

Organized Chinese Transnationalism and the Institutionalization of Business Networks: The Singapore Chinese Chamber of Commerce and Industry as a Case Analysis*

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Abstract

Over the past few years, transnationalism and network analysis have received increasing attention among students of the Chinese Diaspora in the Asia-Pacific. Yet the two subjects have been treated separately and the existing literature tends to focus on the personal/informal dimensions of Chinese (transnational) business networks, paying little attention to their historical precedents and formal institutionalization. Using the influential Singapore Chinese Chamber of Commerce and Industry (SCCCI) as a case study, this paper attempts to establish the historical linkages between organized Chinese transnationalism and the institutionalization of business networks. It aims to broaden the horizons of existing scholarship on personal and informal patterns of Chinese transnationalism by delineating the complex mechanisms and agencies through which SCCCI was vitalized and connected to the institutionalizing, regionalizing—and, eventually, globalizing—processes of multi-dimensional Chinese social and business networks in Asia.

Introduction

As an emergent social field, transnationalism has recently caught the eye of researchers

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in the fields of immigrants and globalization [Basch, Glick Schillier, and Blanc-Szanton 1994; Glick Schiller 1997; Portes 1998; Labelle and Midy 1999]. Defined as “multiple ties and interactions linking people or institutions across the borders of nation-states,” transnationalism involves individuals, their networks of social relations, their communities, and broader institutionalized structures such as local and national governments [Vertovec 1999a: 447; Portes *et al.* 1999: 220]. While increasing attention is being directed to modern Chinese transnationalism as a mode of global cultural politics [Ong and Nonini 1997; Ong 1999], network analysis has also constituted one of the dominant paradigms in explaining the nature and characteristics of Chinese economic activities in Asia [East Asian Analytical Unit 1995; Hamilton 1996; Herrmann-Pillath 1996; Hefner 1998; Yeung and Olds 2000]. The two subjects, however, have been studied separately. So far as Chinese transnationalism and business networks are concerned, the existing literature tends to focus heavily on the informal and individual-driven dimensions during the contemporary era, paying little attention to the historical foundation and institutionalization¹⁾ of immigrants’ social support networks and to the question of how these social networks are related to the construction of transnational entrepreneurship. As such, the complexities, sophistication, and multi-dimensionality of Chinese transnational business networks have not been fully revealed.

By employing the influential Singapore Chinese Chamber of Commerce and Industry (SCCCI)²⁾ and its activities during the first 60 years of existence (1906 to 1966) as a case analysis, this paper attempts to establish the historical linkages between organized Chinese transnationalism and the institutionalization of business networks. It aims to broaden the horizons of existing scholarship on personal and informal patterns of contemporary transnationalism by delineating the complex mechanisms and agencies through which SCCCI was vitalized and connected to the institutionalizing, regionalizing—and, eventually, globalizing—processes of multi-layer Chinese social and business networks in Asia.

This paper is organized into four sections. The first part places the Chamber in the light of vertical linkages and within a local context by examining its articulations and representations of the complex sets of socio-economic interests; it demonstrates that well before 1945 SCCCI had forged well-knitted and extensive organizational structure to

1) This paper follows Samuel Huntington’s definition of institutionalization, which is “the process by which organizations and procedures acquire value and stability,” quoted in Remmer [1997: 35]. By definition, “a network is composed of a set of relations, or ties, among actors (either individuals or organizations). A tie between actors has both content (the type of relation) and form (the strength of the relation)” [Powell and Smith-Doerr 1994: 377].

2) Before 1978, the Chamber had been named as the Singapore Chinese Chamber of Commerce. For the purpose of convenience and consistence, SCCCI is used throughout this paper.

function as an institutional nexus for transnational Chinese business. The second section explores SCCC's role in the framework of horizontal and intra-regional connections and different layers of partnership in the SCCC-related networking orbit. It discusses how the Chamber provided fundamental institutional support to the making, operating, and sustaining of Chinese business networks across the geographic boundaries. This transnational linkage, moreover, was to expand and to constitute an essential basis of globalizing Chinese business networks throughout the 1990s and beyond. The third part takes a closer look at the transnational interactions among key players (the Chamber leadership), socio-political arenas, and institutions. The concluding section considers some theoretical implications of this case study by accentuating the role of institutionalism and organized transnationalism in the historical configurations of Chinese business networks.

This paper relies on the following data for the construction of SCCC's transnational linkages: interviews with some major participants of SCCC's activities and witnesses,³⁾ contemporaneous reports from the English- and Chinese-language newspapers, and, most importantly, minutes of SCCC management committee meetings, annual reports, correspondence between the Chamber and commercial/political organizations in different corners of Asia, and other official publications of SCCC.

Vertical Representations

Established in 1906, the Singapore Chinese Chamber of Commerce was one of the first such organizations formed outside of China. After its formation, the Chamber took on a variety of functions, ranging from taking care of Chinese social welfare and education, serving as the Chinese government's representative, to leading anti-Japanese activities. It is within this context that the Chamber was considered as "the pinnacle of the internal structure of the Singapore Chinese community" [Cheng 1985: 47; Hsieh 1977: 237]. SCCC acquired an equally significant place in Singapore during the first two decades after the end of World War II. Writing after a research trip to Southeast Asia, G. William Skinner reported the Chamber was "the largest and most important Chinese organization in all

3) They include: Tong Djoe, president of the Singapore Shipowners' Association (SSA) and Singapore Importer and Exporter Association, and council member of SCCC; Soon Peng Yam, president of SCCC (1965-69) and its honorary president since 1969; Ling Lee Hua, head of SCCC Commerce Department during the 1960s and chairman of the Rubber Trade Association of Singapore; Tong Keng-Meng, general manager of Tunas (Pte) Ltd, who also served as the deputy secretary-in-general of the SSA during the 1970s; Lin Tongchun, president of the Kobe Chinese Chamber of Commerce and Kobe General Association of Overseas Chinese; Lu Xing Xiong, president of the Yokohama Association of Chinese Residents; and Chen Kun Wang, honorary president of the Tokyo General Association of Overseas Chinese.

Southeast Asia ... the undisputed leader of the whole Chinese community, it takes up matters that are larger than the scope of any one regional or trade organization" [Skinner 1950: 32].

Most Chinese in Singapore accepted the Chamber's leadership role. It was reported that SCCC was seen as the central institution of the Chinese community and whose announcements were followed closely; even pupils wrote to the Chamber to inquire with the contents of certain Chinese songs [Liu 1999b]. SCCC itself was conscious of its place in the Singapore Chinese community and gave considerable attention to the promotion and consolidation of this role. As the Chamber's president Soon Peng Yam stated:

Our organization has all along enjoyed the confidence of the Government and the support of the people. It is the accepted highest leading organization of the Chinese in Singapore and has been entrusted many an important task affecting the future destiny of the Chinese in Singapore. [SCCC 1966a: 22]

What, then, were the sources of SCCC's influences? How were they related to the Chamber's position in the construction and development of transnational Chinese business networks? Three factors are relevant: the nature of Singapore Chinese economy, the internal organization of the Chamber, and its unique position as the link between the state and society.

