectivity.

The Chinese in Malaysia also took part in the political lives of the country starting with the attempts to form political alliances in the 1950s and later, during the negotiation for independence from British colonial rule. Thus, in the post-independence years, Chinese were well-represented in the political arena including appointments to strategic ministerial positions such as finance minister and chief ministers of at least two states. The coalition government of first, the Alliance Party (made up of the Malay-dominated United Malay National Organisation (UMNO), Malayan Chinese Association (MCA) and Malayan Indian Congress (MIC) of the

¹ See Wang Gungwu, *The Chinese Overseas: From Earthbound Chinese to the Quest for Autonomy*, Cambridge, Massachusetts, Harvard University Press, 2000, pp. 88-92

² Victor Purcell, *The Chinese in Malaya*, London: Oxford University Press, 1958; Lee Kam Hing & Tan Chee Beng (eds.), *The Chinese in Malaysia*, Kuala Lumpur: Oxford University Press, 2000. See also Lee Hock Guan and Leo Suryadinata (eds.), *Malaysian Chinese: Recent Development and Prospects*, Singapore: Institute of Southeast Asian Studies, 2012.

³ See Felix Chia, *The Babas*, Singapore: Landmark Books, 2015 and Danny Wong Tze Ken, A Hybrid Community in East Malaysia: The Sino-Kadazans of Sabah and their Search for Identity, *Archipel*, Vol. 84, 2012, pp. 107-127.

Indian community) was later expanded into the Barisan National (National Front) coalition in the aftermath of the May 1969 racial riot and the post-1974 national elections. Chinese political participation however, while did not suffer much in numbers, but was increasingly seen as diminishing in influence and stature, especially within the government coalition. The two Chinese-dominated parties of MCA and Gerakan were seen as mainly playing bridesmaids to the Malay-dominated UMNO. The introduction of the New Economic Policy (1971) in the aftermath of the May 1969 racial riot was seen as further eroding Chinese political and economic position in the country.⁴

The recent 14th General Elections in May 2018, saw the coalition government that had been in power for sixty years being replaced by a new coalition (mainly former opposition parties) which received overwhelming support from the Chinese community.⁵ The new government, which came with a strong reform agenda, provided much hope for the Chinese community in Malaysia who were pinning for a fairer Malaysia which will meet the expectations and aspirations of the Chinese community. Even as the Chinese were hopeful for better deals, new challenges also presented itself in the form of the rise of China and its expansion, especially through its entrepreneurs and other forms of presence in the region. Although this newly elected government was replaced by another government in early 2020, the role and position of the ethnic Chinese, the descendants of the earlier transnational Chinese, is confirmed as part of the country's permanent fixture. Yet, at the turn of the 21st century, a new wave of Chinese migrants began to arrive at Southeast Asia (and Malaysia), and started what is deemed to be a new transnational experience – unlike the earlier transnational experience where they chose to leave a weak China in the 19th and early 20th century, the new transnational experience took place against the rise of a powerful and rich China.

Rise of China and New Transnational Chinese Migrants

The rise of China over the past 40 years saw the emergence of a new wave of Chinese immigrants. Initially arrived as students and later businessmen, these new Chinese who came out from China began to settle in different parts of the world, many went on to become citizens of their host countries. Such situation also occurred in Southeast Asia, though with different context according to the condition of the receiving countries. The arrivals of these new Chinese migrants were not unlike those who came earlier, though the circumstances are different. For this is a new phase of transnational Chinese migrants experience, is what Professor Wang Gungwu describes as the phase of the New Migrants – Xin Yimin.⁶ The term of Xin Yimin however, is not widely used in Malaysia. The term migrants, especially when used on the Chinese, remained sensitive to the delicate ethnic balance in the country. Therefore, the term would be used in cognizance of the fact that these new arrivals

⁴ Gordon Means, *Malaysian Politics*, Kuala Lumpur: Oxford University Press, 1970 and Gordon Means, *Malaysian Politics: The Second Generation*, Kuala Lumpur: Oxford University Press, 1991.

⁵ Francis E. Hutchinson & Lee Hock Aun (eds.), *The Defeat of Barisan Nasional: Missed Signs or Late Surge*, Singapore: ISEAS, 2019.

⁶ Wang Gungwu, *The Chinese Overseas: From Earthbound Chinese to the Quest for Autonomy*, Cambridge, Massachusetts, Harvard University Press, 2000, pp. 88-92

came to the country with specific purpose but not to emigrate and stay for good as what had happened to those who had come before 1949, and whose descendants formed the ethnic Chinese citizens of Malaysia. In contrast, the new arrivals may be called migrants in so far as they have moved from China to Malaysia, but unlike the earlier migrants, they were not destined to stay. Their experience in Malaysia would be short term and temporal.

