Structure and Flexibility in the Chinese Business Network: Chinese Chambers of Commerce Overseas

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Introduction

In the second half of the 19th century, the Qing dynasty opened its ports to Western merchants and abolished its closure policy, which had continued for nearly a century. Thus, new Chinese immigrants emerged in Southeast Asia because of the coincidence between the boom of Chinese emigration and the labor demands of colonial governments. New Chinese immigrants, later called Totok or Xinke, new visitors, flocked to the commercial ports where overseas Chinese societies formed by earlier immigrants from Fujian, Guangdong and Hainan already existed. Activated international trade and the rapid increase of the new immigrants brought about big social changes in those areas, which prepared the basic conditions under which the network of Chinese Chambers of Commerce expanded its field and strengthened its mechanisms. Most of the first Chinese Consolidated Venevolent Associations and many of the Chinese schools were established in this period. At the same time, newly arrived Chinese began to shape their own new communities in several ports in the Asia-Pacific Rim Area, such as Kobe, Yokohama, Victoria, San Francisco and Melbourne etc., which enabled the network to expand its range and increase its functions.

At the beginning of the 20th century when the Chinese Chamber of Commerce network was originally formed, the Qing government had regarded the Chinese Chambers of Commerce abroad as its important players at its periphery. The reason why the Shangbu, the Ministry of Commerce, and envoys dispatched to foreign countries had to protect and create relations with Chinese merchants abroad was based on the fact that they had already developed into the substantial forces. There are already many
academic studies on Chinese Chambers of Commerce, but few of them have analyzed the mechanisms of the Chambers’ network itself, especially the functions of the Chinese General Chambers of Commerce abroad.

This paper aims at revealing the functions of the Chinese Chambers of Commerce to make clear how their networks work. On the one hand, this paper deals with the problem of the continuity of the Chinese societies inside and outside of China. Making clear what Chinese Chambers of Commerce abroad and domestically have in common could be a convincing explanation of its characteristics, which differ from other nations’ Chamber networks. The acquisition of community leadership by the local elites and the authoritative power, which is usually endorsed by the Government through the institutionalized method of distribution of governmental seals and of the approval of the organization, are important assets. On the other hand, Chinese Chambers of Commerce outside of China are different from those inside the country. I will make special effort to clarify the differences between them and to try to understand why and how Chinese Chambers of Commerce play important roles in their communities in order to distinguish the features of Chinese Chambers of Commerce from those of other nations.

1. History of the establishment of Chinese Chambers of Commerce in Southeast Asia, East Asia and America

The first Chinese Chamber of Commerce Brief Act of 1904 proclaimed in article

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25; “Chambers of Commerce should be created as soon as possible. In the commercial cities in Southeast Asia, Japan and the United States of America where Chinese merchants gathered, General Chambers of Commerce and ordinary Chambers of Commerce should also be established”. When the network of Chinese Chambers of Commerce was basically formulated, Chinese merchants overseas were already the targets of their mobilization efforts.

In a former study, I pointed out that the publication of the Chinese Federation Review, Huashang Lianhe Bao, in 1909 was closely related to the establishment of the Chinese Merchant Bank, Zhongguo Huashang Bank. The necessary funds were collected through the networks of the Chinese General Chambers of Commerce. The Chinese General Chambers of Commerce had to be the units of stock holders. The leading groups were the Shanghai General Chamber of Commerce and the Singapore Chinese Chamber of Commerce. Officials from these two Chambers and a few bankers from Shanghai visited every commercial port in Southeast Asia where Chinese communities were established and began a campaign for raising capital.

Almost at the same time, a new Nationality Law, which the Dutch colonial government implemented in Dutch India caused anti-government sentiments among the Chinese there. The Nationality Law, based upon the birth-place principle, was strongly rejected by the Chinese. This movement urged the Chinese in Dutch India to ally with Chinese merchants in other countries and pressure the Qing government to enact a Chinese Nationality Law based upon genealogy. Nationalism became a main concern at that time especially in the East India under Dutch rule.

When the Shanghai bankers’ group for collecting funds was visiting Southeast Asia in the summer of 1908, seventeen Chinese Chambers of Commerce had already been established: in Manila in 1905, Singapore, Nagasaki and Batavia in 1906, in Penang, Semarang, Surabaya, Yogyakarta, Pontianak, Selangor, Solo and Yangon in 1907, and in Bali, Priangan, Makassar, Vladivostok and Ampenan in 1908. Ten out of the seventeen were in Dutch East India. This shows why nationalism was of such importance.

In eleven years from 1905 to 1915, at least 68 Chinese General Chambers of

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Commerce were established abroad. Eleven Chambers were set up in the year 1910. Twenty-six Chambers were created in three years from 1908 to 1910. This period could be regarded as the first peak of activity of the network of Chinese Chambers of Commerce just after it was formed. At the same time, it coincided with the publication of the *Chinese Federation Review*.

Chinese merchants in Selangor, Malay Peninsula, established the Commercial Bureau, the *Shangju*, in 1905. They re-organized it in 1907 into a Chinese General Chamber of Commerce. There were 40 cities in Selangor. Chinese were not concentrated in any one place. Some engaged in agriculture, some in commerce and others worked in the factories. They thought they had no other way to get together except by establishing a Chamber of Commerce. Perek of Malaya also came under the rule of the British Empire just before this. Chinese here were engaged in the tin mining and were divided into a Fujian group and a Guangdong group. There had been animosity between the two groups for a long time. “Their conflicts were alleviated by getting together to collaborate in forming the Chinese General Chamber of Commerce.” The Perek Chinese General Chamber of Commerce was thus established in the second lunar month of 1909. A press reporter for *Chinese Federation Review* explained that to overcome the conflicts between Chinese groups of different dialects and then to get them together to collaborate with each other is the very purpose and responsibility Chinese Chambers of Commerce should have.