The number of Chinese immigrants to Singapore increased steadily after 1824; by 1931, there were 557,745 Chinese, who accounted for more than 75% of the total population [Cheng 1985: 7]. They were closely integrated into the local economy, characterized foremost by the entrepot trade. With the British authorities' active promotion of free trade, Singapore became a regional center of distribution and re-exportation. In 1926 its total trade peaked at \$1,886.7 million [Wong 1996: 54]. In 1931 imports into the Straits Settlements from Siam, French Indo-China and the Netherlands Indies amounted to \$217,261,247 or 53% of the total import trade [Smith 1933: 54]. As the middlemen between Western agency houses and consumers/producers, Chinese merchants played a key part in this entrepot trade. Chinese dealers in wholesale and retail businesses were indispensable for collecting Straits produce for exports and marketing imported manufactured goods. Their fundamental commercial role was reinforced by the fact that Singapore was a highly cosmopolitan city. The annual report of the Registrar of Companies for Singapore and Penang for 1931 showed that in Singapore there were 565 non-local companies which represented 31 countries [*ibid.*: 56]. Together with Singapore's strategic location, this entrepot economy was one of the key factors accounting for SCCC's important role in the commercial networks of Asia. Indeed, Singapore's vital position did not go unnoticed by the Chinese government and businessmen. In an official Chinese report, Singapore was described as being "situated in the center of the Nanyang archipelago and on the pathway between Europe and Asia. Its business vitality is second to no

other city in the region. Because Singapore is a duty-free port, goods from elsewhere have been shipped here first and then redistributed to the neighboring countries" [Chinese Manufacturers' Export Association 1937: 20].

The major institutional source of SCCC's influences derived from the power of its membership and leadership. The Chamber consisted of three types of membership: commercial guilds and trade associations, business firms, and individual members. By the mid-1960s, it had 86 association members and 3,750 business and individual members [SCCCI 1966b; SCCC *Minutes of Meeting*, March 15, 1967]. More importantly, the Chamber's management committee was composed of prominent leaders from Chinese *bang* (a dialect-based politico-socio-economic grouping). Almost all of the Chinese community leaders from various *bang* in Singapore were presidents or council members of the Chamber at one time or another. This structure lent credit to its claim as the representative of the Chinese community as a whole.

The Chamber also served as a bridge in the state-society linkages prior to 1959, when the People's Action Party (PAP) formed the self-rule government. It acted as a spokesperson for the Chinese (business) community by articulating and reflecting its views and presenting them to the government, which in turn used the Chamber to disseminate some of its policies and regulations. This intermediate role reinforced the collective bargaining power of the organization in voicing the opinions of Chinese businesses, both within and without Singapore. For instance, in 1953 the government's foreign currency control authorities regulated that all goods shipped to Thailand must be accompanied by letters of credit from the receivers. The Singapore Siam Import and Export Association, which represented those Chinese merchants in the Singapore-Thailand trade, raised the issue with the Chamber, whose president subsequently held talks with concerned government officials, leading to the revoking of this regulation [SCCCI 1953 *Annual Report*: 6].

Apart from its broad representation of diverse ranges of social interests, the Chamber's stated missions and organizational structures were specifically arranged to gear toward promoting trade and international commerce. According to its Constitution (revised version of 1959), the objects of the Chamber were: 1) to improve and promote trade and commerce; 2) to collect and distribute commercial information and issue certificates; 3) to give introductions and advice in connection with internal and external trade; 4) to arbitrate and settle trade disputes; 5) to collect and compile commercial and industrial statistics; 6) to hold trade exhibitions, establish commercial and industrial schools, and promote educational and social welfare works; 7) to hold conferences on commerce and industry and send missions to various countries to promote trade, cultivate friendships and increase business intercourse [SCCCI 1964: 171]. In terms of its internal organization, three of its six sub-committees, namely, General Affairs, Finance, Commerce, were directly concerned with business activities, while the Social Committee was at least partially related to forging business ties. The other two committees, Education and Welfare, were the Chamber's arms in reaching broader constituencies of

the Chinese community. Because of this well-organized internal structure, the Chamber was able to tackle a variety of issues arising from within and without Singapore. Take the example of a single SCCC management committee meeting. On the day of March 10, 1912, there were more than a dozen of agendas, dealing with requests from Ministry of Foreign Affairs in China, Sun Yat-sen's instructions, Shanghai Overseas Chinese Committee's requests to form a branch committee, an official letter from the Military governor in Shanghai seeking to raise funds for the Bank of China, a letter from Amoy's Overseas Chinese Committee concerning transportation costs, a request from a local Teochew clan association for business introduction for its members, and a plea from a Chinese school in Borneo to intervene in a clash between the local Chinese and Malay which led to two Chinese being shot by the British [SCCCI *Minutes of Meeting*, March 10, 1912].

This outward-oriented organizational structure was bolstered by the vast transnational business connections and regional-outlook of the Chamber leadership. At the personal level, the Chamber's leadership was characterized by a remarkable degree of diverse regional backgrounds. Not only were the majority of them born in places other than Singapore, but also they had extensive business operations outside of the country. Take the example of Lee Kong Chian, president of SCCC (1939–40 and 1946). Born in 1893 in Nanan, Fujian, he came to Singapore at the age of 10. He later on worked for the company of Tan Kah Kee, the most prominent Chinese entrepreneur and community leader in pre-World War II Southeast Asia, and dealt broadly with international rubber trade and banking. In 1928 he formed Lee Rubber and seven years later co-founded the Overseas Chinese Banking Corporation (OCBC). With subsidiaries in Malaya, Thailand, Indonesia and branches in New York and London, Lee Rubber was the world's largest rubber supplier in the 1950s [Lim 1995: 183–226]. SCCC leaders' extensive business dealings in various parts of the region not only created well-knitted personal connections, but also led to their firm belief in the vitality of regional business networking, thus providing a conducive backdrop for the Chamber to actively pursue a transnational and intra-regional role. As SCCC president Ko Teck Kin stated in 1955, "As an excellent port city and an important entrepot center, Singapore is situated on the crossroads of Asia and Europe. While our trading relations with the neighboring countries have been already very close, we still need to establish and consolidate connections and liaisons with them, which will lead to more business opportunities" [SCCCI *Minutes of Meeting*, April 19, 1955].

In brief, in terms of vertical linkages, SCCC was well represented by the interests of local businesses, whose activities were mostly cross-national. The combination and convergence of a variety of factors—Singapore's strategic location, the significant commercial role of the Chinese in the entrepot economy, SCCC's strongly-endowed internal structure and well-knitted external connections, its leadership's determination to play a fundamental part not only in bridging the local Chinese society with the (post) colonial state, but also in performing larger, regional functions—were the essential elements

ensuring that SCCCI would, and could, constitute an organized form of Chinese transnationalism to promote the institutionalization of Chinese business networks in Asia.

Horizontal Linkages

Having established SCCCI's internal foundations and their conduciveness to its role as a key institutional nexus of Chinese business networks in Asia, let's now examine how these vertical arrangements played a part in the construction and development of horizontal business ties in the transnational context. More specifically, we will investigate the mechanisms through which the Chamber interacted with counterparts in other nations as well as different layers of the SCCCI-related business-networking orbit.