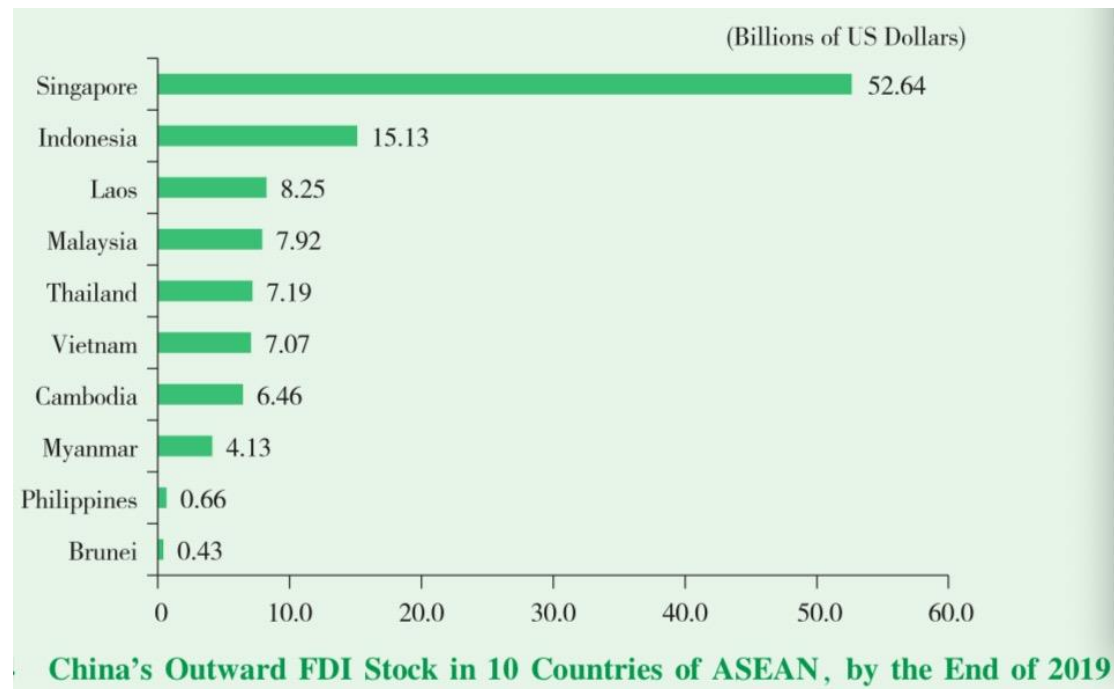
The arrivals of these new Chinese to the region and to Malaysia could be broadly divided into two phrases: Those who came before the introduction of the Belt and Road Initiatives (BRI) in 2013 and those who came after.⁷ Prior to 2013, the new Chinese migrants were mainly represented by employees of State-Owned Enterprises who came out to prospective countries in search of partnership and joint-venture projects. There were also students at tertiary level. Many of these early Chinese officials chose to work with the ethnic Chinese community in the country in order to penetrate the local market, including in negotiating with the government. The number of this group of migrants are small and quite transcending in nature. This situation began to change with the introduction of the Belt and Road Initiatives in 2013.

The Belt and Road Initiatives was introduced by President Xi Jinping in 2013 as a way of enhancing mutual development through stronger connectivity with the hope of achieving a common destiny. It involved the establishment of strong connectivity in joint-development projects between Chinese enterprises with local partners from partner countries. With the launch of the Belt and Road Initiative in 2013, more Chinese companies have come to Malaysia to set up branches focusing on communication and infrastructure. Trade volume between Malaysia and China also increased year by year. According to data provided by the Chinese Embassy in Malaysia, by 2020 China became Malaysia's largest trading partner for 11 consecutive years.⁸ Trade volume between Malaysia and China accounted for 17.2% of Malaysia's total trade volume, an increase of 0.2% compared to 2018.

⁷ For a study of the BRI, see Wang Yiwei, *The Belt and Road Initiative: What will China Offer the World in Its Rise*, Beijing: New World Press, 2016.

⁸ Statement from Department of Statistics, Malaysia, in Bernama (Malaysia National News Agency), 30 December 2020.