Padang is a big city on the Island of Sumatra. Chinese there were enthusiastic about nationalism. Commercial competition was also severe. There were arguments several times over organizing their own association for the purpose of pursuing peace and contributing toward the motherland, but in vain. “Since the Dutch government came to urge Chinese to be their citizens, their Chinese nationalism was greatly stimulated. They came to think about establishing a Chinese Chamber of Commerce as soon as possible for the purpose of cooperating with Chinese merchants for their survival.”

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6 “Nanyang Xuelane shanghui zouzhun bangei guangfang” (The Selangor Chinese General Chamber of Commerce in Nanyang was permitted to get an official seal), in *the Chinese Federation Review*, Haineiwei shanghui jishi (Article on Chinese Chambers of Commerce inside and outside the country), vol.4, April, 1909, p.2.

7 “Nanyang Pili bu zhonghua shangwu zonghui zhungui guangfang” (The Perak Chinese General Chamber of Commerce in Nanyang was permitted to get an official seal), in ibid., Haineiwei shanghui jishi (Article on Chinese Chambers of Commerce inside and outside the country), vol.7, June, 1909, p.1.

8 “Nanyang Sumendala Badong shanghui zhaozhun bangei guangfang” (The Padang Chinese General Chamber of Commerce in Sumatra, Nanyang, was permitted to get an official seal), in *the Chinese Federation Review*, Haineiwei shanghui jishi (Article on Chinese Chambers of Commerce inside and outside the country), vol. 7, May, 1909.
Exactly at that time, Counselor Wang Jifu, who was dispatched to Holland, visited and made a speech about how good establishing Chinese Chamber of Commerce would be for them. The Chinese there were all convinced by his speech and decided to establish a Chinese General Chamber of Commerce and elected Chairman Wu.

Yangon was the center of Burma under the rule of the British colonial government. The population of Chinese there was not less than 200,000. Chinese from Fujian and Guangdong provinces began to prepare for organizing a Chinese General Chamber of Commerce in the summer of 1907 in partnership with each other. Merchant elites collected funds and established the Burma Chinese General Chamber of Commerce after the fashion of the Singapore Chinese General Chamber of Commerce.

Let us look at the case in the cities under French rule. Although Chinese in Vietnam had been badly treated, they had not organized themselves together before. In the third lunar month of March of 1909, Chinese merchants held a meeting to decide collecting funds. Groups from Fujian, Guangzhao (Guangzhou & Zhaoqing), Chaozhou, Kejia, Qiongzhou in Saigon and Cholon got together and talked about organizing a Chinese General Chamber of Commerce. Chinese in Nam Dinh, Northern Vietnam, also elected a chairman and applied to establish a Chinese General Chamber of Commerce in the fourth lunar month of 1909. The letter of application said, “A great number of Chinese came to settle in Vietnam because it is closely connected with Guangdong and Yunnan provinces. Nam Dinh is the gate of entry and exit. After mutual trading began, Chinese merchants and foreign merchants gathered. They are not well organized and seldom communicate with each other, though. If it were not for the chance to establish a Chinese Chamber of Commerce, we would not be allied together.” In Thailand, the Siam Chinese General Chamber of Commerce was organized in 1911. At that time, there was no diplomatic relation between the Qing and


Thai governments. Therefore, they applied to the Qing government for establishing it through the Singapore Chinese General Chamber of Commerce. The Commercial Arbitration Court and the Product Consultation Corner were attached to later in 1928.

As mentioned above, before the Republican Revolution, a single Chinese General Chamber of Commerce was organized respectively in both Burma under British rule and Thailand. Two Chinese General Chambers of Commerce were organized in Vietnam under French rule. If we compare these with those of Dutch India, more attention should be paid to the fact that nearly 20 Chinese General Chambers of Commerce were established in Dutch India.

The Kobe Chinese General Chamber of Commerce was established in May of 1909, 41 years after the port of Kobe was opened to the merchants from abroad. The Chinese in Kobe were from Guangdong, Fujian and the Shanghai area including Jiangsu, Zhejian, Anhui and Jiangxi provinces. There were also a few merchants from northern parts. They were mostly engaged in business, because Japanese entry permits were not given to blue color workers and farmers. As mentioned above, they were roughly divided into three groups by their different dialects. When they applied to establish the Chamber of Commerce, they objected to the Ministry of Commerce’s request for them to elect one chairman and one vice-chairmen. Instead, they preferred a balancing mechanism of their own creation, and elected one chairman and two vice-chairmen as Nagasaki did. Thus, following Nagasaki, Chinese in Kobe, Osaka and Yokohama organized their own Chinese General Chambers of Commerce in 1909.