Mechanisms

In addition to country-to-country based institutional connecting mechanisms (which will be discussed later), there were four major types of mechanisms being developed and refined for the purpose of constructing and sustaining transnational business linkages. They were correspondence, publications of business information and materials, commercial exhibitions, and mutual visitations.

In a time when modern telecommunication technology and transportation were still under-developed, individuals and organizations had to rely heavily on an age-long practice of communication, namely, mail correspondence. Prior to the 1960s, one of the most commonly used modes of communication for SCCCI was through mail and telegraphy correspondence, which formulated, presented, tackled, and (sometimes) materialized the aspirations and business proposals of various parties involved. The Chamber was extensively involved in this activity. Take the example of six-month period between January and June of 1931, a period of no significance. While the Chamber received a total of 393 official letters, telegraphs and instructions, it sent out 612 pieces of correspondence during the same period. This correspondence was dispatched to and received from some thirty cities locating in more than a dozen nations, representing government agencies, business associations, and individual firms [SCCCI 1931: 5–65]. A majority of them dealt, directly or indirectly, with trade and commerce. For example, in the first month of 1931, the Chamber received 38 letters, 22 of which were concerned with business issues such as marketing, contracting, certifying products, and solving business disputes, 9 of them were about social and welfare matters, while 7 letters addressed political problems such as government regulations and immigration policies. In March of the same year, the Chamber sent out 30 mails, 11 of them were concerned about business issues, 15 about Chinese social welfare and business disputes in *qiaoxiang* (ancestral hometowns of the Chinese overseas). And the policy matter was the major concern of the remaining four mails [compiled from abstracts and excerpts of correspondence in SCCCI 1931: 5–65].

While practitioners of those (good) old days were likely envious of the convenience and rapidity of our internet and fax machines, their successors today may well remorse the vanishing of the human touch embedded in those beautifully hand-written letters, which in a sense conveyed equally effective business messages.

After its founding SCCC published an extended range of materials and many of which were directly concerned with exchanging business information. In 1922 the Chamber issued *The Commercial Monthly*, whose editor considered that an international vision, the familiarity with the motherland's conditions, the forging of sojourner feelings, and Chinese solidarity to be the keys for overseas Chinese merchants' success. According to its inaugural statements, the journal's agendas were four-folds: introducing basic knowledge of commerce; reporting the changing economic situations of the world; communicating economic information between overseas Chinese and their motherland; and strengthening the connections among Chinese sojourners [SCCCI *Commercial Monthly* 1 (1), 1922: 1-5]. Between the mid-1960s and mid-1970s, SCCC published *Economic Monthly* with the similar agendas of promoting the dissemination of trade and business information in a transnational context. The Chamber also issued a number of commemorative publications, which not only contain extensive information regarding various business firms (something like today's commercial directories), but also directly aim at exchanging trade information. For instance, the Chamber's 1931 special publication (more than 400 pages) was compiled with the purpose of "disseminating complete information concerning industry and economy in China as well as various countries in Nanyang, which will be helpful to facilitate mutual understanding among overseas Chinese" [SCCCI 1931: 2]. In 1966 the Chamber published a 590 page-long bi-lingual *List of Associations and Firm Members*, which provides detailed guides to guilds, commercial associations, and individual firms. According to Wee Mon-cheng, chairman of SCCC's Commerce Committee, this membership directory was like "a key to commercial contacts with Singapore" and it had two specific objects: "to promote mutual understanding between our own members, thereby increasing their contacts and solidarity" and "to introduce our members to every far corner of the world" [SCCCI 1966b: 4].

One of the stated missions of the Chamber was the advancement of industry and trade through holding commercial exhibitions. This became essential during the 1930s, when China was facing the Japanese invasion and the competition of cheap Japanese products flooding all over Southeast Asia. With the direct push from China's Ministry of Commerce and Industry and Overseas Chinese Commission, SCCC organized two large-scale exhibitions in 1935 and 1936. More than three hundreds firms and manufacturers from China and Southeast Asia took part in the first one, while the second exhibition was represented by 311 firms and was attended by nearly 200,000 visitors [SCCCI 1935: 6 ; 1936: 3]. In 1959 the Chamber organized the Singapore Constitution Exposition for a period of 41 days, for the purposes of not only celebrating Singapore's impending self-government, but also "project[ing] an image of the State of Singapore to the outside world and to

stimulat[ing] trade which was rather dull at that moment" [SCCCI 1964: 131]. This Exposition attracted some 600 manufacturers and firms from Southeast Asia, Japan, North America, and Western Europe, and the total value of the displays exceeded 10 million dollars [*ibid.*: 74]. According to the Chamber president Ko Teck Kin, this Exposition illustrated "Singapore's status as the center of world trade and as an international emporium, aiming to encourage trade and to propagate the principle of free enterprise which is the most important principle and upon which this country is relying for its existence and prosperity" [SCCCI 1959: 31].

Throughout the period under discussion, SCCCI was keen to using mutual visitations as an effective channel to construct and expand business networks. The Chamber received and dispatched a large number of visitors and delegations from and to the Asian region, and the majority of these visits were directly related to trade and business. For instance, the Chamber received commercial representatives from companies such as the Bank of China in 1911 and 1912, numerous chambers of commerce delegations from China, a large-scale Nanyang Trade Mission in 1936. Prior to 1949, SCCCI also sent delegates to functions held in China, such as the conventions of the All-China Federation of Chambers of Commerce and the industrial meeting organized by the Ministry of Industry and Commerce [SCCCI 1986: 92–96, 107, 127]. Between 1955 and 1965, more than 90% of SCCCI outgoing delegations and incoming visitors were directly and specifically centered on trade and commercial issues [SCCCI 1955–65 *Annual Reports*]. These delegations were dispatched for the purpose of invigorating economic ties with countries in the region. As Ko Teck Kin stated in 1962, "Today's economy has been increasingly geared toward regional economic cooperation. As an international port and the center of Southeast Asian commerce, it is essential for Singapore to strengthen and improve trade relations with other nations, particularly those neighboring countries.... Our Chamber should beef up the efforts by organizing and sponsoring more delegations to the region, hence strengthening our networks and cooperation with the business communities in these countries" [*Sin Chew Jit Poh*, March 18, 1962].

In short, the institutionalization of SCCCI transnational business connections was carried out by a number of durable and systematic mechanisms and they significantly expanded the reach of the Chamber to other parts of Asia. By today's standards these mechanisms may sound out-of-dated and trivial, but they were effective in achieving the agendas of forming and augmenting Asian-wide business networks. More importantly, these mechanisms have been mostly continued and preserved today, in substance, if not in form. For example, the Chamber continues to issue membership directory, not only in print format, but also through World Chinese Business Networks (WCBN), a massive database containing information on more than 100,000 Chinese-run companies in 53 nations that can be reached through the World Wide Web. It is reported that the site has received some 500,000 hits in an average month [Liu 1998]. Mutual visitations remain a useful way of reaching out the outside world and the number of these visitations has

increased steadily, thanks in part to cheaper and convenient transportation. In 1994 alone, SCCC received 232 delegates and visitors at its Singapore office [SCCCI 1994 *Annual Report*: 100–123]. While the outward appearance of these new business-communicating mechanisms may not be the same as those of the 1930s and 1960s, the major *raison d'être* has nevertheless been remarkably consistent throughout the past 90 years, namely, to form, expand, and maintain business networks with people of similar ethnic backgrounds throughout the region (and the globe). The WCBN, according to SCCC, “aims at strengthening the networking of Chinese businessmen throughout the world. It is designed to help Chinese businessmen world wide in establishing contacts and exchanging information with one another in a speedy and systematic manner” [*Business Times*, Dec. 8, 1995].