Figure 1: China's Outward FDI in 10 Countries of ASEAN, by the End of 2019



Source : Official website of ministry of Commerce of the People's Republic of China.
<http://images.mofcom.gov.cn/hzs/202010/20201029172027652.pdf>

More importantly, following the introduction of the BRI, there began a proliferation of Chinese companies into Malaysia. This resulted in Chinese investment in the country risen steadily. In 2010, Chinese investment in Malaysia began to rise from RM920 million (or 0.9%) of Malaysia's Foreign Direct Investment (FDI) flows in 2010 to RM6,2 billion or 9.0% in 2017. The number continue to rise since then. What is interesting is the sharp rise of this investment from mere 2.0% to 2.2% in 2012-2014, to suddenly rise to 3.0% in 2015 and to 6.0% in 2016 and then 9.0% in 2017.⁹

This sharp rise is evidently an effect of the introduction of the BRI in 2013. It also changed the pattern and nature of investments significantly. The investments were no longer confined to State-Owned Enterprises and were no longer contended with joint-venture projects. The new firms were into mega-size infrastructure development projects, especially pertaining to communication (land, sea, air and telecommunication), energy-related development projects, finance and banking as well as accommodation and support services. Hence mega projects such as the Kuantan-Qingzhou Industrial Parks, East Coast Rail Link, Second Penang Bridge, Mass Rapid Transit System in Klang Valley were initiated. And to facilitate the flow

⁹ Bank Negara Malaysia as cited in China's investment in Malaysia: Perceptions, Issues and Prescriptions, a report by Social Economic Research Centre (SERC), Associated Chinese Chamber of Commerce and Industry Malaysia, 2017, p. 13.

of funds and services, major banks from China were invited to open branches in the country. These including Bank of China, Industrial and Commercial Bank of China (ICBC), and Asian Infrastructure Investment Bank (AIIB).

The following are the main infrastructure construction projects of Chinese companies in Malaysia as of 2019:

Table 1: Major Projects By Chinese Companies In Malaysia (As of 2019)

No.	Project Name	Contractor
1	Kuala Lumpur Signature Tower	China State Construction Engineering (Malaysia) Sdn Bhd
2	The Second Cross-Sea Bridge in Penang	CHEC Construction (M) Sdn Bhd
3	Encore Malacca Theater	China Construction Yangtze River (M) Sdn Bhd
4	The CRRC ASEAN Manufacturing Center	CRRC rolling stock center (M) Sdn Bhd
5	Xinyi Group Malaysia Industrial Park	Xinyi Energy Smart (M) Sdn Bhd
6	Kuala Lumpur PANTAI 2 sewage treatment plant	Beijing Enterprises Water Group (M) Sdn Bgd
7	Klang Valley's Second Mass Rapid Transit	China Communication Construction Company (M) Sdn Bgd
8	The Ampang Light Rail Line Extension Project	CHEC Construction (M) Sdn Bhd
9	The Kuala Ketil solar photovoltaic power station in Kedah	CGN Edra Power Group
10	The Bakun Hydropower Station in Sarawak	Sinohydro Corporation (M) Sdn Bhd
11	The Malaysian East Coast Rail Link Project	China Communication Construction Company (M) Sdn Bgd
12	The railway upgrade project initiated by the Sabah State Government in 2005	China Railway Engineering Corporation (M) Sdn Bgd
13	Petroleum National Berhad (Petronas) Automated Storage and Retrieval System (ASRS) Project	Sinopec Engineering (Group) Co. Ltd, Sinopec Shanghai Engineering Co. Ltd, Sinopec Engineering Group Malaysia Sdn Bhd
14	The 3.5 million tons Steel project at Malaysia-China Kuantan Industrial park	MCC Overseas (M) Sdn Bhd
15	The Pulai River Bridge Project	CHEC Construction (M) Sdn Bhd
16	Xiamen University Malaysia	Sinohydro Corporation Limited
17	SANY IBS (Industrialized Building System) factory in Kijal	SANY International Developing (M) Sdn Bhd
18	The Gemas-Johor Baru electrified double-track project	CRCC Malaysia Berhad

(Source: China Enterprises Association in Malaysia, 2019: China-Malaysia 45 Anniversary of The Establishment of Diplomatic Relations Photo Album, p 21-30)

It is clear that since the introduction of BRI, the number of Transnational Chinese who entered Malaysia have risen rapidly. The new migrants are different from those who came out earlier.

The following section will look at different groups of new Transnational Chinese Migrants from China who came to live in Malaysia. They are broadly divided into students, workers, settlers who joined the Malaysia as My Second Home scheme, and finally, the Chinese Muslims, whose transnational experience in Malaysia could be quite different from other new Chinese arrivals.