There were a great many Chinese of Guangdong origin in San Francisco. Eight Big Huiguans, benevolent associations for our countrymen, had engaged in autonomous control over Chinese before the Zhonghua Huiguan, the Chinese Consolidated Benevolent Association, was organized in 1901 integrating them. Zhonghua Huiguan was also in charge of the embarkation tax. At the beginning of 1909, the San Francisco (Jinshan) Chinese General Chamber of Commerce was officially established. A second Chinese General Chamber of Commerce was set up in New York early in 1912. In Vancouver, Chinese were engaged in trade or employed as workers. “They did not have

12 Concerning the background of the establishment of the Siam Chinese General Chamber of Commerce, please see Yuan Ding, “Qing zhengfu yu Taiguo zhonghua zongshanghui” (Qing Government and the Thai Chinese General Chamber of Commerce), in Southeast Asia, vol.2, 2000.
13 “Liangnian lai huiwu gaikuang” (General affairs of our General Chamber of Commerce during these two years), Xianluo Zhonghua Zongshanghui Jinian Kan (The Siam Chinese General Chamber of Commerce Memorial Publication), Siam: 1929. pp.1-2.
14 “Benbu juzou Riben Shenhu sheli zhonghua shangwu zonghui yuan an qing gei guangfang zhuo” (The Ministry of Commerce asked the Emperor to decide giving an official seal to the Kobe Chinese General Chamber of Commerce in Japan), in the Shangwu Guan Bao, vol.25, 1909, p 4.
enough power and were not organized” yet. In the second lunar month of 1909, Lin Jichao was elected as a chairman and the Vancouver Chinese General Chamber of Commerce was established\textsuperscript{15}. In the sixth lunar month of the same year, a Victoria Chinese General Chamber of Commerce was also established\textsuperscript{16}. The Chinese General Chamber of Commerce was also organized in Honolulu in 1914\textsuperscript{17}. In commercial cities like Vladivostok in Russia, Seoul, Incheon, Sinwiju and Wonsan in Korea, Sydney and Melbourne in Australia, Sulu in the Philippines, and in the politically important cities in Mexico, Peru, Cuba, Chinese General Chambers of Commerce were established one after another. We can safely conclude that a network of Chinese Chambers of Commerce abroad was created connecting major commercial cities in the Pacific Rim and some coastal cities at the east side of the American Continent.

Concluding remarks to this section are as follows: 1) The main motivation of the establishment of Chinese General Chamber of Commerce was to overcome and eliminate the gap between the different dialect groups, and Chinese overseas tried to create associations where every Chinese could cooperate and affiliate with each other. 2) The new policy pushed forward by the late Qing government to protect overseas Chinese was positively accepted and responded to by them, especially in Dutch India where there were no consuls yet. The new Nationality Law announced to be enacted there stimulated Chinese nationalism and they rushed to get in contact with the Qing government directly. 3) In the late 19th century, new waves of Chinese immigrants gathered overseas, which brought about big social changes in Chinese societies abroad. New types of Chinese schools appeared, where the students were required to have Chinese identities and a revived sense of Chineseness by worshiping Confucious came about. This new trend also made some members of the old-type assimilated Chinese turn to their ancestors’ motherland, and they played the role of a bridge between them. By re-acquiring Chinese and Chinese culture, Chinese overseas of different places came to enjoy common news and topics and became able to communicate with each other. As a matter of fact, the Chinese Federation Review, published in 1909 for two years and delivered mostly to Chinese societies through the newly born Chinese General


\textsuperscript{16} “Yingshu Wengefo huashang zonghui zhi chuangu” (The Vancouver Chinese General Chamber of Commerce was established), in the Chinese Federation Review; Haineiwaishanghui jishi (Article on Chinese Chambers of Commerce inside and outside the country), vol.11, July, 1909.

\textsuperscript{17} Tanxiangshan shanghui chengli songci” (A congratulatory address on the establishment of the Honolulu Chinese General Chamber of Commerce ), “Tanxiangshan zhonghua shanghui kaimu huizhi” (Opening ceremony of the Honolulu Chinese General Chamber of Commerce ) in the Industrial China, vol.7-1, 7-4, 1916.
Chambers of Commerce, played an important role in dispensing the news. 4) The network of Chinese General Chambers of Commerce spread from the Russian coastal province in the North to Melbourne in the South, from Yangon in the West to New York in the East. It could be called the first half-institutionalized Chinese Business Network.

2. Main functions of Chinese General Chambers of Commerce Abroad

The first Chinese Chamber of Commerce Brief Act of 1904 was revised a couple of times. Although the considerable revisions were made in 1915 and 1929 on its structure and membership, the purpose of Chinese Chamber of Commerce was commonly described as follows: 1) deepening mutual understandings, 2) collecting and making commercial surveys, 3) assisting the Government with its commercial and industrial policies, 4) issuing various proofs on the products, 5) unification of the styles of commercial books, 6) exercising commercial arbitrations, 7) maintaining commercial order and merchants’ ethics by upkeeping the property of bankrupt businesses for creditors and so on. The purposes are more or less in common with Chambers of Commerce in other countries.

Let us consider what is unique in the Chinese system in the following paragraphs.

(1) Lineage of Authority

In order to make my contention clear, I would like firstly to focus on the aspects of authorized power by the use of official seals called guangfang. Chinese official seals were finely classified. There were different kinds of different shapes, like guangfang, tuji, yin, qianji, etc., according to usage and purpose. Some types were made by the local governments themselves imitated from the instructions handed out by the central Government. Some were directly distributed by the central Government, though. The most authoritative was a rectangular guangfang, which was usually only used by a minister in the Ministry. The guangfang of the Chinese Chamber of Commerce was distributed directly by the Ministry of Commerce, the Shangbu, under the instruction of the Emperor. It was only permitted to be used by the chairman of the General Chamber of Commerce. This means the General Chamber of Commerce was regarded by the central Government as a highly-ranked position. When we take the manner of the way of exchanging official letters into account, we can see the rank of the chairman of the Chinese General Chambers of Commerce abroad was as high as that of Ambassadors.