Networking Orbit

Throughout the Chamber's history, its institutional networking partners extended to various parts of East and Southeast Asia. Prior to 1949 China was the Chamber's closest networking partner, whose place was replaced by Malaya (Malaysia) and Indonesia in the two decades following the end of World War II. In the meantime, Hong Kong, Japan, Taiwan, and other Southeast Asian countries were also included in this SCCC-related networking orbit, though their place in this horizontal institutional linkage was less significant. In addition to this pattern of bi-national interactions, SCCC was also a key intermediate and coordinating player in the transnational framework. One remarkable development was the effort to establish a formal and permanent institution for Southeast Asian region-wide chambers of commerce to facilitate the systematic exchanges among Chinese businesspeople.

Not surprisingly, China constituted the focal point of SCCC's bi-national networking partnership before 1949. SCCC was founded under the direct invention of the Qing government and continued to be supervised by the Republican government, whose rules concerning Chinese chambers of commerce all over the world were closely followed by the Singapore chamber. This China-orientation was reinforced by the fact that a great majority of the Chamber leadership during the pre-1949 years were born in China and identified with their motherland. But even within China, the Chamber's institutional networking partners varied considerably, with at least four sub-levels of connection. The first was with the central government, represented by the Overseas Chinese Commission and the Ministry of Industry and Commerce and the like. SCCC was a subordinating player at this dimension, receiving various official announcements and commerce regulations and redistributing them to other Chinese chambers in the region. The second sub-level of networking was with the Federation of Chinese Chambers of Commerce in Beijing and Shanghai Chamber of Commerce. To which SCCC acted as a junior partner, collecting and conveying commercial information and representing Nanyang Chinese business interests.

The third and most extensive sub-level of China networking was between SCCCI and various chambers of commerce in Guangdong and Fujian, which are homes to a great majority of the Chinese overseas. An examination of this pattern of communications revealed that they were centered around day-to-day management of issues directly confronted by the Chinese in Southeast Asia, such as providing arbitrary services for business disputes, introducing and presenting business opportunities and prospective partners, and serving as guarantee of credits and trust (we will return to this point in next section). The fourth sub-level of SCCCI's China networking was with individual firms; the Chamber acted either as a promoter of their products or their agent. Between 1906 and 1929, for instance, the Chamber was the agent for 16 major Chinese companies, including Chinese Commercial Bank, Sin-Thai Shipping Company, and the Bank of China [Liu 1999b]. This institutionalized business networking co-existed with and complimented to another important channel of commercial connections between China and Nanyang, namely the social and business networks constructed by and bridged through locality associations in Southeast Asia, which, unlike SCCCI's broader representations, aimed at primarily serving the interests of the people from the same locality [Liu 1999a].

The degree of networking between SCCCI and China reduced significantly after the founding of the PRC in 1949, and the patterns of contact were shifted to focus mostly on the first and second sub-levels of networking, namely, communications with official agencies and national level Chamber of Commerce. In 1956 with the lifting of the British embargo on rubber exportation to China, the Chamber organized a large delegation consisted of "prominent entrepreneurs in Singapore and Malaya" to visit the PRC. The delegation's 2-month stay in China was hosted by two official agencies: All-China Federation of Industry and Commerce and Chinese National Association for the Promotion of International Trade [Sim 1957: 253-300].

After 1949 Malaysia and Indonesia gradually came to replace China's foremost position in SCCCI's transnational networking orbit. This development was resultant from a combination of two factors. First, with the founding of the PRC, its following harsh economic policies towards land-owning class (many Nanyang Chinese merchants were absentee landlords) and the onset of the Cold War confrontation led to a dramatic decline of trade between Southeast Asia and China. This change cut short of the social and economic connections between the two and created a great deal of anxieties among Singapore Chinese entrepreneurs as to their economic future [Huang 1995]. Secondly, Singapore's economic reliance upon Malaysia and Indonesia increased significantly. SCCCI, together with most political parties during the 1950s, was in favor of the idea of Singapore-Malaya merge and the establishment of a Common Market in the two territories. This shifting external environment facilitated the forging of closer trading ties among Chinese entrepreneurs in these nations.

One of the most important joint institutional arrangements between SCCCI and its Malaysian counterparts was the Associated Chinese Chambers of Commerce of Malaya

(ACCCM). Its predecessor was the Federation of Chinese Chambers of Commerce of Malaya, established in 1921 by major chambers of commerce such as those in Penang, Singapore, and Kuala Lumpur [SCCCI 1986: 103]. When it was re-organized and restructured in 1947, SCCCI became one of the founding members and its president, Lee Kong Chian, served as the first term chairman. The Association's stated missions include coordinating the activities of Chinese chambers of commerce in Singapore and the Malaysian states, creating economic prosperity, and striving for social well-being of the Chinese [Wee 1974: 9]. From 1947 to 1965, SCCCI was elected to its executive committee at each annual meeting and played a key role in communicating with the governments and business community in both countries.

Indonesia has been a key component in this SCCCI-related transnational business network. Twenty-two percent of the country's total exports was to Singapore in 1931, more than those exporting to the Netherlands [Smith 1933: 54]. The significance of Indonesia in the SCCCI's overall networking orbit was highlighted by Ko Teck Kin, who likened the relationship between Indonesia and Singapore as "lips to teeth" [*Nanyang Siang Pau*, Feb. 23, 1960]. The Chamber's institutional links with Chinese social and trade organizations in Indonesia began shortly after its founding. In 1911 the Chinese Chamber of Commerce in Yogyakarta asked SCCCI to forward a report regarding a sugar factory owned by ethnic Chinese to concerned official agencies in Beijing, which also pleaded for the Chinese government's support [SCCCI *Minutes of Meeting*, Sept. 13, 1911]. Chinese chambers in other cities, such as Jakarta, Cirebon, and Medan, also maintained extensive connections with SCCCI, and they collectively engaging in some social and business activities [SCCCI *Minutes of Meeting*, Aug. 28; Sept. 3, 1947; Oct. 28, 1949]. As the home to more than 40,000 Chinese in the 1940s, Palembang played an especially significant role in this two-way communication [Mestika 1991: 416-417]. The influential Singapore Overseas Chinese Importers and Exporters Association, a guild member within SCCCI, was composed mostly of Indonesian Chinese merchants, in shipping business particularly. Tong Djoe, an Indonesian - Chinese shipping business elite, current president of this association and council member of SCCCI, has been with that organization since its founding in 1947 and his Chuan Ann Shipping Company was one of the major firms in the Sumatra-Singapore trade [Personal interviews; Mestika 1991: 423-426].

