A Ritual Economy of ‘Talent’: China and Overseas Chinese Professionals

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Abstract
This paper examines how the Chinese ritual economy emerged and how the Chinese government manages this situation. It suggests that the ritual economy constitutes part of a mode of transnational governance that, conditioned by some deep structural features of the contemporary Chinese society, successfully incorporates OCPs. The paper also critiques the predominant discourse in studies of skilled migration for having itself become part of the ritual economy by rationalizing state-emigrant relations in narrow economic terms.

Key words: China, Chinese Professionals, Ritual Economy, Chinese Government, Overseas Chinese Professionals, Migration

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INTRODUCTION

By the end of 2006, there are approximately 1.4 million ‘Overseas Chinese Professionals’ - (OCPs), including 0.6 million who left China before 1978 and 0.8 million emigrated who left after that. Among them a total of 0.8 million have completed education and therefore form a “mature” pool of professionals. (The rest are enrolled university students.) OCPs have become a special constituency of the Chinese government since the end of the 1990s.

Government and semi-government agencies have put in place nearly 200 policies and numerous programmes to encourage OCPs to return or develop close connections with the motherland. This phenomenon has attracted wide attention, but has been discussed mainly in economic and technological terms. This paper examines the cultural and political logic of the relation between the Chinese state and the OCPs.

The mainstream discourse in China about OCPs, both in government policies and in the public media, is highly “materialistic”. According to this discourse, OCPs deserve generous financial rewards because they are economically and technologically beneficial to China, and also because financial reward is the most, and even the only, feasible means to attract them. But this economistic language is communicated in a highly ritualistic manner, and the government programmes premised on this notion are often implemented in mixture with political rituals. In return, the materialistic language serves broader political and ideological purposes. The ritualized economic and technological determinist discourse appears apolitical, yet acquires strong mobilizing and legitimating power, and is thus particularly effective in accommodating OCPs into the established political order.

The concept “ritual economy” denotes such deep intertwining between the economic and the ritual. Combining data obtained from my participatory observation, interviews, documentary studies and a questionnaire survey, this paper describes how the ritual economy emerged historically, and how government manages it on the ground. I suggest that the ritual economy constitutes part of a mode of transnational governance that, conditioned by some deep structural features of the contemporary Chinese society, successfully incorporates OCPs. I also critique the predominant discourse in studies of skilled migration for having itself become part of the ritual economy by rationalizing state-emigrant relations in narrow economic terms.

I was immediately embraced by a festival atmosphere when I landed in Changchun, the capital city of Jilin province in northeast China, in early June 2004. In the sky flew colourful balloons, on the ground lay carefully arranged flowers. The main road from the airport to the downtown was densely dotted by banners in different shapes: the vertical, narrow ones hung on the road lights, the horizontal ones covered the sides of flyovers, and huge boards were erected from the ground in strategic places such as roundabouts or in the middle of squares. “Northeast Rejuvenation, Win Win Cooperation”
What was going on was the Convention for Cooperation and Exchange among Overseas Chinese Enterprises in Scientific and Technological Innovation. Organized by the Overseas Chinese Affairs Office (OCAO) of the state council and three provincial governments in the northeast (Heilongjiang, Jilin and Liaoning) in response to the central government’s call for “rejuvenating the Northeast,” the Convention comprised three meetings that were held consecutively in the three provinces. Although the PRC is well known for its active engagement with overseas Chinese, this Convention represents a new emphasis on the “new overseas Chinese” (xin huaqiao) who left China after the Cultural Revolution and particularly overseas Chinese professionals (OCPs). The organizer attempted to bring together the “old” overseas Chinese who have financial capital in Southeast Asia with OCPs who mainly reside in the west and Japan, and to encourage collaboration both between them and with the third party, namely enterprises in China.

But the most novel part of the Convention is perhaps the slogan “Win-Win Cooperation”. Official discourses in China about overseas Chinese have long been dominated by such notions as patriotism and contribution (to the development of homeland), and overseas Chinese are typically depicted as the “wondering sons” (youzi) who yearn for mother’s hug. But “win-win cooperation” clearly put the motherland and OCPs in the position of a mutually beneficial, equal partnership.

The Convention started with a gala banquet with 500 guests. In the middle of the hall at a table of twice the size of the others sat almost all of the top leaders of the province, a deputy minister of OCAO, and some OCP representatives.

As an observer I was placed on a peripheral table dinning with drivers, body guards, reporters and photographers. After a session of effusive speeches made by officials and OCP representatives in a hierarchical order, the officials proposed toasts, also in a hierarchical order. The toasts started with the table next to the central table, and officials above a certain level stopped toasting certain tables; my table waited for more than 20 minutes to get an enthusiastic but slightly nervous local cadre. A dramatic tenor who earned his name for a song of celebrating the first Liberation truck manufactured in China in the 1950s sang a song about motherhood written by a US-based OCP specializing in industrial lubricate. The lubricate specialist was so emotional after hearing the song that he ran to the stage and improvised a speech. Tears, hugs, handshaking, and a long applause followed.

The real business started the next day. At numerous concurrent panels OCPs presented their technological innovations, highlighted market potential, and projected astonishing profits for investors. Mr Yang, a middle-ranking official in the state council OCAO in charge of OCPs told me that this part of the Convention was modeled on the investment seminars organized by venture capitalists in Silicon
Valley. At the same time, local firms and institutes, including government departments, set up stalls in
the hall for recruiting employees and collaborative partners for the projects that they had in mind.
Official hierarchy was temporarily suspended for these Silicon Valley days. Middle ranking officials
roamed around, sneaked into seminar rooms in the middle of presentations and sat down and
observed quietly.