As the research so far discloses, the Chinese Chambers of Commerce should be
considered as private associations rather than an official, in their ways of management and sources of funds. But they appeared to be very official because they were well controlled after the administrative fashion. Approval of their establishment by the Government, the way of distributing guangfang and the rules for exchanging letters with officials were all mixed together and made authoritative. The abolition of the traditional system of civil service examination system, Keju, in 1905 made it possible for many promising youngsters to get into other fields of success. Gathering in and rising to the top of the Shanghui, the Chinese Chambers of Commerce, which were officially announced to be established in every county, xian, in 1904 by the Government, became one of the new and most anticipative social escalators. Those who acquired a considerably high position in the Keju system only were qualified to be the leaders of the Chambers of Commerce. Thus, the traditional concept that being an official was the only and best career for a man made the rich rush to get official positions by donations to the Government.

There existed a good reason on the side of the Government to give a chairmen of a Chambers of Commerce the right to use an authoritative official seal. By giving away a traditional set of ruling mechanism, the Government could gather a great amount of donations from merchants. Merchants’ eagerness to succeed in new fields and the Government’s willingness to raise money met together, and the system worked effectively.

(2) Administrative Function

Chinese General Chambers of Commerce abroad were more administratively rigid and omnipotent than those of inside the country, since they did not have alternative civil services. In some areas where Chinese were scattered or lived separately on small islands, like in the Philippines, consular offices could not cope with their requirements. In some areas, like Dutch India, consuls were established later than the establishment of Chinese Chambers of Commerce.

The Cuba Chinese General Chamber of Commerce was established in Nov. of 1912. Its chairman, Huang Zhonghe, tried to make an official registration at the Cuban Government office in March of 1913. At the same time, attempts were made to register at the Ministry of Agriculture and Commerce of the Qing government through the Chinese Consul Wu in Cuba. Unexpectedly, they were required to amend the code by the Cuban official. Chinese in Cuba regarded the Chamber of Commerce as the almighty association, and they included all the Chinese as their members in the code.
The Cuban government requested that they limit their membership to the merchants and required the Chinese Chamber of Commerce to be a “genuine commercial organization” in accordance with Cuban rules to regulate the other Western Chambers of Commerce there. Chinese in Cuba had wanted to keep their “traditional equalitarianism” in the organization. They called for another election and elected Chen Xinmei as the chairman of the newly born Chamber of Commerce.

Although the Chamber of Commerce was an commercial association, there were so many Chinese societies abroad where people had difficulty in gaining access to the consulate, or there was no consulate. People often had a kind of illusion that semiofficial organizations, like Chinese Chambers of Commerce, could cope with all that they expected. The Chambers were expected to assume almighty duties and responsibilities. Thus, under particular conditions, the authority and the responsibilities of the Chinese General Chambers of Commerce propagated ceaselessly, to the extent that they came to have huge social and political power. Although the domestic Chambers of Commerce ceased operations for a while after the 1949 Revolution, some of the overseas Chinese Chambers of Commerce survived, even until now, after experiencing two world wars and the era of independence and national self-determination.

Because of the special reasons mentioned above, Chinese Chambers of Commerce abroad had to deal with solving of civil cases, in addition to the usual functions they should have. If a member filed an appeal with the Chinese Chamber of Commerce against a person or organization, the Chamber needed to carry out the necessary procedures on his behalf. Since the chairman of the Chamber had the right to execute guangfang’s authority, it also had its responsibilities. In such cases, the Chamber needed to make an official document and send it to the local government of the filer’s hometown to solve the problem. Sometimes cooperation with the officials needed to be engaged in the inquiry.

Article 14 of the Manila Chinese General Chamber of Commerce Act enacted in 1906 says, “Once this Chamber of Commerce was granted the guangfang through the Ministry of Commerce, if one of its members comes to file a case involving trouble with his family or relatives in his homeland, the Chamber of Commerce should proceed with the necessary steps to convey his will to the local government in his homeland and be engaged in the inquiry in collaboration with the local officials.” This means the...

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18 “Guba Zhonghua shanghui kaimu ji sheng” (The Cuba Chinese Chamber of Commerce held an opening ceremony solemnly), in *Industrial China*, vol. 7-2, Feb., 1916.
19 “Chong ding Xiao Lusong zhonghua shangwu zonghui zhangcheng” (Newly revised Act of the
Chinese General Chambers of Commerce abroad have the function to be concerned more with administrative matters than the domestic Chambers of Commerce.

In addition, they could open more official channels according to the importance of the matter. In the case of Manila Chinese General Chamber of Commerce, it clearly stipulates five different ranks for bridging government offices. Recipients of the official documents and letters were classified as belonging to the Ministry of Commerce, Director General of the provincial government, sheng, Governor of the regional government, fu and dao, Director of the county, xian and zhong, Chairman of General Chamber of Commerce, domestic and abroad in the East. Namely, being a bridge between the official government and civil society was one of the main functions of Chinese General Chambers of Commerce.

Article 4 says, “This Chamber is composed of Chinese merchants, so it should communicate with Chambers of Commerce in every province in China proper and Chambers of Commerce scattered around the world. We should try to protect ourselves by exchanging information.” Chinese General Chambers of Commerce in other countries were the fifth recipients of official letters. From this, it can be argued that there existed a semiofficial mechanism in the network of Chinese Chambers of Commerce. It worked as the infrastructure through which Chinese inside and outside of the country coped with the troubles they faced. This is the second important function of the Chinese Chamber of Commerce.