Like its linkages with China, SCCCI was concerned with a variety of policy and business issues in working with the Indonesian counterparts. For instance, at the request of the Palembang Chinese Chamber of Commerce in 1947, SCCCI joined the fight against the British authorities' foreign currency control and trade embargo policies [SCCCI *Minutes of Meeting*, Aug. 28, 1947]. After the 1950s SCCCI's associational partners in Indonesia were gradually shifted from Chinese ones to indigenous-dominated Indonesian Chamber of Commerce and Industry (KADIN) [SCCCI *1959 Annual Report*: 24]. This was a reflection of rising nationalism and anti-Chinese sentiments in the nation. Partly because of this reason, unlike the patterns of networking with other countries, nation-

state played a significant role. For example, when preparing for a bilateral trade conference in 1961, the Singapore government requested the Chamber to supply its views on “most important issues in the Singapore - Indonesian trading relations that needed to be tackled immediately.” The next year, the Singapore Chinese Exporters and Importers Association urged the government to request the Indonesian government to loosen the restrictions on barter trade and the importation of rice [SCCCI *1961 Annual Report*: 13; *Sin Chew Jit Poh*, June 9, 1962].

Hong Kong was another important link in SCCCI's regional networking orbit. Here its major counterparts were the Hong Kong Chinese Chamber of Commerce and the Federation of Chinese Manufacturers. SCCCI maintained regular and extensive contacts with both organizations. The issues involved included jointly organizing the movement of boycotting Japanese products, opposing the Chinese government's restrictions on redistributing trade, and participating in the relief efforts in China [SCCCI *Minutes of Meeting*, Aug. 28, 1947; May 25, 1948]. The Chamber and the Hong Kong Federation of Chinese Manufacturers organized a number of mutual visitations in 1964, for the purpose of strengthening trade relations and attracting Hong Kong Chinese investment to Singapore [*Nanyang Siang Pau*, March 14; Dec. 19, 1964].

As a Northeast Asian country, Japan was also included as one of the SCCCI networking partners. During the 1930s, the Chamber introduced some local Chinese business to sago trading firms in Japan [SCCCI 1931: 21]. Such communications were intensified after the 1950s, when Japan badly needed to export its manufacturing products to Southeast Asia and import raw materials from there [Shiraishi 1997]. (In the 1950s, 90% of rubber consumed in Japan were imported from Singapore and Malaya [*Nanyang Siang Pau*, Nov. 18, 1958]). In his autobiography, Lin Tongchun, president of the Kobe Chinese Chamber of Commerce, concedes that because the business networks between Japanese firms and foreign firms were not yet established after the end of World War II, some Japanese companies had to rely on local Chinese in penetrating the Southeast Asian markets, and those Chinese, Fujianese in particular, utilized their locality and kinship based networks to reach this goal [Lin 1997: 147, 199; personal interview; see also Hirakawa 1996]. The first businessman from Japan after the end of World War II was an ethnic Chinese. Chua Kim Hoay, a trader from Nagasaki who arrived in Singapore in December 1949, came to survey the market and to establish contacts with local Chinese business firms [Huang 1995: 181–182]. SCCCI subsequently became a connecting point for Japanese businessmen and a stepping-stone for entering the regional market. For example, four representatives from Osaka Machinery Factory came to the Chamber in 1958 with product samples, and the Chamber in turn introduced them to its guild member, the Singapore Rope, Hardware, and Paint Merchants Association. And similar introductions and communications between SCCCI and Japanese firms formed a regular part of the exchange [SCCCI *Minutes of Meeting*, Nov. 11, 1958; SCCCI *1967 Annual Report*]. In 1958, the Chamber sent a delegation to participate in the Yokohama International Trade Conference. The head of

the delegation, Tan Keong Choon, came back and enthusiastically suggested to his Chamber colleagues that Singapore should learn from some of Japan's business practices, such as the close cooperation between banks and manufactures [SCCCI *Minutes of Meeting*, Nov. 28, 1958]. Like the networking practices with China, the Chamber also performed an intermediate and arbitrary role in the Singapore-Japan trade. In 1952 the cement import quota from Japan was cut by 50% by the British authorities, the Chamber, together with its own guild members such as the Building Materials and Timber Suppliers' Association, protested vehemently against this decision [SCCCI *Minutes of Meeting*, July 30, 1952]. The next year SCCCI represented one of its individual members, who complained about the poor quality of the products he had imported from Japan, requesting the Japanese embassy to ensure quality control. The matter was subsequently reported by Japan's Import and Export Bureau, which assured SCCCI that necessary measures were to be taken to prevent such things from happening again [SCCCI *1954 Annual Report*: 6].

SCCCI also forged and maintained institutionalized contacts with counterparts and Chinese business firms in other Southeast Asian countries and Taiwan, though in a less frequent and systematic manner. For instance, the Saigon Chinese Chamber of Commerce in 1954 asked SCCCI to appeal the Singapore government in increasing the rice importation from Vietnam [SCCCI *Minutes of Meeting*, April 29, 1954]. The Federation of Chinese Chambers of Commerce in the Philippines organized a trade and commerce delegation to Singapore to investigate the procedures of exporting to the country [SCCCI *Minutes of Meeting*, Nov. 28, 1958].

SCCCI did not merely confine its networking activities through bilateral channels; in many occasions, the Chamber acted as a third and intermediate party in facilitating the formation and expansion of multi-national business ties. Because of Singapore's strategic location in the region, many correspondence, instructions and official Chinese announcements were dispatched to SCCCI first and then redistributed to other Chinese chambers of commerce in Nanyang [e. g., SCCCI 1931: 46]. And the Chamber constituted a necessary middleman between Chinese businesses in Southeast Asia and those in the mainland. For example, at the request of the Beijing Chamber of Commerce, SCCCI issued in 1931 an official certificate to the Singapore Wine Merchants' Association to certify that a beer produced by a brewery in Beijing was "a thoroughly Chinese product" [*ibid.*: 45]. In the same year, the Chamber forwarded letters from Shanghai Greater China Holdings Company, which had in its possession of large quantities of textile that were available for marketing and sale in Southeast Asia, to the Singapore Chinese Textile Merchants' Association [*ibid.*: 52]. Meanwhile, the Chamber received a letter from Yucheng Company in Shanghai, asking for the introduction of those Chinese businesses in Medan that were engaging in the exportation of Dutch cigarettes and for the help to promote Yucheng Company's own products in Sumatra. The letter was forwarded to the Chinese Chamber of Commerce in Palembang, which in turn fulfilled the request within one month and the

reply was also through SCCC [ibid.: 21]. In March 1931 Wan Jing Hua Company in Luzon sought the Chamber's help in locating firms in Xiamen that were in the business of gramophone records. In the same month, SCCC replied and supplied with the name of the company in Xiamen with which the Luzon firm could contact directly [ibid.: 8, 17].