The Convention was concluded on the fourth day with a grand ceremony of signing
agreements for collaboration. It started with a few selected representatives of OCPs and local
companies reporting how much they had achieved at the meeting (a couple of OCPs grasped this
opportunity to advertise their business plans again), then OCAO and provincial officials made brief
speeches to confirm that the convention had been a great success. Officials from Beijing receded, local
officials emerged. They stood on the stage in line, wine glasses in hand, overseeing sessions of OCPs
and local companies to come to the stage to sign agreements. This was immediately followed by a
press conference where detailed information about the achievements of the Convention, in terms the
number of contracts signed and the amount of investment intended, were readily available in printed
material. Given that almost all of business deals were signed just a minute before, the outcomes of the
Convention were obviously ensured even before it started.

The Convention was thus at once commercial, technological, political and theatrical. But not
everyone liked this. A few OCPs raised the question, privately, about the oddness between “politics”
and business. “In America, business is business, a lunch will be enough. No one will fly politicians from
Washington who don’t understand business or any specialist field” a biological chemist commented.
But Dr Hong, a material scientist specialising in dental treatment products, thought this criticism
missed the point. Hong had been seriously exploring setting up businesses in China and had
participated in similar events organized by government twice before. He pointed out that these events
are valuable because they help build up strong consensus across the entire society about OCPs:

The central government has made many good policies [for OCPs]. But in the end of day what
really matters are the local officials, especially people of the chuzhang level [directors of branches
under bureaus]. If they don’t implement the policies, you can do nothing. I feel things become lots
easier in the last two years. Those at the implementation level don’t understand what my project is
about at all, but [through activities such as the Conventions] they now know that it is important, the
higher level is paying attention to it; at least they don’t dare to be troublesome.

This disagreement among the OCP participants indicates both the awkwardness and
productivity of the combination of political ritual and business negotiation at the Convention. I argue
that, although seemingly contradictory, the “useless” political rituals and the calculative business
activities mutually enhance and legitimate each other. It is through endorsing and even encouraging the
uncompromisingly programmatic business endeavours that the political establishment projects itself as
progressive, scientific, forward looking and capable of delivering concrete achievements. At the same time, the political rituals glorify business interests, and reinforce the perception that technology and global economy are determining forces for China’s social progress. This ideology provides OCPs with special political clout and social prestige, and effectively incorporates them into the established political order.

The Convention thus presents a “ritual economy” of OCPs. By using this concept I wish to call attention to three facts. First, the Convention is a *ritual of economy*. From prayers at harvest season to the bell and hammer ceremony that opens the New York Stock Exchange every morning, human beings have commonly performed rituals in carrying out economic activities. The ceremony of signing agreements at the Convention is just another example. Second, there is an *economy of rituals*. Rites—weddings and funerals being obvious examples—can cost astonishing amounts of energy and resources, and may thus generate an economy of their own. Yan Yunxiang (1996: 77) for example estimated that peasants in northeast China spent 20 percent of household incomes on gifts, a central item of ritual economy; and Mayfair Yang (1994) argues that the ritual economy in southeast China is so strong that it constitutes a counter force against both global capitalism and state socialism. The Convention in Changchun cost the local government RMB 0.7 million excluding the subsidies from the central government that covers part of airfare. Every year the Ministry of Education invests about RMB 300-400 million (USD 37 - 50 million) for its OCP programs, and Ministry of Personnel allocated nearly RMB 200 million (about USD 25 million) in the first five years of the 2000s for the same purpose. Most of the money was spent on sponsoring OCPs’ visits, but a substantial part went on ritual activities, and indeed, many visits are themselves symbolic and ritual.

In line with the notion of economy of rituals, some anthropologists use the term “ritual economy” to refer to the economization of rituals, namely performing rituals in a more cost effective way (see Papadopoulou 2005: 19) The most famous example is probably the Nuer’s replacement of an ox with a cucumber in their sacrifice (Evans-Pritchard 1956: 202-3). At OCP conventions, however, the economics of rituals is not that self-evident. On the one hand, the conventions are relentlessly outcome-oriented and are aimed at maximising the number of commercial projects agreed. But on the other hand, just like other cases of ritual economy, the investments can probably never be proved to have paid off economically. And the government is certainly not concerned with this when they allocate the budget. Many economically-oriented initiatives about OCPs (such as developing joint projects collectively and in a “concentrated” manner) may well be at odds with basic economic rules. In other words, the conventions are premised on and promote an economistic ideology, but are themselves run “uneconomically.”

This leads me to a third aspect of the ritual economy, which is also the centre of my analysis, namely *economy as a ritual*. Economic rationalities and business activities are ritualized in order to
make sense of, to justify, and to facilitate conduct with other intentions and consequences. The mainstream discourse in China about OCPs, both in government policies and in the public media, is highly “materialistic”. According to this discourse, OCPs deserve generous financial rewards because they are economically and technologically beneficial to China; in return, China has to offer material benefits in order to attract them (thus “win win”). But more likely than not, even if it becomes evident that OCPs contribute less to the Chinese society than they receive, the state may well continue deploying current OCP discourse and carry on with the investment. This is because the economic-and technological-determinist discourses are apolitical and are thus most effective in facilitating a strong relation between the state and OCPs, a connection which is itself politically important for the Chinese state in the era of globalization. The high profile World Chinese Entrepreneurs Convention is another example of the ritual economy. Business talks prove to be more feasible and effective for transnational mobilization than other topics. A global convention of Chinese journalists, for example, would be too politically sensitive to bring different groups together and would thus be too politically unproductive for the state and other stakeholders to invest.

The ritual economy is certainly not uniquely Chinese. India’s enthusiasm about its IT workers overseas, Singapore’s strong interest in closer ties with its overseas professionals, and South Korea’s courtship of its diaspora, are all couched in the language of remittance, investment and technology transfer. But this language is communicated in a highly ritualistic manner. For example preferential policies are announced in gatherings such as Pravasi Bharatiya Divas, and the evidence about the diaspora’s contributions is circulated through emotionally touching stories. In return, the materialistic language serves much broader political and ideological purposes, be it the Indian BJP’s religious agenda, the Singapore government’s concern about identity, or South Korea’s ethno nationalist ideology. In this sense, the predominant academic discourse about diaspora in general, and overseas professionals in particular, has itself become part of the ritual economy by rationalizing state-diaspora relations in narrow economic and technological terms, by depriving the state of its political, social and moral concerns and projections, and by presenting the state as a pure, cold and naked economic agent.