The New Transnational Chinese Migrants

The massive increase of Chinese companies operating in Malaysia have definitely brought about an influx of Chinese nationals into the country. However, unlike the pre-2013 years where the number were small and were confined mainly to employees of State-Owned enterprises, the new Chinese migrants came with different characteristics. First of all, there was a sharp increase in numbers of new arrivals. With the proliferation of Chinese companies also came with its compliment of staff who were brought in to service the many branches of the companies in the country. Secondly, the companies and the new arrivals were no longer confined to the major cosmopolitans such as Kuala Lumpur and Penang. Instead, they are found all over the country as the new investments have penetrated almost every state in Malaysia. Thirdly, there were also private enterprises not linked to the state, individual businessmen who arrived in the country in search of opportunities. Many were happy to expand their businesses in the region, and in Malaysia. Others were traders who were in retail and services. Fourthly, these new migrants also came out no more as people who were here only on two to three years short term stay. The new migrants came out with their families and many chose to invest privately in the country by sending their children to schools in Malaysia, and to purchase private properties as a means of investment. And finally, in connection to the previous two characteristics, these businessmen began to invest in housing – and instead of being company-owned units, to be reused by a rotation of staff, some of the new Chinese migrants intended to stay longer – and chose to purchase units under private ownership.

In this sense, the image conjured by the new migrants is different from those who came in the pre-2013 period. The new migrants portray a more confident postures, having capital and the knowhow. They were also more composed and efficient as many were products of top schools in China and some also came back with overseas education. Having learned from the experience of the pre-2013 migrants, they were able to by-pass the old migrants (local Chinese) as conduit or middlemen in their dealings with the Malaysian state, as well as the Government-Linked Companies. Another new dimension in the new migrants who came after 2013 is the exponential increase of Chinese students coming to study in Malaysia.

It is clear that the introduction of the BRI in 2013 mark a watershed in the transnational experience of Chinese migrants in Malaysia (as well as other parts of Southeast Asia). It is estimated that there are now between 120,000 to 150,000 Transnational Chinese Migrants in Malaysia. They are broadly divided into four

categories, namely, students, workers and those who participated in the Malaysia as My Second Home Scheme, and the Muslim Chinese.

1) Students

Since Malaysia's introduced a plan in 2006 to turn Malaysia as the main education hub in the region of Southeast Asia, it began to attract large number of international students to take up places at the various institutions of higher learning in the country. From a negligible number when it started in the mid-2000, the number has risen to more than 130,000 in 2016. Out of that, students from China numbered 10,899, making up about 10% of the total international student population. By 2017, the percentage of Chinese students in Malaysia went up to around 15,000, making up 14.85% of the total international students in Malaysia.¹⁰

Table 2: Total Number of International Students in Malaysia according to Nationality, 2017

No	Country	Total
1	Bangladesh	30,525
2	China	14,854
3	Nigeria	13,529
4	Indonesia	9,762
5	Yemen	6,748
6	Pakistan	6,033
7	Libya	3,317
8	Iraq	3,257
9	Sudan	3,104
10	Iran	3,068
11	Others	40,163
	Total	133,860

(Source: Ministry of Education, 2017)

The Chinese students are enrolled in both public and private universities. There are several important impetus for Chinese students to choose Malaysia as a destination for tertiary education. The first is the push factor in China where tough competition for places in Chinese universities has encouraged many to seek their higher education abroad. Secondly, Malaysian universities, both public and private are well-run and accessible had encouraged many Chinese students to consider acquiring their degrees in Malaysia before making plans for further education elsewhere. The cost of tertiary education in Malaysia is also considered affordable if not cheaper, so is the cost of living. The high quality of Malaysian universities, especially the public universities' fairly good position in the World Universities rankings had also prompted many to consider coming to Malaysia for their education.

¹⁰ Ministry of Higher Education Malaysia, 2017.

The recent opening of the Xiamen University Malaysian branch campus in 2014, have greatly increased the number of Chinese students studying in Malaysia. The campus now boasts a total of 5,800, with about 2/3 of the students being Chinese nationals. The remainder of the students came mainly from Malaysia and other countries.

In Malaysia, a China-Malaysia Students and Alumni Association was started in 2014, initiated first by a group of students who were doing their postgraduate studies in the University of Malaya, the association had by 2015, gained recognition from the Embassy of the Peoples' Republic of China in Kuala Lumpur as one of its out reach and contact channels – this one focusing on students. Thus branches of the association was established in different institution of higher learning and served as the liaison points for social events and also as a minor mutual assistance channel.¹¹

Associated with this there is also an increasing number of high school or even primary school attendees from China. Many were children of parents who worked for the Chinese companies as well as those who have signed up for the Malaysia My Second Home Scheme.