In other modern countries, troubles occurring in their communities in foreign countries are usually solved by the consuls. However, Chinese overseas had long been accustomed to maintaining community order autonomically, and consuls were established very late, in the late 19th or the beginning of the 20th century. Moreover, the Chinese elites were not only trusted by the Chinese but also by the colonial governments. As in Singapore and the Dutch East Indies, the first consuls were both appointed from among the Chinese communities there. This might be the very reason why the functions of Chinese General Chambers of Commerce abroad usually cover a wider field than the usual domestic Chambers of Commerce.

(3) Issuing Passport

Let us deepen this argument using the issuing passports as an example. Chinese
passports which were carried home by overseas Chinese were originally issued by the Chinese General Chambers of Commerce abroad. The Baoshangju [The Bureau to Protect Chinese Merchants] was once established in Amoy and Guangzhou also to protect the life and the property of overseas Chinese who came home and registered. The domestic officials also sent blank passports to the Shanghui [the Chinese General Chambers of Commerce] or Zhonghua Huiguan [All China Benevolent Association] abroad according to their requests. Soon, the function of the Baoshangju in Amoy was involved in and integrated into the Amoy General Chamber of Commerce.

After the Republican government was established, it began thinking that passports should be issued by the Consuls and Consul Generals. The Ministry of Foreign Affairs and the Ministry of Industry and Commerce created the “Overseas Chinese Visiting Home Passport Issuing Act” composed of 6 clauses and the “Consul Issuing Passport Act” made up of 4 articles.

**Overseas Chinese Visiting Home Passport Issuing Act** is as follows:

1) In the areas in which Chinese consuls are established, Chinese who needs a passport should go to the Chinese Chamber of Commerce and fill in the form with his name, age, place of origin and occupation. The Chinese Chamber of Commerce will then forward it to the consul. Then the passport will be issued.

2) In the areas in which Chinese consul are not established, Chinese who needs a passport should go to the Chinese Chamber of Commerce to fill in the form with his name, age, place of origin and occupation and ask the Chinese Chamber of Commerce to issue a letter of introduction with an official seal of Guangfang. The applicant should bring this to the consul general or consul at a nearby port to get a passport. If there is a consul in a nearby port but he does not pass through the port or if there is any reason, for example, entry restriction or and the entry port is different or the anchoring time of the boat is too short, he can ask the Chinese Chamber of Commerce to send a letter to the consul. Then he can wait for any chance until the consul issues a passport.

3) In the areas in which consuls are established but the Chinese Chambers of Commerce are not set up, an applicant should fill in the form for himself with his name, age, place of origin, occupation and ask an earnest and wealthy merchant to

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20 “Waijiaobu gongbu niding Huaqiao HuiHua Huzhao geshi bing guiding Lingzhao Geizhao Jianzhang yibian qiaoshang huigu chengyan fangxing wen [fu huzhao geshi bing jianzhang]” (The Ministry of Foreign Affairs advocates that the procedures of issuing and applying Overseas Chinese Visiting Home Passport and the style of Passport were decided,[Passport and Acts attached] ), in *The Industrial China*, vol. 3 – 12 & vol. 4 - 1, Jan. 1913, pp.70-71.
visit the consul on his behalf to carry out the necessary procedures.

4) In the areas in which both consuls and Chinese Chamber of Commerce are not established, Chinese who needs a passport should visit the nearest chamber of commerce and proceed according to clause No.1 and No.2. If there is a consul nearby and no chamber of commerce, the applicant should carry out the procedures according to clause No.3.

5) The procedure fee should be one Chinese silver yuan.

6) When a Chinese merchant possessing a passport arrives at a port, he should show it to the official of the immigration office.

The Ministry of Foreign Affairs had already advocated that the system for applying for and issuing of passports should be unified under the control of the consuls. However, the newly prescribed Act still made much of guaranteeing function by the Chinese Chambers of Commerce. In order to get a passport, one needed to go to the Chinese Chamber of Commerce to fill in the form or one needed a letter of introduction issued by the Chinese Chamber of Commerce. If there was no Chinese Chamber of Commerce nearby, one needed to ask an “earnest and wealthy” merchant to act for him.

Embassies and consuls did not have the authority to control all the Chinese living abroad. The manner of ruling the people through the consuls abroad was really secondhand and indirect. Even after World War II, when a Chinese consul issued a particular passport to a native-born Chinese overseas, the only way to know his background was to ask him to hand in his alien registration document which was issued by the foreign local government. The Chinese government could only rule over its people through intermediary associations. This limitation of governance eventually brought about the social associations abroad, such as the Chiense Chamber of Commerce, acquiring greater authoritative powers.

In fact, domestic Chambers of Commerce issued Merchant’s Pass to those who wanted to go far on journeys crossing various boundaries in times of military conflicts. This means passes issued and endorsed by the chairman of a Chamber of Commerce protected the life and the property of the possessors. Therefore, the prevailing custom of the issuing of passports by the Chinese Chambers of Commerce should be traced back to the domestic custom. We can see the issuing of passports from the viewpoint of historical continuance.

Solo [Surakaruta] Chinese General Chamber of Commerce, on the island of Java, once issued merchant’s passes as well, Shangzhao, based on their own rules. According to the procedures, merchants needed to bring two photos to the Solo Chinese General
Chamber of Commerce and fill in the necessary form five days beforehand. One photo was sealed on the merchant’s pass and the other on the original register to keep in the Chamber of Commerce. In addition, one needed two signatures by Chamber members or shopkeepers to guarantee the application form. Those who had committed commercial crimes, like arrogation or bankruptcy with bad loans, were not qualified to receive passes. When a merchant with a pass arrived at a port in China, he had to visit the Chamber of Commerce in that area to register. He needed to hand in the pass and have it stamped there. If one suffered from any cheating or bulling by corrupt officials or got involved in trouble, one could bring the pass and appeal to the local government or the Chamber of Commerce for help. By doing so, one could also ask the Solo Chinese General Chamber of Commerce to take active countermeasures against the problem afterward. In addition to the usual pass valid for a year, there was also a special pass valid forever\(^{21}\). The Surabaya Chinese General Chamber of Commerce had a similar procedure for a China Visiting Merchant Pass composed of 12 clauses\(^{22}\).