The concept of ritual economy certainly does not deny any party’s genuine concerns about economy and technology. The ritual economy of OCPs is first and foremost a reflection of the larger political economy of neoliberal globalization. Nor can we dismiss the economical and technological consequences of the ritual economy—the Convention has made remarkable achievements on these fronts. But even we disregard implicit political and ideological agendas and focus on the economic aspect only, the processes that facilitate business almost by definition defy economic calculations. In the OCP programs, the investor (the state) and the intended beneficiaries (OCPs and “the nation/country”) are completely separate, and no unified cost-benefit balance sheets can ever be produced. This is further compounded by the long time gap between investment and return of profits.
For the state, the most important goal of the ritual economy is to define and maintain relations with the overseas population.

Thus, the ritual economy serves as a mediator between the state and OCPs and has its own practical logic. This paper wishes to shed light on these practical logics. Instead of focusing on the haigui group (returnees) that have attracted much attention (for recent studies on returnees, see Xiao Ruo 2001; Cheng Xi 2002; Chen Xuefei et al. 2003; Iredale et al. 2003, chapter 4; Cao Cong 2004; Wang Cangbai et al. 2006; Zweig et al. 2006; Chen Yun-Chung 2007), this paper examines the government policies and activities regarding OCPs (i.e., those who remain overseas). This paper will first review the history of the formation of the OCP group after the Cultural Revolution, which is directly shaped by both the domestic politics in China and the international relations. The second section reviews various OCP programs set up by the central government, and teases out how the central government manages the ritual economy by balancing “soft” policies and statements with “hard” (concrete) activities. The third section describes local government’s initiatives based on my participatory observation of two major OCP events in northeast China. Local government typically adopts a strategy of “government sets the stage, business runs the opera;” they encourage OCPs to invest in commercial projects and are keen to see immediate business outcomes. Although it is very questionable whether the initiatives would achieve what they are intended for, they are certainly successful operas.

The paper is based on my field research conducted in China and the UK in 2004 and 2005. I collected government policy documents that were issued between 1986 and 2003; conducted in-depth interview with a total of 36 government officials, staff at research institutes and OCPs; organized focus group discussions in Beijing and Leeds (UK). Furthermore, a questionnaire survey was carried out in Changchun, Shenyang (China) and Leeds (UK), with 55 valid returned cases. This project also utilised 130 OCPs’ detailed curriculum vitae randomly selected from the government database of more than 20,000 CVs.

Before moving to details, a few words about the OCP group are under order. We estimate that there are in total 1.6 million OCPs, including 600,000 who left before 1949, and more than 1 million who left after 1978 who form the current policy focus. Among those who left after 1978, about 200,000 have completed their tertiary education. However, we should be careful not to overestimate the number of OCPs. According to an official who has worked in the field since the 1980s, fewer than 1,000 new OCPs (who left after 1978) worldwide have obtained tenured position in universities or have attained a comparable achievement (Zhao Xichao 2003). The head of the Association of International Personnel Exchange in London, an office of the National Bureau of Foreign Experts in Beijing, told me that fewer than 1,000 OCPs have obtained degrees and have started working in the UK. Indeed, the possibly very limited number of “real talents” has raised
debates in China on the worthiness of government investments in OCPs. As I will show below, the tension between “talents” as individuals and overseas professionals as a constituency is not only a built-in contradiction in the economy of overseas talents, but is also intrinsic to neoliberal governmentality in general. The ritual economy provides a solution to this.

The making of “haiwai xuezi”

*Haiwai xuezi*, literally overseas students or scholars, has become a special social group, a policy target, as well as a discursive category in China. Every time when I visit China, there is always someone telling me that “people like you should come back.” The typical image of *haiwai xuezi* is that they are technologically advanced, socially progressive, and transcend political interest and ideological debates commonly regarded as wasteful. People suggested that I return also because of the highly favorable government policies. OCPs have become an important political constituency, and different government departments compete with each other for attracting back or even just contacting OCPs. OCP representatives are regularly invited for government organized activities or even popular social events. At the possibly most widely viewed TV program in the world—the CCTV Chinese New Year Eve special feature, OCPs in various countries are always presented. But the state is not the only institution that appropriates OCPs as a valuable symbol. China Soul for Christ Foundation, a California-based Christian organization whose website is banned in China, recently released a series of VCDs titled “As Haiwai Xuezi Testify” (*haiwai xuezi jianzhen xilie*). The VCDs taped a group of OCPs lecturing about their experience of conversion, and they are apparently quite popular with Chinese audiences. (I came across the series the first time when a friend of mine, an economics PhD graduated from a prominent US university, showed the video to his mother in China with the hope of converting her. I saw it again when meeting a lay priest without formal church affiliation in rural Wenzhou.)

*Haiwai xuezi* as a special social group is by no means an automatic result of the outmigration of the educated. Instead, it emerged through the interplay between migration behavior and state policies. Unlike in other major source countries of migrant professionals such as India, the Philippines and Ghana, studying overseas (as opposed the migration of professionals who have completed education) is the dominant path to the formation of OCPs. One source estimates that as many as 60 per cent of all the Chinese who emigrated through legal means after 1978, including both skilled and unskilled, were students and their families (Gao Weinong 2003: 390, 395). Studying abroad was out of the question for most Chinese during the Cultural Revolution until the end of the 1970s, when the Ministry of Education (MoE), pushed by Deng Xiaoping, started sending selected researchers to the West for studying. This was further facilitated by the Sino-America Understanding on Educational Exchanges (October 1978) and the Agreement on Cooperation in Science and Technology (January 1979) (see Zweig and Chen 1995: 19). More than 3,000 students were sent overseas in 1978 alone by
the MoE. In 1979, the MoE, the National Science Committee and the Ministry of Foreign Affairs jointly issued a document to detail how Chinese overseas students should be regulated. The procedure was strict and those who did not return on time would be punished.