2) Chinese workers in Malaysia

Chinese workers in Malaysia grew in correspondence to the rise in the number of Chinese companies or corporations that operate in Malaysia. Earlier arrivals were mainly employees of State-owned enterprises. Their numbers were small and many were groping their way through the complex business condition in Malaysia, especially in dealing effectively with Malaysian Government-Linked Companies (GLC). But the number soon increased sharply after the introduction of the Belt and Road Initiative in 2013. With the increase in Chinese investment through the initiation of new mega-sized projects, the number of Chinese workers in Malaysia have also increased.

Table 3: The number of foreign workers working in Malaysia as at 2017

No	Country	Total
1	Indonesia	728,870
2	Nepal	405,898
3	Bangladesh	221,089
4	Myanmar	127,705
5	India	114,455
6	Pakistan	59,281
7	Philippines	56,153
8	Vietnam	29,039
9	China	15,399
10	Thailand	12,603

¹¹ Interview with Zhang Runxian, President of the China-Malaysia Students and Alumni Association, PhD Student, University of Malaya and businessman, 31 January 2019.

11	Sri Lanka	5,964
12	Cambodia	5,103
13	Laos	39

(Source: Ministry of Home Affairs, Malaysia, 2018)

It must be stressed that the composition of Chinese workers in Malaysia differed sharply from other countries. Most of those countries despatched their workers to serve as unskilled labour, whereas Chinese workers, after an initial stage of finding their ways, were able to focus on having more workers in the white-collar sector who were mainly professionals.

Earlier, when Chinese companies began to operate in Malaysia, they began to bring in Chinese workers. This was especially true in the construction sector. Previously, construction sector in Malaysia had relied on other foreign and a negligible number of locals as unskilled workers. Chinese companies however, preferred their own workers and their own utility services including cooks from China and having ingredients for their food/diet being supplied from China – by Chinese companies. This method of operation had strong implications on the local operators. In the first instance, the Chinese companies preferred using their own labour force, have minimised the many hitches faced by local companies who were dependent on foreign workers. The Chinese companies became more efficient and could complete their tasks in shorter time. With such efficiencies, Chinese companies are now posing a threat to local companies who had to compete for jobs in the market. Secondly, by relying entirely on their own labour force complemented with its own eco-system (food, utilities, etc.), there is no spill-over effect on the local suppliers. This became a sore point in the working relations between Chinese firms and local markets especially in the case of labour. In fact, this issue emerged as a factor and accusations against the former Malaysian government, who in their all-out effort to attract Chinese investments, have allegedly, gave way to Chinese companies to operate relying solely on Chinese workers.

Chinese Companies in Malaysia are involved in the following industries: Tourism, media, investment, IT, trading, hostel management, mining, construction, power station, telecommunication, education, capital, products, hardware, retail, real estate agent, logistics, exhibition, property, manufacturing, healthcare, therapy, oil and gas, medical, power energy, accountant and tax, law, machinery equipment, printing and publishing, culture and events, safety equipment, services, AI and robotics, sound and lighting, technology, food and beverage, commodities inspection, the financial sector, rubber, textile, electronic commerce.¹²

Based on the different types of Chinese companies in Malaysia, the characteristics of their executives and staff are also different. At least three categories are identified:

a) Executives and staff group in the Chinese State-owned Multinationals

Due to the high recruitment standards and requirements of Chinese State-owned Multinationals in Malaysia, this group generally has a higher level of educational background with a bachelor degree or above, as well as overseas work

¹² China Enterprises Association in Malaysia and China Entrepreneurs Association in Malaysia.

experience and sophisticated professional skills. Most of them had worked in Malaysia for two to five years. All of them hold Malaysian work permits. Most of them choose to work in Malaysia to enrich their work experience and qualifications so that they can get better job opportunities when they return to China in the future.