In the late 19\(^{th}\) century and at the beginning of the 20\(^{th}\) century, passports were not indispensable documents those who traveled abroad should carry. Therefore, when the Ministry of Foreign Affairs of the Republican Government stated that, “The Chinese passport carried home by a native born overseas Chinese was originally issued by the Chinese General Chamber of Commerce”, it might also indicate the merchant pass, *Shangzhao*.

The difference between the Republican Government’s passports and the Solo and Surabaya Chinese General Chamber’s merchant passes was that the receipents of the former passports were Chinese in general, and the latter merchant passes were Chinese merchants. We can conclude here that at the beginning of the Republican era, the system of controlling and protecting overseas Chinese was on the way to being institutionalized. Chinese passports at that time all needed to be guaranteed by the Chinese Chamber of Commerce abroad or earnest and wealty merchants there. This is one of the reasons why Chinese Chambers of Commerce abroad came to perform multidimensional functions.

The Osaka Chinese General Chamber of Commerce described its functions in three groups in clause No.3 of its Tentative Act of the late Qing era. They were classified as follows; 1) mutual communication, 2) investigation, 3) protection. In order

\(^{21}\) “Suoluo zhonghua shangwu zonghui fagei tongqiao huihua shangzhao wen” (Solo Chinese General Chamber of Commerce issued a Chinese who went back China a merchant pass) in *the Chinese Federation Review, Article on Chinese Chambers of Commerce inside and outside the country*, vol.15, Aug., 1909, p.1.

\(^{22}\) “Sishui shanghui fagei huihua shangzhao zhangcheng” (Surabaya Chinese General Chamber of Commerce’s rule on visiting China merchant pass) in *the Shangwu Guanbao*, vol.19, 1908, pp.37-39.
to make the point clear, let us focus on the third function, protection. The clauses on protection are as follows:\textsuperscript{23}

1) If a Chinese merchant in Osaka needs to negotiate to solve a problem, such as a commercial debt, with a Chinese or a foreign merchant in this city, we should have a meeting to conduct a public arbitration in order to make the suit unnecessary.

2) If a Chinese merchant in Osaka needs to negotiate to solve a problem, such as a commercial debt with a Chinese merchant in another country or in China, we should send an official letter to the Chamber of Commerce nearby to request mediation or send an official document to the Ministry of Agriculture, Industry and Commerce to give instructions to the local officials to settle the dispute.

3) When a Chinese merchant in Osaka goes home, we should apply to the Consul to issue a passport on his behalf and send an official document at the same time to the local official of his homeland to give him protection.

4) When a Chinese merchant in Osaka invents a new machine or raises capital to establish a company and goes home to start a new business, we should send an official document to the Ministry of Agriculture, Industry and Commerce to give him the patent on it or let him register and give him protection.

5) When a Chinese merchant in Osaka certainly suffers from false accusations, we should officially ask the Ministry, Envoy and Consul to carry out the necessary procedures to clear up the matter.

Moreover, the 70\textsuperscript{th} clause enumerates the merits the members could enjoy:\textsuperscript{24}

They could wear a badges of the Osaka Chinese General Chamber of Commerce. They have the franchise and the eligibility for the election. They could get useful information from the Chamber through circulars. They could enjoy various books and newspapers in Chinese and foreign languages in the Chamber. They could ask the Chamber for commercial arbitrations and to appeal to the courts on their behalf. If they didn’t understand Japanese, they could ask the interpreter in the Chamber of Commerce to help them. If they didn’t know much about the law, they could get counsel from the legal adviser employed by the Chamber of Commerce. They could

\textsuperscript{24} \textit{Ibid.}, pp. 120-121.
enjoy special discount on insurance premiums agreed on with two insurance companies, one Chinese and the other Japanese. They could enjoy special discount freight fees agreed on with the NYK, a Japanese steamship company. In order to attract members, the Osaka Chinese General Chamber of Commerce included many of practical benefits.
3. The Origin of a Network of Chinese Chambers of Commerce

(1) Distribution of Chinese Federation Review

Shanghai Shangye Huiyi Gongsuo, the first predecessor of Chinese General Chambers of Commerce, was established in Shanghai in 1901 by Yan Xiaofang. Shanghai has been the a symbolic center of Chinese merchants since then. The first General Chamber of Commerce was then established in 1904 in Shanghai. The first All China Merchants’Meeting was held in Shanghai in 1907 under the leadership of Li Yunshu of Ningpo origin, the chairman of the Shanghai General Chamber of Commerce. Representatives of the Chinese Chambers of Commerce from all over the country and several Chinese societies abroad got together and agreed to organize the Chinese Merchant Association, Huashang Lianhehui.

It was Li Yunshu who asked his brother Li Zhengwu and his friends Zhou Xiongfu, Chen Gengchu, Chen Junyi to travel to Guangzhou and Singapore and then to Southeast Asia to raise capital for the purpose of establishing a large-scale Chinese Merchant Bank. They left Shanghai on May 14 in 1908. They spent as many as 300 days and visited 20 cities. They planned to gather 1000 Chinese yuan and the stock holders should be Chinese. The uniqueness of the way of raising funds was that the authority approving the stocks needed to be a Chinese Chambers of Commerce.