In 1981, the State Council approved the *Temporary Regulations on Self-financed Overseas Education*. This was the first time that the Chinese government formally recognised self-financed overseas study -- going abroad for studying without the state's sponsorship -- as a legitimate means of exiting China. Since the early 1980s employers could also send their staff overseas for academic exchange or even degree education. The employer covered the costs in full or in part and normally the individual was obliged to return to the same employer to work. Thus were established the three main channels of Chinese students' migration, namely: sent by the government; sent by the work unit; and self-financing. These led to the first wave of "fever to study abroad" by the mid 1980s (see Zweig and Chen 1995: 20).

The late 1980s saw the beginning of the formation of a sizable OCP group (i.e., graduates who decided to stay on overseas) when, with the gradual relaxation in the regulations, the number of migrant students increased but the return rate dropped significantly. Although this triggered much concern about the "brain drain," the top leadership seemed not to be alarmed. In 1987, Zhao Ziyang, the then general secretary of Chinese Communist Party (CCP), argued that brain drain should be regarded as a case of "storing brainpower overseas" that would be used in the future (see Zweig and Chen 1995: 17). Similarly, the State Commission for Science and Technology suggested in 1988 that OPC should be regarded as overseas reservoir (Zweig and Chen 1995). Acknowledging the declining return rate, the government started encouraging temporary return and transnational connections through such means as setting up postdoctoral programs.

The Tian'anmen incident in 1989 was a crucial turning point in the history of OCPs. The United States issued an executive order to grant PRC students permanent residency in 1990, followed by the 1992 Chinese Students Protection Act. Other major Western countries followed suit. As a result, 70,000 Chinese students and scholars in the United States (including 20,000 family members), 10,000 in Canada (through the OM-IS-399 policy, see Zweig and Chen 1995: 7) and 28,500 in Australia (McNamara 1995) obtained their permanent residency almost overnight. This laid down the basis of a large OCP pool.

The Tian'anmen incident was especially important not only because it rapidly enlarged the number of OCPs, but also because it signaled a new relationship between the state and the OCPs. The incident confronted the Chinese state with the tough question: how should the government deal with the OCPs who openly "betrayed" them? Surprising to many, the Chinese government not only continued sending students out, but made a significant policy shift, namely from preventing and punishing students' overstaying to encouraging return regardless of whether they had ever broken
agreements with the state. In 1992, the State Council issued a special circular emphasising that all
returned overseas students shall be welcomed no matter what their past political attitudes were:

No further investigation shall be made about those who had made incorrect statements or
committed incorrect activities when they were overseas. Even those who had participated in
organisations that are against the Chinese government, and had damaged the state’s security,
interests and honour shall also be welcomed as long as they have withdrawn from these
organisations and no longer commit unconstitutional and illegal anti-governmental activities.
(State Council 1992)

This was clearly referring to those who left China or refused to return due to the Tian’anmen
incident. For those who were sent to study overseas by employers, the circular urged the employers
to reach out and keep in touch with them. Originally, overseas students had to apply for approval
from their employers in China should they need to extend their stay overseas. If they stayed on
without permission, their salary would be suspended for the first year, and subsequently the employer
could fire the staff. In the early 1990s, the rule was changed and those who stayed overseas without
permission could pay compensation to the employer and terminate the employment relationship as a
normal arrangement. The fact that the OCPs were allowed to “buy out” themselves means that their
overstay would not have any negative implications in the future when they returned to China (it was
recorded as a violation of rule before). A returned OCP was also allowed to quit their job in the
public sector if he/she preferred private or foreign-owned enterprises. The liberalised policy is
summarised as the “Twelve-words Approach”, the twelve words in Chinese being zhichi liuxue, guli
huiguo, laiqu ziyou, meaning “support study overseas, encourage returns, guarantee freedom of
movement”.

OCPs’ autonomy was further stressed when the central government proposed the slogan
weiguo fuwu (serve the motherland) in the late 1990s. As compared to the earlier slogan of huiguo fuwu
(return and serve the motherland), the new notion indicated that staying overseas is just as patriotic
as returning physically.9 Following this, government and other agencies have advocated a so-called
“dumb bell model”, which means that a professional has affiliations in both China and overseas and
thus moves back and forth to serve the motherland. Commonly used terms such as “flexible mobility”
(rouxing liudong) meaning that an OCP can come and go according to his/her convenience and the need
of China-based institutes and “utilizing without possessing” (danqiu suoyong, buqui suoyou) referring to
Chinese employers’ strategy of benefiting from OCPs without forming formal employment
relationship, reflect the fact that the weiguo fuwu policy has been widely practised.

These policy changes were presented as driven by a concern for “individual choice.” It is
argued to be ethically problematic and practically unfeasible to force OCPs to return. Talents are
scarce human capital and they should choose any country in which to work and reside as they like.
Otherwise one would be against the global law of reality. When I raised the question whether the
current OCP policies attach too much importance to financial rewards, Mr Yang from the state OCAO looked surprised: “You should know what their living and working conditions are like overseas. We are offering too little still. Otherwise why should they come to China?” In this regard, the Chinese state has transformed from a despotic regime that treated OCPs (as well as other populations) as its subjects, into a regulatory system that sees OCPs as free individuals and citizens. The state no longer tries to maintain its authority and power by claiming its “possession” over the OCPs, but realizes that they should first and foremost encourage OCPs to accumulate wealth in the global market, and then attempt to win their allegiance through economically-termed contractual relations. In a crude sense, this governmentality can be labeled as both liberal (due to its emphasis on individual agency) and neoliberal (its submission to and appropriation of global market forces).