b) Executives and staff group in the Chinese Private Multinationals

Compared with Chinese State-owned Multinationals, Chinese Private Multinationals have more relaxed recruitment requirements, thus employees have more diverse educational backgrounds, but many are university graduates. Some came from the China headquarters in China while others were Chinese students who graduated from Malaysia. They are relatively more flexible on their working style. Most of them hold Malaysian work permit, and some hold business investment visa. Their working experience in Malaysia are mainly determined by their employment contract and personal wishes.¹³

c) Self-employed Entrepreneurs and directors of Small Chinese Companies

This group consisted mainly of those who are self-employed. Some of them are company proprietors and others are directors of companies. Their educational background is uneven, ranging from primary school to doctoral degree. The group's background and experience are also relatively complex. However, they generally live in Malaysia for longer period, and many have lived in Malaysia for more than 5 or 10 years. This group knows Malaysia well and has the highest degree of integration with Malaysian society. Most of their family members also live in Malaysia. Some are holders of Malaysia My Second Home (MM2H) visa, and others are holders of business investment visa.¹⁴

As many of the Chinese companies operating in Malaysia had initially started as joint-venture, it was understood that the Chinese partners would work with their local partners and that there will be jobs available for the locals. As more and more Chinese multinational companies began operations in Malaysia, the number of Chinese nationals acting in senior and executive levels have also increased. This gave rise to the same question whether these companies would expand their employment targets to bring in more local Malaysians to work in their establishments.

3) Participants in the Malaysia My Second Home Programme (MM2H)

Since 1987, the Malaysian Government, in its efforts to attract investments as well as to promote tourism, introduced the International Residency Scheme/Migration Programmes, from which, the Malaysia My Second Home Programme had originated. The idea was to attract wealthy silver-haired foreign folks to live in Malaysia. In 2002, the programme was rebranded and revamped to open up to anyone regardless of age to attract more people to the country. In 2006, it was placed under the purview of

¹³ Interview with Yang Guanghui, director of Hangxiao Steel Structure Malaysia Sdn Bhd, 26 September 2020.

¹⁴ Interview with Zheng Xiuyun, managing director of Haoyao Shi Yi Tang Traditional Chinese Medical Centre, 15 September 2020.

the Ministry of Tourism, where a one stop centre was established to administer the programme.

The programme involved allowing the new residents to have 10 years of residents in the country through the investment of certain amount, and to invest in a property. For Chinese nationals, the condition was for the potential resident to invest RMB\$1 million, out of which, RMB\$650,000 would be spent on investing in a property and with \$100,000 for living expenses.¹⁵ Many Chinese took the opportunity to invest in a property and were granted the opportunity to stay – but on short term basis – as there is no intention on the part of the Malaysian Government to grant citizenship to those who have joined the programme, though permanent resident status is allowed. Between 2002 and 2017, a total of 35,821 have joined the programme, and had become residents in Malaysia. Out of that, 9,902 of them are Chinese nationals, making them the largest group of foreigners who had participated in the programme.¹⁶ This was a tremendous increase from the 154 participants from China back in 2010. In many ways, this signifies a change of conditions in China where massive economic transformation has allowed many to be able to afford having a second home abroad; and at the same time, the Malaysian government was serious in making the programme work. Indeed, for a long time, Malaysia became one of the favourite places for retirees from abroad to settle.

While a section of the Chinese residents were retirees as what was originally envisaged by the programme, the rest were younger folks who were still active in their vocations and businesses, but were keen to have a long term presence in Malaysia. According to one Jing Baobao, she chose Penang as the base of her family's MM2H after a short visit to the state. The idea was to allow her daughter, a junior high school student to have a less-stressful learning environment and to gain access into top schools in the world without having need to go through the highly-pressurised and extremely stressful Gaokao (University Entrance Examination). They had originally planned of heading for Melbourne but decided to stay in Penang after the visit.¹⁷ In this sense, Ms Jing has become what is now commonly known as Peidu Mama (Mother Who Accompanying Children for Education) Jing Baobao is not alone. Another Peidu Mama, Ms BW, also brought her daughter to settle in Penang under the MM2H Programme. Her daughter was still in pre-school when they made the decision. The idea was quite similar to that of Jing Baobao, to provide a conducive environment for her daughter to grow up. Ms BW's husband remained in Shanghai, working for a major corporation but would visit the family in Penang whenever possible. Ms BW was trying to make the best out of her role as a Peidu Mama by engaging in a small bookstore business, catering for her fellow Peidu Mama.¹⁸

Paul Yang Qian had been in Malaysia since 2009. Both his children were born in Malaysia. He joined the MM2H Programme and is now staying in the high-end Kuala Lumpur suburb of Mont Kiara. He travels between his hometown in Wuhan and Malaysia, spending several months at both places each year. His wife stays in Malaysia with the children. According to Yang, before he made his move, his father had moved to Malaysia. Yang found life in Malaysia agreeable, "It is easy to join the

¹⁵ For latest requirements, see <http://www.mm2h.gov.my>.