The Chamber was also keen to serving as a formal center of Southeast Asian regional business networks. In fact, by the mid-1960s SCCC had already become the *de facto* center in the region, which was informally accepted by its counterparts elsewhere. In the words of the president of the Kedah Chinese Chamber of Commerce, SCCC had constituted "the focal point of all Chinese chambers of commerce in Southeast Asia" [SCCC 1966a: 52]. The need to institutionalize such a position and to set up a permanent coordinating organization was brought up in late 1956, when the SCCC-led delegation returned from a fruitful 2-month trip to China and Japan. From that time onward, discussions and preparations were under way [Sim 1957: 282–284]. In March 1960 the Chamber planned to organize a convention of chambers of commerce in Southeast Asia in order to "develop trade relations and expand business contacts with entrepreneurs around the world" [SCCC Minutes of Meeting, March 30, 1960; *Sin Chew Jit Poh*, March 31, 1960; March 18, 1962]. Although this agenda was not materialized in the 1960s, the purpose of building regional (and global) institutionalized channels of business ties, both ethnicity and non-ethnicity based, was realized in the 1970s and 1990s, with the forming of ASEAN-Chambers of Commerce and Industry and the inaugurating of the World Chinese Entrepreneurs Convention, a movement within which SCCC played an instrumental role [Liu 1999b].

In summary, SCCC had the determination, capacities, and strategic advantages in building an institutional nexus for transnational Chinese business networks, which occasionally extended to partnering with non-Chinese economic actors (such as the cases of Indonesia and Japan). The mechanisms with which the Chamber utilized were diverse, ranging from more systematic institutions (such as ACCCM) to old-styled modes of contacts (such as correspondence). Those practical mechanisms served to the agendas of establishing and expanding different levels of networking, which were in turn carried out in the format of country-to-country, locality-to-locality, organization-to-organization, and institution-to-business firms exchanges. They collectively represented the essence of organized modes of modern Chinese transnationalism.

Players and Institutions

There are a number of ways of approaching to transnationalism, and it has been argued that the individual and his/her support networks is the proper unit of analysis; a study that begins with the history and activities of individuals is the most efficient way of learning about the institutional underpinnings of transnationalism and its structural

effects [Portes *et al.* 1999: 220]. Having discussed the formation, characteristics, and mechanisms of SCCCI-related institutionalization of Chinese transnational business networks, it is now possible to look at how such institutional nexus interacted with key players, namely, the Chamber leadership, and played a prominent role in the shifting regional socio-political environments between 1906 and the end of the 1960s. This institutionalization had three important functions: serving as a guardian and social control agency of (im)personal trust; providing collective bargaining power in influencing business-related policies; and creating tangible economic capital as well as facilitating the accumulation of social/symbolic capital.

Guardian of Trust

It has been convincingly established that one of the enduring features of Chinese business practices is trust (*xinyong*), which helps reduce transactional costs and obtain reliable information concerning the reputation and credit-worthiness of certain individuals [Mackie 1992; Tong and Yong 1998]. “While monetary capital is limited, the capital of trust is boundless,” a SCCCI special publication declares. “If a businessman does not abide by business ethic [which is the foundation of trust], it is just like committing a suicide” [SCCCI 1931: 20]. The question is, then, how to forge, both personally and institutionally, business trust? While it has been correctly pointed out that traditional Chinese culture, Confucian ethic in particular, is instrumental in the formation of business trust, this cultural element is more or less like “software,” whose effective working and operation requires a systemic incorporation of “hardware.”⁴⁾ This integration of ethnicity-based hardware is particularly essential in less-developed societies where the legal infrastructure is not well developed; and it could economize transactional costs [Landa 1991]. It is at this junction that the transnational institutionalized nexus established and maintained by SCCCI played an indispensable role. To some extent, it constituted a social control mechanism of impersonal trust [Shapiro 1987].

While business trust can be formulated through various means, often personal and particularistic by nature, institutional arrangements are generally more effective in preventing the violation of trust from happening and correcting the abuse of trust when it occurs. This is particularly true in colonial Southeast Asia, when Chinese business activities were transnational and legal frameworks were as a rule inadequate to sustain “systemic trust.” Official records of SCCCI show numerous cases when the Chamber was willingly or asked to step in to provide the guarding and policing functions.

4) This hardware/software dichotomy is somewhat similar to what Douglas North calls formal and informal institutions in the process of economic development. For a more detailed and theoretically oriented discussion on the relationship between trust and institutions, see Liu [2000]. (I am indebted to Professor Yoshihara Kunio for his insightful observations and for bringing my attention to the work of North and Kenneth Arrow.)

One of the central tasks of SCCC in establishing cross-national institutional linkages was to ensure that business trust and harmony would be maintained. For example, in a number of correspondences between the Chamber and the Shanghai Chamber of Commerce in early 1931, it was revealed that the brand name of a SCCC member's firm was being misused by his agent in Shanghai, and SCCC intervened on his behalf to arbitrate the matter [SCCC 1931: 46]. This role was bolstered by a more significant mechanism: through its wide-ranged institutional networks, SCCC acted as a policing agency to correct the violation of trust.

Such a function came to existence with the founding of SCCC. In 1911 it intervened in a dispute that involved a businessman, Wong Yikeng, a member of Chinese Chamber of Commerce in Batu Pahat (Malaya) and another Chinese entrepreneur who owed money to Wong [SCCC *Minutes of Meeting*, June 18; July 10, 1911]. In 1931 the Chamber acted on behalf of its member, Lim Dinmao, requested the court in Amoy to "reclaim the \$90,000 debt" owed by a former manager of Lim's branch in Amoy [SCCC 1931: 6]. In 1930 two firms in Singapore was cheated by a businessman in Kluang (Malaya), Tay Zinan. Upon receiving the complaints from the firms' owners, the Chamber first appealed directly to Tay. But he took money and run away, returning to his hometown in Jieyang (Guangdong). Starting from December 1930, the case was formally filed with SCCC, which then communicated with the two firms in Singapore, the Shantou Chamber of Commerce (which had commercial judicial control over Jieyang), the municipal government of Jieyang county, and the Court of Jieyang county. In addition to supplying information concerning Tay's whereabouts in China, the Chamber also suggested appropriate ways of dealing with this case. By the end of April 1931, Tay was finally arrested and charged by the Court in Jieyang [See for details in SCCC 1931: 6, 7, 9-10, 17, 19, 52, 55, 60].

These examples indicate clearly that the SCCC leadership was conscious of its role in protecting the business interests of its members by either correcting the wrongs or exposing the misconducts. Its well-established institutional connections facilitated the Chamber's capacities in fulfilling such functions in the transnational stage.

Political Actor

As a leading institution representing the interests of Chinese business community, SCCC deliberately extended its influences to the policy arena. In this process, the Chamber had to forge some strategic alliance by mobilizing its leadership, institutional strength and its extensive organizational ties with counterparts elsewhere in Asia. The effort led by SCCC to break the Western shipping conferences' monopoly exemplified the impact of the Chamber's collective bargaining power and the intimate interplay among leaders, institutions, and cross-national business networks [see for details, Liu 1999b].

Shipping has long been a vital aspect of the economy of Singapore, because much of its economic activities has been geared toward trade. Prior to the country's independence in 1965, shipping had been monopolized by the Far Eastern Freight Conference (FEFC)

and other shipping conferences, under the tight control of Western powers, especially the British. As a result of this monopoly, freight rates were arbitrarily high, 20–50% above those of non-conferences shipping firms [SCCCI *Minutes of Meeting*, March 15, 1967], which put cumbrous burdens on the export economies of both Singapore and Malaysia.