This approach is set to perpetuate itself further with the overwhelming trend of the commodification of international education. More than 100,000 students have left China every year to study overseas since 2000, and an increasing portion of them pay for their education out of their own (or rather, the parents’) pockets. Chinese students are commonly identified as a major customer by overseas universities. The number of international education agents, who work as commercial entities by assisting self-financing students, has also mushroomed. First appearing in China at the end of the 1990s, by early 2001 there were at least 309 agents in operation in Beijing alone! For these students who take international education as an investment, neoliberal governmentality is the most, and possibly only feasible, means for the state to establish meaningful relations with them.

In sum, student migration and the formation of OCP, starting as a state project, have now become a “social” phenomenon driven by spontaneous and autonomous individual calculation. However, this by no means implies a total withdrawal of the state. Government remains crucial in defining OCPs and remains to be the central player of the ritual economy, which I am turning to now.

**Central government: One hand soft, one hand hard**

The central government manages the ritual economy of OCPs by balancing “soft” efforts targeting general OCPs with “hard” activities targeting selected individuals. The “soft” actions include pronouncing policies, opening new avenues of communication, particularly websites, and giving honors. They are “soft” in the sense that they do not require large amounts of investment and are aimed at creating symbolic effects in the larger society. Following an index provided by the Ministry of Education, I collected 180 government policies issued during the period from 1986 to 2003, including eight general policies issued by the State Council, 90 general policies by local government, 34 regarding industrial parks exclusively for returned overseas students, seven on education for returnees’ children, 27 on personnel policy, nationality, household registration and even marriage of returnees, 14 on customs regulations. Indeed, since so many ministries promulgated favorable policies
on their own, MoE decided to issue special ID cards for selected OCPs which enable them to enjoy all benefits provided by different ministries, from buying cars to sending children to kindergarten.

These policies, however, may have more symbolic than substantive significance. As our interviews and focus group discussions reveal, only a very limited number of OCPs, including those who have been considering returning to China on a permanent basis, have detailed knowledge about the policies. The Research Team on the Motivations and Rules of the Return of Overseas Talents and the Strategies to Encourage the Return (2003) indicates that many returned OCPs in Shanghai, ranging from 98.4 per cent to 44.8 per cent depending on the particular policy, do not know about policies promulgated by Shanghai municipality government aimed at offering them special benefits. This was confirmed by the research by Chen Xuefei et al (2003). But what is also interesting is that, according to a recent survey conducted by the Department for Overseas Scholars of the Chinese Youth Federation and the newspaper Digests for Youth, nearly 41 percent of those surveyed who never studied or worked overseas regard the favourable government policies for OCPs as necessary, only slightly lower than the percentage of the returned OCPs who held the same view (43 percent). This indicates a public opinion that is strongly in favour of OCPs. OCPs probably benefit more from the effects of the policies on domestic opinion than the policies themselves.

A similar slippage between intended and actual effects can be observed in official websites dedicated to OCPs. Acknowledging the importance of the Internet for transnational network building, almost all government departments related to OCPs have set up websites, or created special sections under their general portals, targeting OCPs. The most notable example is China Scholar Abroad (www.chisa.edu.cn) set up by MoE. First appearing as a conventional magazine in May 1987, China Scholar Abroad became the first Chinese e-magazine in January 1995. Other ministries and most provinces and even municipalities have launched OCP websites as well.10 But according to our survey, the most popular website, China Scholars Abroad, was visited only occasionally by most informants, and many other websites were hardly known. The survey also found that the younger the OCPs are, the less likely they are to visit these websites, which is exactly the opposite to the general pattern of website usage. In our interviews and focus group discussion, informants stated that there are too many, rather than too few, websites for and about OCPs, which is sometimes confusing.

A more important reason for OCPs’ lack of interest in the websites is because they do not provide the information that they need. Most information at the official OCP websites is about government policies, experiences of studying overseas, successful stories of returnees, and the general situation of major receiving countries. The most suitable audience of the website seems to be students in China who plan to study overseas. Indeed, it is meaningful and interesting to read about how OCP as a group live and work in various countries only from a China-centred perspective. Why should an OCP living in Singapore be particularly interested in what an OCP in London is doing? OCP as a
category is fundamentally a construct by China, and the OCP members are lumped together simply because of their connections with China. Thus, again, instead of providing a medium for direct communication between OCPs and the Chinese state, the OCP websites are important by establishing the category of OCPs symbolically, particularly in the domestic society.

The central government also resorts to its time-honoured working method, “setting up models” (shu dianxing), in making haiwai xuezi. The national government awarded a total of 939 returned outstanding OCPs (the “models”) in 1991, 1997 and 2003 through high-profile formal meetings in Beijing that were broadcasted nationwide, thus creating minor state spectacles. While the first two honouring conferences (biaozhang dahui) were organised by the Ministry of Education and Ministry of Personnel, the third was organised jointly by the ministries and three departments of the Central Committee of the Communist Party (the Organization Department, the Department of Propaganda, and the United Front Department). The action remains “soft,” but gains more much weight.

Whenever I mention these honour awards ceremonies to OCPs, both during this research and in other occasions, the responses are always either indifferent or cynical. “Who cares?” they ask. But these state spectacles are not intended to be consumed by OCPs only. Equally or even more important than honouring OCPs, they mobilize staff within the state for the work about OCPs and make it a professionalized “sphere of work” (gongzuo lingyu). In selecting who to be honoured, recommendations from the local government are the most important consideration. The discretion of recommending certain candidates and not the others immediately provides the local government with authority among OCPs. Furthermore, the honouring events also award individuals and institutes who have performed well in working with OCPs. For those employed by government and public institutes, awards from the central government are of utmost importance for their career development. Mobilizing and reorganizing apparatus within the state are thus essential for the successful construction of haiwai xuezi and effective development of new relations between them and the state. (For a discussion of how holiday celebrations and national conferences in post-apartheid South Africa serve to instil a sense of unity and pride within the African National Congress party, see Jensen 2001: 106.)