¹⁶ See <http://www.mm2h.gov.my> Ministry of Tourism, Malaysia.

¹⁷ Interview with Jing Baobao, verbal and correspondence.

¹⁸ Interview with Ms BW.

culture here, and not feel like a total outsider. The different races get on well, and it's quite near China. The education is good, and the country maintains its traditional face while also experiencing development.” He also considered weather as another reason for him to move to Malaysia. “Back home the seasons (weather) are very dramatic with extremely hot summers and very cold winters. Malaysians are very friendly. I feel this is a good place for my next generation.”¹⁹

Table 4: Total Number of Residents under the MM2H in 2017 according to Country

Country	Total
China	9,902 (27.6%)
Japan	4,372
Bangladesh	3,746
United Kingdom	2,499
South Korea	1,514
Iran	1,351
Singapore	1,346
Taiwan	1,175
South Korea	1,271
Pakistan	992
India	937
112 Other Countries	7,891(22.0%)

(Source: <http://www.mm2h.gov.my>)

Part of the success of this programme among Chinese nationals is the complimentary role played by Chinese investments in Malaysia both in terms of the workers brought in by the various Chinese companies who were lured by the beauty and affordable lifestyle of Malaysia, and thus decided to partake in the scheme. The other major complimentary factor has been the direct Chinese investment project such as the \$100 billion Forest City project, which is a mixed development project by Country Garden Holdings that built a massive city out of nowhere with the purpose of attracting Chinese nationals to invest in the country. The project, is the largest overseas project by a Chinese property developer in the world, has 42% of its equity held by Malaysians including the Sultan of Johor.²⁰ The project was heavily promoted in the national mass media in China, and was enormously popular. It promotes Forest City as the ideal destination to invest for retirees especially after working so hard throughout their working lives.

For Chinese nationals, several reasons were given as determining factors in their choice of Malaysia as their destination for a second home. The first is good quality of live: less competitive environment compared to China; friendly people; affordable living expenses and tuition fees; cultural and language proximity – can communicate in Chinese and Chinese dialects; and for Chinese Muslims, religion and halal environment are the main reason; location – Malaysia is nearer to China

¹⁹ “The 3rd Wave of Chinese Migrants: Rich and Happy”, *Free Malaysia Today*, 27 March 2017.

²⁰ *Berita Harian*, 24 November 2017.

compared with Western countries with similar quality of life and education standard; and finally, for some workers who were being assigned to work in Malaysia for a period of time, it is hard to cope with changes back in China when they returned. Many decided to move their family to settle down in Malaysia while continue to work in China-invested companies in Malaysia, or start their own businesses.²¹

It must be emphasized that despite the attractiveness of MM2H and its popularity among the Chinese, they also understood that what was granted via the programme was a short-term residency of 10 years, and of course renewable subjecting to condition. There is no promise of granting of permanent residency nor any prospect for citizenship as what would be possible elsewhere. But did not result in the actual immigrating experience –due to the sensitivity of race politics, concerns with racial imbalance – Malaysia is not an immigrant receiving country for Chinese emigrating abroad – rather, it was more of short-term stay – depending on the type of occupation – students or workers/ employees of Chinese firms – perhaps more accurately known as sojourners.

The Exceptions – the Uighur

The notion of Transnational Chinese took on a new dimension with the arrivals of Chinese Muslims from China in significantly noticeable numbers since the 1980s. Their numbers began to rise in the late 1990s and early 2000. By 2015, their presence was widely accepted as part of the Chinese Transnational experience, though the circumstances of their arrivals could differ significantly from other Chinese Transnational diasporas. One important dimension is the religion factor which basically absent from the experience of their Han Chinese counterparts. More recently, Ngeow & Ma²² provided some very interesting perspectives on the Hui in Malaysia and the background to their emigration to Malaysia and how pockets of communities of the Hui also emerged.

The Hui group (and Uighur, Ningxia and Dongxia, etc.) who take advantage of Malaysia's Islam fraternity – by coming to Malaysia first as students, and later as businessmen or workers. The Hui were especially favoured for the Muslim Halal Restaurants. For education, the International Islamic University of Malaya (IIUM), supported by the Organisation of Islamic Countries (OIC) became a favourite institution of higher learning for the Hui students, though they are also found in other universities, both public and private.

There has been a growing number of religiously motivated and economically driven Hui migrants since 2000. They come to Malaysia to learn about Islam, to act as an imam (religious leader) to the Chinese Muslims or simply to live in a Muslim-majority environment, as well as to seek job opportunities or expand their business networks. The first trace of their arrivals took place during the 1980s when a small group of Hui students were sent to study in the many Islamic religious institutions of learning. Later, after the establishment of the International Islamic University (IIUM), many of the Hui students were enrolled in this university.