We can see the original signatures signed by the representatives of those Chinese General Chambers of Commerce in Vol. 6 of the Chinese Federation Review. Table 1, cited below, is the list of the names of Chinese Chambers of Commerce and the amount of stocks they agreed to purchase as promoters. Besides these large cities, smaller towns like Anpenan and Bali agreed to purchase stocks but their signatures were not listed, maybe because the Chinese General Chambers of Commerce were recently established in those areas. By March of 1909, 5,700,000 yuan was agreed to be funded by 14 Chinese General Chambers of Commerce, including Kuala Lumpur25.

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When Chen Junyi came back to Shanghai, he collected funds and established a publisher for the preparation of organizing the Chinese Merchant Association discussed in 1907. Thus, the Chinese Federation Review was published.

Table 2, cited below, is the list of the bases of distribution abroad, which appeared on the last page in every issue of the Chinese Federation Review. As I already pointed out in Chapter 1, the publication of the Chinese Federation Review was closely related to the intention of raising capital by the Shanghai bankers group. When the delegation was sent, Chinese nationalism stimulated by the new Nationality law was at its peak among those in the East Indies under Dutch rule. That’s why the bases of the distribution of Chinese Federation Review also concentrated here. Twenty-one out of thirty-three were in this area.

Table 1 Unit and Amount of the Fund Approved

<table>
<thead>
<tr>
<th>Chamber</th>
<th>Shanghai</th>
<th>Singapore</th>
<th>Batavia</th>
<th>Priangan</th>
<th>Yogyakarta</th>
<th>Solo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>2,000,000</td>
<td>1,000,000</td>
<td>500,000</td>
<td>250,000</td>
<td>250,000</td>
<td>250,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Surabaya</th>
<th>Semarang</th>
<th>Burma</th>
<th>Makassar</th>
<th>Pontianak</th>
<th>Manila</th>
<th>Hongkong</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,000,000</td>
<td>500,000</td>
<td>500,000</td>
<td>300,000</td>
<td>20,0000</td>
<td>45,0000</td>
<td>500,000</td>
</tr>
</tbody>
</table>

Source: “Signatures of approval for being promoters to establish the Chinese Merchant Bank”


Table 2 List of the distribution bases of Chinese Federation Review abroad

- Singapore Chinese Chamber of Commerce
- Singapore Daonan Chinese School
- Singapore Haitong Publishing Company
- Batavia Chinese General Chamber of Commerce
- Batavia Chinese Consolidated Benevolent Association
- Batavia Chinese Merchant Publishing Company
- Batavia Overseas Chinese Book and Newspaper Company
- Batabia Hoa Tok Po Publishing Company
- Buitenzorg Chinese Consolidated Benevolent Association
- Bandung Priangan Chinese General Chamber of Commerce
- Bandung Chinese Consolidated Benevolent Association
Solo Chinese General Chamber of Commerce  
Solo Chinese School of the Chinese Consolidated Benevolent Association  
Yogyakarta Chinese General Chamber of Commerce  
Yogyakarta Chinese School  
Surabaya Chinese General Chamber of Commerce  
Surabaya Chinese Association of Education  
Semarang Chinese General Chamber of Commerce  
Semarang Chinese Association of Education  
Celebes Makassar Chinese General Chamber of Commerce  
Bali Chinese General Chamber of Commerce  
Ampenan Chinese General Chamber of Commerce  
Kediri Chinese School  
Pontianak Chinese General Chamber of Commerce  
Kuala Lumpur Chinese General Chamber of Commerce  
Rangoon Chinese General Chamber of Commerce  
Malong Chinese School  
Paris Transportation Company, France  
Nagasaki Chinese General Chamber of Commerce, Japan  
Mr. Shen Mingjiu at Sanyu-hao Company, Japan  
Mr. Guo Waifeng at Yokohama Branch of Russo-Asian Bank, Japan  
Mr. Wang Tizhai at Tukiji, Tokyo, Japan  
Mr. Li Guangtai at Dongyuan-hao Company, Kobe, Japan  


(2) Japan as an Important Hub

Japan was another active area. Zhou Xiongfu, a friend of Li Yunshu, played an important role then. He was born in Ningpo, belonged to a Ningpo group in Shanghai, and worked for a Western trading company in Yokohama from 1896. Later he went to Kobe and was employed by the Sassoon Company as a manager. In 1900, he established his own trading company, Xingtai-hao, and engaged in trade between Shanghai and Kobe. By 1908, he was back home in Shanghai and was asked by Li Yunshu to begin an advertising campaign to establish a Chinese Merchant Bank in Singapore and the East Indies.

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At that time, Chinese in Japan had not established Chinese Chambers of Commerce except those in Nagasaki. Shen Mingjiu of Sanyu-hao in Table 2 was a Chinese merchant in Nagasaki, who belonged to a Sanjiang group. Sanjiang means three “Jiang”s. It is considered to have been made up of merchants from Zhejiang, Jiangsu, Jiangxi and Anhui provinces. The core of this group were Ningpo and Shanghai merchants. Li Guangtai of Dongyuan-hao in Kobe was also a Chinese merchant in the Sanjiang group. He was engaged in the trade and was also running a lodging house for traders visiting temporarily. According to a commercial investigation carried out by the Japanese government, there were only two lodging houses owned by Sanjiang merchants in Kobe at that time.\(^\text{27}\) Therefore, Li’s company and lodging house must have worked as a kind of stronghold for Shanghai and Ningpo merchants, where information and people gathered. Guo Waifeng in the Yokohama Russo-Asian Bank was also a leader of Sanjiang group in Yokohama.