At the same time as carrying out “soft” activities, the central government also spends hard cash and establishes concrete programs. Given the large number of programs implemented by different ministries, a comprehensive overview or an exhaustive categorization is impossible. I will instead provide a brief comparison of two best-known programs, namely the Chunhui Plan and the Cheung Kong Scholar Program. By doing so I wish to illustrate a general art of managing the ritual economy. (For a fuller review of central government’s initiatives regarding OCPs, see Xiang 2005.)

The Chunhui Plan targets relatively junior-level OCPs and aims to develop wider ties. The Plan supports OCPs’ short-term visits for the purposes of academic exchange, providing training,
supervising PhD students jointly, transferring technology to underdeveloped regions in China, and participating in R&D at large and medium state-owned enterprises. Since 1996 when it started, the program has sponsored about 7,000 OCPs’ short-term visit to China. The central committee of the Plan, located at MoE, identifies annual priorities (in terms of occupations and places to visit) for funding, and forwards the priority list to education attachés in foreign missions. At the same time OCPs submit their applications to the foreign missions, which are processed by the missions except for group applications or requests for full sponsorship which need to be approved by MoE in Beijing. Local government is also heavily involved. Funding priorities are often identified according to the needs as expressed by local government; and while MoE subsidises international trips, local governments who want the OCPs to visit their places normally cover all the costs of travel and accommodation in China.

The Chunhui Plan launched a sub-program in 2001 to enable OCPs to work in China during their sabbaticals. According to the scheme, universities in China advertise their short-term positions internationally, and interested OCPs submit applications for the positions to the foreign missions in the country of residence; the embassy, after processing the application, passes it on to the university. When the university decides to accept an OCP, the application is sent to the MoE for final approval. When approved, the MoE covers the international airfare. The university decides on the remuneration rate for the OCPs and the pay can be 5-8 times higher than their equivalent in China, for which MoE subsidises the university 5,000, 7,000 and 8,000 monthly for assistant professorship, associate professorship and full professorship respectively. Apart from remuneration, the university provides free accommodation or an allowance, medical insurance and a certain amount of financial support for academic activities (MoE 2002).

By contrast to the Chunhui Plan, the Cheung Kong Scholar Program recruits leading researchers in strategic areas. In 1998, the Hong Kong-based company Cheung Kong Holdings and MoE allocated 60 million RMB each as the initial fund to set up the program,. In addition the Lee KC Foundation donated 10 million HK dollars to set up Cheung Kong Scholar Achievement Award. The Cheung Kong Scholar Program sponsors OCPs to work in China either as a Specially Invited Professor for three years (extendable for another two years) or a Chair Professor for one year. A professor is paid an annual stipend of RMB 100,000, and some are also given a Cheung Kong Achievement Award of RMB 1 million. Cheung Kong Scholars are selected through a strict procedure. As the first step, universities apply to MoE to set up Cheung Kong Scholar chairs. Then the university advertises the chair internationally for recruitment. Applications will be reviewed by a committee composed of 60 Fellows of Chinese Academy of Sciences and Fellows of Chinese Academy of Engineering, and the final list needs to be approved by six pre-eminent scientists. Academic and administrative staff in the universities and Chinese Academy of Science whom we interviewed
unanimously agreed that the program has attracted truly leading figures, and has therefore significantly contributed to their research.

There are a few other initiatives similar to Cheung Kong Scholar Program though they are of a smaller scale. The Distinguished Young Scholars Program set up by the National Science Foundation, for example, grants four-years research fund of RMB550,000 - 800,000 (US$66,000 - 96,000) to scientists below 45 years of age. The One Hundred Talent Program of the Chinese Academy of Sciences offers each selected scientist RMB2 million (US$240,000) over three years. These programs target senior scientists and are individual-, instead of group-, oriented.

The soft glove and the hard grip are mutually complementary. The state OCAO for example, has largely focused on soft activities in its engagement with OCPs in past years. Apart from meetings and festival greetings, OCAO has organized teams of OCPs to pay short-term visits (much shorter and much more ad hoc than the Chunhui Plan) to various places in China. Mr Yang, the official at OCAO who has been instrumental in coordinating the team visits, told me that in the future the OCAO will consider placing more emphasis on top OCP individuals (dingjian renwu). When I said that I may not be able to help with the individual targeted programs because as a sociologist I can only carry out structural and institutional analysis, Yang assured me that my research will still be relevant:

We need to understand the group as well. The work about top individuals still needs to be based on the work about the whole group… Policies must be about groups, the work about individuals must be guided by policies.

Yang’s comment and the government’s effort to balance the soft and the hard provides a solution to a deep contradiction built in the ritual economy of the talent. On the one hand, the term “talent” is intrinsically individualistic. It implies that some individuals possess more “human capital” than others and are thus more valuable and desirable, and it also implies that “individual merits” can defy structural constraints. On the other hand government policies, in order to be legitimate and in order to mobilize sufficient social support, must present its target as groups and collectives. In economic calculation, talents must be distinct individuals; in political consideration, talents must be collective. The ritual economy on one hand accommodates economic calculation into a political framework through ritual, soft and group oriented performance; on the other through ritualized economic rationalities it legitimates and practically facilitates the political agenda of forging close relations with OCPs.