²¹ *New Straits Times*, 13 July 2017.

²² Ngeow Chow Bing and Ma Hailong. 2016 More Islamic, No Less Chinese: Explorations into the Overseas Chinese Muslim Identities in Malaysia. *Ethnic and Racial Studies*, 39: 12, 2108-2128.

The recent mushrooming of Hui-established restaurants, Chinese halal markets and travel agencies as well as the visibility of Hui imams are clear evidence of their presence, as well as their ability to adapt to the Malaysian environment. Some Hui students confessed that living as a Muslim in China was fairly easier as apart from observing the prohibition of pork, there were little other rules and regulations that manifest the Muslim way of life. This is different in Malaysia where adherence to the Islam religion is a way of life thus providing impetus for stricter observing of the religion.²³

Although there are no official figures of Hui migrants in Malaysia, it is estimates that there are about 2,000 Hui students studying and 100 Hui families living in Malaysia, most of whom would have first come as students and later engaged in business activities. Being Hui students who are in Malaysia, many were worried that they may be stigmatised by their ethnicity. There were fear that they will not be welcome back unless they have completed their studies.²⁴

It is worth noting that although the Chinese Muslim and non-Muslim communities in Malaysia are also from China, their lifestyles, social networks and business networks are very different and have little interaction with each other. There is more interaction and closer relationship between Chinese Muslims and Malays, which is obviously inseparable from the same religious identity.

More recently, part of the Chinese Muslim community, some from the Uighur began to use Malaysia as a transit point to eventually move to Turkey – a common route also allegedly taken by Uighur Muslim separatists. This development has become a point of contention between the Uighur on the one side and the Malaysian and Chinese Governments on the other. In 2017, the then Deputy Prime Minister of Malaysia, Zahid Hamidi announced that Malaysian Government had since 2012, repatriated 59 alleged Uighur militants or separatists to China.²⁵ The revelation caused an uproar among the Uighur and human rights NGO (Non-government Organisations) as it was likely that those who were repatriated would inevitably being arrested and send to prison. The move at that point however, would definitely win the friendship of China which was investing heavily in Malaysia. The Malaysian Government had a change of plan in October 2018 when 11 Uighurs who escaped from Thai prisons, landed in Malaysia. Instead of repatriating them to China, the newly elected Malaysian Government led by Prime Minister Mahathir Mohamad, decided to send them to Turkey, the ultimate destination desired by the Uighur escapees. The decision was said to be defying the Chinese at a time when relations was at a low point since a Mahathir-led coalition swept to power in the May 2018 General Election.²⁶

²³ Interview with Ma Ying, PhD Student at University of Malaya, 30 January 2019.

²⁴ Interview with Zhang Runxuan, 31 January 2019.

²⁵ *Berita Harian*, 13 January 2017.

²⁶ *New Straits Time*,s 11 October 2018

Concluding Remarks

This paper addresses a new phenomenon that is taking place in the region of Southeast Asia, and for this paper, more specifically on the case of Malaysia. This new transnational experience by the Chinese began as part of the Open Door and Modernization Policy introduced in 1978. The initial pre-BRI period did not see an immediate rise in the number of Chinese nationals coming to Malaysia. This changed with the introduction of the BRI in 2013, and the number of transnational Chinese arriving in the country, either as businessmen, workers, students or people who decided to take up residency in Malaysia, have increased in an unprecedented rate. This brought about a possible new transnational experience which this paper is trying to address.

The transnational Chinese migrant experience in Malaysia thus far is definitely different from the traditional ideas of diasporas and migration. If in the past, the experience would involve acculturation, assimilation or multiculturalism, they were quite inadequate for the understanding of the new phenomenon such as “circulatory mobility, migrants’ constant contacts with the sending country societies, de-territorialized imagination of ethnic community, cultural reproduction and hybridity reinforced by constant cross-border flows of symbols and value,”²⁷ On the outset, the current transnational Chinese diaspora experience may seem to be a later wave of Chinese emigrating to the region including Malaysia. However, a closer examination presented a scenario quite unlike the experience of the earlier Chinese who emigrated to Malaysia and Southeast Asia.

²⁷ Ngeow Chow Bing and Ma Hailong. More Islamic, No Less Chinese: Explorations into the Overseas Chinese Muslim Identities in Malaysia. *Ethnic and Racial Studies*, 39: 12, 2108-2128.