After the end of the Second World War, the fight to terminate the FEFC monopoly was first initiated by SCCCI in 1956, but to no avail. In March 1967, a large-scale and well-organized campaign was launched to end “FEFC’s oppressive monopolistic practices and its unreasonable freight rates.” Following a mass meeting in May 1967, attended by 162 representatives from 62 Singapore trade associations, SCCCI unveiled a unified slogan: “Breaking the Conference Contract System, Fight for Just Freight Rates and Conditions” [SCCCI *Economic Monthly*, no. 2, June 1967: 6–13]. Ling Lee Hua, head of SCCCI Commerce Department who also represented the Sarawak Rubber Trade Association, urged the meeting participants to take three steps: forging unity among all merchants for the common purpose; acquiring the government’s support; and working closely with their Malaysian counterparts [SCCCI *Economic Monthly*, no. 5, September 1967: 9; personal interview]. In the meantime, a Shipping Freight Working Committee within the SCCCI organizational structure was established to lead the overall campaign. The following strategies were adopted:

1) Joint efforts with ACCCM and other Chinese trade associations in Malaysia. In September 1967, SCCCI sent a six-man delegation to participate in the ACCCM special meeting, in which the need to work together to break the FEFC monopoly became a dominant subject of the discussions. ACCCM agreed to join fully in the campaign and an 18-person working committee was formed to look into the whole issue. Through their efforts, 122 rubber shippers, who were major clients of FEFC, declared the termination of contracts with the shipping conference in 1968 [SCCCI *Minutes of Meeting*, Oct. 31, 1967; Wee 1974: 93, 149–153].

2) Enlisting government support. In March 1967, Tan Eng Joo, chairman of the Rubber Trade Association of Singapore, urged SCCCI to mobilize the merchants and to consult with the government to formulate plans for concerted action. “This is an extremely important matter,” SCCCI President Soon Peng Yam concurred, “and we should seek the government’s support” [SCCCI *Minutes of Meeting*, March 31, 1967]. Singapore Finance Minister Goh Keng Swee expressed his government’s “hundred percent” support and promised to raise the issue of FEFC’s monopoly in the relevant international forums [SCCCI *1967 Annual Report*: 29–35; SCCCI *Economic Monthly*, no. 9, Jan. 1968: 7].

3) Mobilizing domestic resources. With SCCCI’s strong backing, the Singapore National Shippers’ Council was formed in 1968 to function as a pressure group representing the interests of shippers in Singapore. It was under the capable leadership of Tan Eng Joo and Tan Keong Choon. In the meantime, the Shipping Freight Booking Center, located in the SCCCI building, was established to replace the shipping networks formerly controlled

by FEFC and other shipping conferences. Immediately after its formation, the Center informed ACCCM and the Federation of Rubber Trade Associations of Malaysia, asking their constitute members to make full use of the facilities of this Center [SCCCI *Minutes of Meeting*, Sept. 30, 1968].

4) Approaching shipping companies outside to the shipping conferences system. Ethnic Chinese connections proved to be a useful weapon for SCCCI in negotiations with non-conference shipping companies. In 1971 its president Wee Cho Yaw led a delegation to the PRC and secured China's commitment to send ships to help Singapore, with freight rates one-fourth lower than those of FEFC. Beginning from February 1972, China started dispatching ships to Singapore and Malaysia, to pick up goods booked by the Shipping Freight Booking Center and ship them to Europe. From February to December 1972, a total of 38 ships from China were dispatched for this purpose. In the meantime, SCCCI took steps to cooperate with Chinese shippers in Hong Kong and the Philippines [SCCCI 1986: 436–439; Wu 1976: 111–113], thus further strengthening the PRC connection.

These well-orchestrated efforts to break FEFC's monopoly achieved some qualified success. FEFC promised to consult with its shipper members before considering raising fees. After opting out from the shipping conferences, shippers in Singapore and Malaysia reported feeling "very encouraged." Freight rates for rubber shippers in the two nations remained unchanged from 1967 to 1970, thus expanding the exportation of rubber. And Singapore and Malaysia increased their bargaining power vis-à-vis the shipping conferences [SCCCI *Economic Monthly*, no. 22, February 1969: 13; no. 103, November 1975: 13]. As a consequence, shippers in Singapore and Malaysia significantly reduced their dependence on the Western shipping conferences.

This case of SCCCI's leadership in breaking the Western monopoly highlights the crucial importance of transnational, institutionalized co-ordination and concerted activities. The Chamber was strategically endowed to take on the leading role, not only because of the determination of its leadership, but because of its long-established organizational capacities and well-cherished personal connections. The incorporation of Malaysian, Hong Kong, the Philippines, and PRC business and political forces was in essence a continuation of the historical legacy of SCCCI-centered regional business networking practices, and this systematic integration, in return, significantly bolstered the Chamber's bargaining power and effectiveness.

Builder of Economic and Social Capital

The SCCCI-driven institutionalization of Chinese business networks produced a diverse range of visible and invisible results for both individual firms and for Chinese commercial activities as a whole. For example, the 1935 exhibition, organized by SCCCI, aimed at helping both manufacturers and retailers. As Lim Keng Lian, the then SCCCI president, stated it in his opening speech, "In order to promote Chinese products in Nanyang, the close co-operation between manufacturers in China and retailers in Southeast Asia is

imperative The need to communicate and coordinate between the two sides inevitably calls for the stepping in of an active and well-organized institution, which is the reason why SCCC has been involved" [SCCCI 1935: 5]. In 1956 SCCC organized and led the Delegation of Singapore and Malaya Commerce and Industry, composed of more than 100 representatives from 39 trade associations and business firms, to visit China and Japan for two months. In China alone, the delegation won numerous contracts totaling more than S\$20 million, including the exportation of 7,000 tons of rubber from Singapore and importation of 20,000 tons of rice from China [Sim 1956: 253–300; SCCC *Minutes of Meeting*, June 29, 1956].

In many cases, tangible economic capital was acquired after the formation of transnational institutionalized business linkages and the strengthening of Diaspora sentimental connections. Mutual visitations and other forms of close interactions among Chinese businesspeople, sponsored mostly by SCCC, reduced the physical and emotional distance that separated Chinese communities in various parts of Asia. They reinforced a number of central characteristics embedded within the Chinese (business) communities, fostering the Diaspora consciousness and social/symbolic capital. As James Clifford points out, Diaspora consciousness is constituted by "the experience of discrimination and exclusion" and by "a shared, ongoing history of displacement, suffering, adaptation, or resistance" [Clifford 1994]. This shared past and culture, together with a history of dispersal, served as glue bonding overseas Chinese, including businessmen. The various means of networking instituted by SCCC provided a useful occasion to remember, renew, and reinforce this collective past and on-going present. For instance, according to Soon Peng Yang, SCCC president in the mid-1960s who led the Chamber's business delegation to Hong Kong in 1964, the trip aimed at reaching three objects: "liaisoning feelings between peoples in the two places; promoting trade; and attracting Hong Kongers' investment in Singapore." As a result of this visit, said he, "the fellow-feelings and sentiments of solidarity reach their height" [*Nanyang Siang Pau*, Dec. 19, 1964].