Local government: government sets the stage, businesses run the opera

The ritual economy of the talent manifests itself quite differently in the activities initiated by local government. As local government is not in a position to articulate the relation between OCPs and the Chinese state through general policies, their policies are more specific and thus even more materialistic. For example, as early as August 1993 the Shanghai municipality government issued The
Notification on Special Treatment on Installing Telephones, Gas and Air Conditions for Overseas Students Who Are to Work in Shanghai. Guangzhou municipal government hands out RMB 100,000 (USD 12,000) as the “golden hello” (jianmianli) to returnees who decides to work in Guangzhou. Even poor provinces such as Shanxi and cities such as Xi’an provide OCPs with free office and facilities, seed funds for research, and housing. Liaoning province, one of the places that faces the most severe unemployment problem, invested 78.5 million RMB for attracting OCPs by 2003 (Mu Xiaosen 2003). These material and financial offers make the policies sensational in the domestic society. It should be noted however, that implementation is subject to various conditions. In many cases, the money is merely intended rather than actually allocated already. Two Masters graduates from Singapore whom I interviewed, for example, returned to their respective home places, Fuzhou and Guangzhou, the capital cities of the two most famous provinces for overseas Chinese and among the economically most developed, but were denied the benefits promised in policies. It turned out that government stipulates the policies and provide some money to the employer (local universities in both cases), but it is in the universities’ discretion to decide whether they provide the fund to the particular person.

As joint commercial projects are the main intended outcome of local government in their engagement with OCPs, fairs have been the most common activity. The Guangzhou Overseas Students Fair (liujiaohui in Chinese abbreviation) starting in 1998 is probably the earliest of this type. It was an initiative of the Guangzhou municipal government and is held together a few ministries. The Guangzhou government shoulders most of the costs. The fair takes place annually during the Christmas break to cater for the time schedule of most OCPs. The Guangzhou fair welcomes anyone who has studied or worked overseas, and it used to cover the full expenditure of travel and accommodation. Normally it attracts more than 200,000 participants (including both OCPs and representatives of China-based institutes). Mr Yang at the state OCAO called Guangzhou fair a “Rome gathering,” a term whose origin I cannot identify (possibly has something to do with Catholic masses that are open to everyone), and commented that its main functions are “creating momentum” (zaoshi) and “forming influence” (zaocheng yinxiang).

Quite a few local governments started emulating Guangzhou in the early 2000s. But few can allocate as much funding as Guangzhou, and they instead develop much more focused working methods. The Jilin Convention of Consultation and Cooperation between Overseas Chinese Professionals and Domestic Enterprises, in which I participated during 2004, provides a typical example of the “less-but-better” strategy. The organizer, Jilin provincial Office for Overseas Chinese Affairs and Foreign Affairs, started preparation six months before the event. As the first step, the Office sends out calls for proposals to 300-400 OCPs through the state OCAO, organizations such as the Jilin University Alumni Association in the USA, as well as the contacts that the provincial government accumulated over years themselves. After receiving the proposals from OCPs, the organizer invites a range of departments of the provincial government in charge of technology and
economy development (such as the Bureaux of Science and Technology, Information Technology, Environment Protection, Commerce, and Small and Medium Enterprise Development) to evaluate the proposals. Selected proposals are forwarded to local enterprises through these bureaux or local branches of the provincial Office for Overseas Chinese Affairs. If three or more local firms express interest in a particular proposal, the OCP will be finally invited. All the invitees must have PhD degrees and a minimum of three years’ work experience, or Masters with a minimum of five years’ work experience. The provincial Office for Overseas Chinese Affairs as well as the state OCAO help local enterprises establish contacts with OCPs and encourage them to communicate with each other until they meet at the Convention. The Convention in 2003 attracted 59 OCPs from 14 countries and regions and 288 enterprises from China. In the end they signed 79 agreements with a total investment of RMB 3,520 million, including 530 million from overseas. These figures, particularly when they appeared in the newspaper with certain layout, are undoubtedly very impressive.

There are good reasons for the emphasis on commercial projects. From the organizers’ point of view, “deliverability” – what concrete results they can yield– is essential for the sustainability of their work. This is particularly true for local OCAO who needs specially allocated budget from the provincial and municipal government to support their work, and it would be difficult to justify the constant request for soft money without hard achievement. Demonstrable results are important for government departments also because they serve as the most convincing evidence for performance. For this reason a government department is eager to have a large number of agreements, no matter how tentative, to be signed on the spot of the event that they organize.

But this outcome-oriented method is often at odds with the larger goal as stated by the government to encourage technology transfer. First, this method excludes those whose ideas and innovations cannot be immediately turned into commercial projects. The head of a social science department of a top university in Beijing told us that they were badly handicapped in engaging with OCPs despite the university’s prestige because there is hardly any resources they can tap into. The department can only apply for less than 20,000 RMB (2,500 USD) a year from the university for inviting scholars from overseas, and the money is barely enough for food and local transport. Second, as local governments strive to maximize the numbers of joint project deals, a large number of projects, at least as I witnessed at the two conventions, are not necessarily innovative. I came across such plans as establishing business consultancies to help Chinese traders enter the foreign market, and running immigration and tourism agents. Another unintended result of the loose scrutiny of the quality of proposals is a group of OCPs sometimes dubbed “conference worms” (hui chongzi). They are so called because it is said that they almost live on the conferences and events in China. One participant in a convention had met almost one third of the participants before and according to him, the project proposals all sound familiar. Finally, paradoxically enough, the emphasis on commercial projects does not mean that the existing OCP programs link themselves to the dynamism of the global economy or
domestic industry, as evidenced by a comparison between the Chinese and Indian experiences that I
detail elsewhere (Xiang 2007).

Nevertheless, although many OCP participants agreed that such conventions are to some
extent only “shows”, they maintain that such activities are necessary and beneficial to them. Ms Hua
who runs trading companies in both the USA and Hungary was one of such participants. She was
purchasing a certain type of stone for construction projects, which had nothing to do with high
technology. She had sealed a deal with the seller in Jilin province, but decided to sign the agreement at
the Convention when she learned about it accidentally. For Ms Hua, the Convention gave much
publicity and legitimacy to the project, and she expected this will “make things easier in dealing with
government.” For the government organizers, commercial joint projects are symbolic of their
programmatic and developmental approach that is celebrated and even required by the higher level in
the time of neoliberal globalization. It is through the intertwining of the ritual and the economy that a
mutually productive relationship between the OCPs and the state is established.