We can conclude that the semi-institutionalized network of Chinese Chambers of Commerce provided by the Government was strongly supported by the mutual understanding functions of the publication of the Chinese Federation Review. The network of the distribution of the Chinese Federation Review was originally provided by the Shanghai merchant group. The whole movement was closely connected with the foundation of the China Merchant Bank. Every Chinese Chamber of Commerce already established was required to be a source of funding.

The Chinese Federation Review was only published for two years, 1909-1910. It was later substituted by the Zhonghua Quanguo Shanghui Lianhehui Bao, the All China Chambers of Commerce Federation Journal, published in 1913 under the leadership of the Shanghai General Chamber of Commerce. In between these two magazines, the Nanyangqundao Shangye Yanjiuhui Zazhi was published in 1910 in Tokyo and was followed by Zhongguo Shiye Zazhi, the Industrial China, from 1912 to 1919, both edited by Li Wenquan, a Chinese teacher at Tokyo Commercial High School, Hitotsubashi University now. He visited San Francisco to take part in the Panama Pacific Exposition celebrating the opening of the Panama Canal. He also visited Honolulu. He played an important role in expanding and strengthening the information networks between Chinese Chambers of Commerce on different continents.

Concluding remarks to this section are as follows: 1) The core of the network was in Shanghai. 2) The network mainly expanded to two directions. One was a southbound extention via Singapore stretching to the East Indies. The other was an eastbound

\(^{27}\) The Commercial Bureaux of the Ministry of Agriculture and Commerce of Japan, Tai shin boueki no Suisei oyobi Torihiki Jijo, 1910, pp.30-34.
extension to the trading ports in Japan. 3) The network was strengthened by a key person in Tokyo who made an effort to publish *Zhongguo Shiye Zazhi* and the mutual understanding of Chinese merchants. 4) The Sanjiang group played a crucial role in the Japan-Shanghai network at that time.

In the latter half of the 19th century, Chinese gathered in new port cities such as Yokohama, Kobe and Hakodate. A great number of Chinese immigrants of Guangdong origin were newly arrived. They worked as cooks, painters, tally clerks, traders and compradors in or near the Settlements maintained by the Westerners. At first, students at Chinese schools in Yokohama established in 1897, and in Kobe in 1899, were all taught in Guandong dialect. Both of them were managed by Guangdong merchants. In 1909, on the second floor of the Yokohama Sanjiang Zhiji Association, a new Chinese school using Mandarin Chinese as the teaching language started. Later, Guo Waifeng, Kong Yunsheng and others raised 5,000 Japanese yen and reorganized the school into Sanjiang Qimeng School. Finally a new school was built in 1913 and was renamed as Zhonghua School. Guo Waifeng was a person who was in charge of distributing *the Chinese Federation Review* as mentioned above.

The Zhonghua School was established in Sanjiang Gongsuo, the Sanjiang Traders Association, in Kobe as well in 1919. Students from Zhejiang, Jiangsu, and Fujian were educated here.

Thus, at the beginning of the Republican era, Chinese schools entitled Zhonghua, which meant “consolidated Chinese”, were born in Japan. These affairs also symbolized the establishment of the Republic of China in 1912. Thus, the boom of new Chinese nationalism came about just after the network of Chinese Chambers of Commerce was formulated, and the Sanjiang group played an important role.

**Conclusion**

In the latter half of the nineteenth century, a rapid increase of Chinese immigrants brought about a big structural change in the Chinese societies abroad. This enabled the newly established network of Chinese Chambers of Commerce to become more activated. The establishment of the Chinese Consolidated Venevolent Associations and new types of Chinese schools and the publication of the business and political magazines in Chinese, including *the Chinese Federation Review*, contributed to creating new Chinese by infusing Chinese nationalism.

Under the leadership of the Ministry of Commerce and the consuls, Chinese
General Chambers of Commerce were established in Southeast Asia, Japan, Korea, the Russian Coastal Province, North and Central America and Australia one after another. The purpose of establishing the Chinese Chambers of Commerce was to alleviate the conflicts between different dialect groups and urge cooperation with each other. This purpose was almost the same as that of the domestic General Chambers of Commerce, but different from the purpose of the usual Chambers of Commerce inside the country.

The functions of the Chinese Chambers of Commerce abroad were not only concerned with commercial matters but also concerned with more administrative matters, such as succession and the issuing of identification cards because the chairman of a Chamber of Commerce had the right to use an official seal, guangfang. Civil cases often needed to be solved by the Chinese Chambers of Commerce abroad in cooperation with the officials of the members’ homelands. The Chinese Chambers of Commerce abroad also issued passports or merchants’ passes. They even guaranteed the status of applicants for consulates. The Chinese Chambers of Commerce had a tendency to be more authoritative than the domestic Chambers of Commerce.

At the beginning, the network of Chinese Chambers of Commerce stretched from Shanghai to Japan and Southeast Asia, which was strengthened by the publication of the Chinese Federation Review. The network was also supported and strengthened by the circulation of other magazines written in Chinese and key persons, such as the Industrial China published in Tokyo by Li Wenquan and the All China Chambers of Commerce Federation Journal later.

Half-institutionalized business network was thus provided by the Government at the beginning of the 20th century as the system of Chinese Chambers of Commerce. It ensured Chinese merchants circumstances in which they could engaged in business activities with the least anxiety. It functioned as an indispensable business infrastructure through which they expanded their field of activities. In this sense, it can be regarded as the mechanism to strengthen the flexibility of Chinese business.
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