In the meantime, the institutionalizing and regionalizing activities also facilitated Chinese businesspeople's search to accumulate "social capital" and "symbolic capital" in a transnational arena. According to Pierre Bourdieu, social capital is "the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition" [Bourdieu 1986: 248]. Symbolic capital, on the other hand, "is a credit; it is the power granted to those who have obtained sufficient recognition to be in a position to impose recognition." This symbolic capital, just like social capital, can be converted into economic capital [Bourdieu 1989]. Indeed, some of the activities organized by SCCC brought in a wide range of individuals from different localities together and provided vital opportunities "to know somebody and be known," thus paving the way for acquiring social/symbolic capital. Referring to its 10-day visit to Singapore in 1936, the Nanyang Trade Mission from China reported, "On the surface, the banquets (organized by

SCCCI and its members) are not different from normal entertainment, but they have very important implications. The gathering of Chinese business community leaders from different circles has reinforced the harmony and cooperative spirit and enhanced the mutual understanding, which in turn will facilitate the exportation of Chinese products overseas" [Chinese Manufacturers' Export Association 1937: 15].

In brief, the institutionalization of transnational networking activities among Chinese business communities in Asia, within which SCCCI was an integral and central component, created not only a conducive environment for commerce, but also visible economic capital and invisible social capital for Chinese businesses concerned. Many of these functions could not be carried out by individual businesspeople or firms alone. The decisive and systemic involvement of a well-structured organization thus proved to be indispensable. SCCCI was one of the very few organizations that could combine the power and charisma of individual players (business community leaders) as well as the institutional capacities in its endeavors to seize critical historical moments and expand its influences in the transnational arenas.

Concluding Observations

We have illustrated the critical role of SCCCI in the formation, sustaining, and expansion of institutionalizing Chinese business networks in the Asian region. This concluding section is devoted to a cursory and experimental discussion of four broader issues that arise from this case study, namely, the importance of organized modes of Chinese transnationalism, institutionalism and Chinese business networks, the shifting configurations of Asian intra-regional trade, and the interactions among localization, regionalization, and globalization.

The first implication is concerned with the role of organized Chinese transnationalism and its linkages with business networks. As mentioned in the beginning of this paper, the existing studies on Chinese transnationalism tend to focus on cultural politics and its individual dimensions. The historical and contemporary inner-workings of organized Chinese transnationalism—exemplified by such institutions as SCCCI, which provide essential social and economic support to the immigrants across the geographical borders—have been largely ignored. Our case demonstrates that these institutions have played a significant role in the construction and sustaining of transnational Chinese business networks; their horizontal mobility has been effectively facilitated by their powerful vertical local representations. It is at this conjunction of vertical/horizontal linkages that organized Chinese transnationalism becomes a crucial component of Chinese business networks.

Second, this case study provides some additional empirical evidence to the proposition that overseas Chinese social and trade organizations have been incorporated into,

and constituted an institutional foundation of, Chinese business networks. Although there is no denial that personal and family ties influence overseas Chinese business networks, this familistic and particularistic nature does not necessarily preclude formal institutions from playing a constructive part. In line with the recent institutionalist approach to the complex state-society interactions and increasing assertive roles of business/minority associations [Hawes and Liu 1993; Lucas 1997; Haggard, Maxfield, and Schneider 1997; Vertovec 1999b], our case study points to the vitality and centrality of institutionalization for cross-national business networks. By acquiring value and stability for some of its norms and practices, this institutionalization plays an indispensable role—within the Asian regional context—in gathering business information, protecting and enforcing commercial trust, organizing trade-related activities, and exerting collective bargaining power. It should be emphasized that many of these functions are beyond the reach of those business networks founded purely upon personal and family connections, and that they are particularly instrumental at the time of uncertainty and opportunism in the transnational setting. In this sense, the institutionalism of Chinese social and business organizations supplements and reinforces personal and particularistic ties, thus constituting an important organizational foundation of Chinese business networks [Liu 2000].

Third, SCCC's changing role in Chinese transnational business networks signifies the shifting dynamism within the intra-Asian trading patterns. As Takeshi Hamashita has perceptively described, "East Asia is a historically constituted region with its own hegemonic structure," and "the long-established, Sinocentric, tributary system" is a key to understanding such a structure. According to him, the tributary system was "an organic network of relations, between the center and the periphery," and one of the fundamental features of this system was its basis in commercial transactions [Hamashita 1997]. Prior to the 1930s, the trading networks built by SCCC were unmistakably geared toward China as the dominant center. Singapore was the periphery to this core, both commercially and sentimentally, though SCCC commanded a more or less central position vis-à-vis its counterparts in the neighboring nations. This deliberate peripheralization was clearly exemplified by the subordinating attitudes of the Chamber leadership toward China and their active involvement in the promotion of Chinese products in Nanyang. However, after the end of World War II, this center-periphery equation underwent fundamental reconfigurations. Relying on its rich historical, institutional and ethnic resources, SCCC gradually, but decisively, embarked on a de-peripheralizing process and moved into a central place. This changing dynamism within intra-Asian regional trade was manifested in SCCC's efforts of breaking Western-shipment conferences' monopoly; the Chamber not only skillfully mobilized ethnic forces in the neighboring countries, but also effectively and forcefully brought in the China factor to serve its own agenda.

Last but not least, this case study helps accentuate the complex and multi-dimen-

sional interactions among localization, regionalization, and globalization. On surface, their correlation appears to be unidirectional, from localization, through regionalization, and entering into globalization. In effect, however, all the three processes can take place coincidentally and in a mutually reinforcing manner. As discussed, SCCC's regional networking role was partly based on its vertical local representations, whose interests were in turn reinforced by the integration of their members' horizontal, transnational business ties. More recently, the globalizing trajectory, including that of overseas Chinese social organizations, propels the return to the local and the familiar [Kearney 1995; Wang 1997; Watson 1997; Liu 1998]. Since the early 1990s, through such mechanisms as the World Chinese Entrepreneurs Convention and World Chinese Business Network, SCCC has been on the forefront of this transnational mobility. The current surge of globalization, furthermore, is founded precisely upon those localistic, parochial, and regionalized entities and sentiments, such as local cultures, dialects, regional and trade associations, renewed interests/reinvented memories on the place of origin. When Tan Eng Joo, president of SCCC in the early 1990s who had been a key player in the breaking of FEFC's monopoly during the 1960s, declared the opening of the inaugural World Chinese Entrepreneurs Convention in Singapore in 1991, the Chamber was not only thinking locally, acting regionally, but also behaving globally. To be sure, by then, the long and colorful symbiotic interactions among localization, regionalization, and globalization, exemplified by SCCC as an institution, had already firmly been established. The Chamber's fundamental role in the organizing, cementing, and maintaining of transnational Chinese business networks during the first half of the 20th century had been, after all, merely a historical precedent and an institutional prelude to an inevitable destiny.

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