Discussion: ritual economy as a mode of transnational governance

This paper has demonstrated two paradoxes in the relations between the Chinese state and OCPs.
First, historically, in making haiwai xuezi into a new social category and policy target, the state relaxed
its control over OCPs significantly and accorded full recognition to their individual autonomy. But at
the same time, the state developed unprecedented numbers of policies and programs to aggressively
forge new relations with OCPs. Although the OCP programs are aimed at benefiting the entire
society including the private sector, the state remains the major, or even the only, investor and
organiser, and most programs are implemented by the state bureaucracy. A second paradox lies
within such engagements. On one hand material rewards are regarded as the primary incentive for
both OCPs and their domestic counterparts to engage with each other, and many programs are solely
aimed at facilitating business deals. On the other hand, these activities are carried out through
carefully performed political rituals. For ordinary OCPs (except for a very small number of top
individuals), these political rituals serve as the most efficient vehicle to obtain the material rewards.
Material rewards and political rituals thus form inseparable packages.

These two paradoxes, I suggest, can be understood through a single analytical lens, namely the
ritual economy. Underpinning the rituals is an unmistakably economic- and technological-
determinist ideology. This ideology renders the rituals meaningful and legitimate. The ritual economy in turn
serves much larger projects of producing new subjectivities and developing new social and political
relations across national borders.
The combination of the ritual and the economic effectively mainstreams certain social groups and ideologies, and marginalizes the others. Those who are less valuable in the global market tend to be politically marginalized, and those who do not conform to the political order may be economically ousted. As both political rituals and economic calculation in their current formats are highly masculine, the ritual economy has clear gender implications. Of the 130 CVs from the OCAO database (with whom the OCAO has regular contacts), over 95 percent are male. Of those who were honored the "outstanding returned overseas students" by the central government in 2003, 91 per cent were male. The ritual economy presents a mode of governance.

There are various deeper reasons for this mode of governance to emerge in this particular historical juncture. The ritual economy is part of intensifying intersections between the economic and the political in China since the late 1990s. Chinese reform has been predominantly perceived, by both policy makers and academics, as a process whereby the market expands and the state withdraws. This is no longer the reality. It is increasingly evident that the state, particularly the communist party, has reinforced its control in almost all arenas of social and economic life. OCPs as agents of globalization are undoubtedly eager to tap into the economic opportunities in China (many OCPs working in academic or education institutes develop ties with China precisely for the purpose of turning their research results into commercial projects), but they know only too well that in order to do that, a "proper" relation with the state is essential. Elsewhere I will discuss how OCP individuals and associations manage the ritual economy. Frictions do exist, but by and large they are incorporated. Hailed as one of the most progressive and innovative groups, OCPs are probably more domesticated than many others inside of China. The earlier anticipation that OCPs will act as powerful agents outside of the establishment to transform China looks ever more doubtful.
Notes

1 This paper is based on a project funded by the Asian Development Bank and was carried out in close association with the Overseas Chinese Affairs Office (OCAO), State Council, People’s Republic of China. I am grateful to staff at OCAO for sharing with me their insights and offering me the rare opportunity to conduct participatory observation.

2 The first Liberation truck, manufactured in 1956 in Changchun, was widely hailed in China as a symbol of China’s economic independence and socialist industrialization. Mao Zedong showed a strong personal interest in the truck.

3 Discourses and activities about the overseas populations are more “ritualized” than those about domestic ones precisely because the relationship between the state and the diaspora is contentious and unstable. Rites serve as a site for defining, negotiating and managing such relationships.

4 A report by OCAO in early 2002 indicates that among the estimated 30 million “old” overseas Chinese – as opposed to those who left after the Reform – there are about “600,000 overseas Chinese technology personnel in Western developed countries. There are 450,000 in the USA alone, including 30,000 of the world class professionals, making up about one quarter of the 130,000 first-rank scientists and technology personnel in the USA” (OCAO 2002). We cannot identify the exact basis of this estimate, but it is a consensus that the number of 30 million is a gross under-estimate and the figure of 600,000 also tends to be a fairly conservative estimate.

5 By the end of 2006, an accumulated more than 1 million students went overseas for study and about 270,000 of them returned to China on a long-term basis (Fang Maotian 2007).

6 This group include those who reached the position of principal investigator in research institute, of branch managers in large corporations, have important research achievements or published significant papers in influential international journals, or are appointed to certain positions in government or non-government organizations. Two thirds of them are based in the USA.

7 Educational exchanges with the West began before that, in 1972-73, with the UK, Australia, France, Italy, New Zealand Canada and other countries that had established diplomatic relations. But the numbers of students involved were very small.

8 In Chinese, studying abroad without state’s sponsorship is called “zifei liuxue”, literally meaning self-financed overseas education. But most Chinese students who moved abroad to study without government funding are supported by scholarships from the receiving universities or other international foundations.

9 The term weiguo fuwu was formally articulated for the first time in the document Suggestions on Encouraging Overseas Students to Serve Countries by Various Means issued by five ministries jointly on 14 May 2001.

10 The China Diaspora Web (www.hslmw.com) by the state OCAO is another major domain for diaspora. The websites Liuxue.net (www.liuxue.net) managed by MoE, China Overseas Talents by MoP (www.chinatalents.gov.cn) and CAS Overseas Study and Continuing Education (www.castalents.ac.cn) tend to be more focused, primarily to provide OCPs with policy related information. Other major websites are China Human Resource Network (http://www.hr.com.cn), China International Employment Net (http://www.chinajob.cc), Chinese Service Center for Scholarly Exchange (http://www.cscse.edu.cn). Examples of province- and municipality- based website such as Nanjing International Talent Networks (www.wininjob.com) and Liaoning Overseas Chinese Scholar Innovation Engineering Network (http://www.ocs-ln.gov.cn).

11 Chunhui literally means “the spring sunlight.” The expression originates from a well-known poem: “How can the soul of small grass, repay the sunlight of the spring,” which refers to a child’s gratitude to their parents.
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