

# Chinese and Ethnic Chinese Investment to ASEAN

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## Introduction

People are paying great attention to the ASEAN's economic development. Because, Asian NIEs (Newly Industrialising Economies) to which people have been paying great attention in the past few years, are losing their international competitiveness and on the contrary, ASEAN countries are developing very rapidly.

The loss of the international competitiveness in Asian NIEs is due to their currency appreciation, shortage of labor forces or increase of wages, rise of prices and so forth. On the other hand, very rapid development of the ASEAN economies is due to the lowness of wages or costs and so forth.

As a result, American and Japanese manufacturing companies are shifting their production bases from Asian NIEs to ASEAN. Especially, the economic development of Thailand and Malaysia is very remarkable. It is anticipated that Thailand and Malaysia can catch up Asian NIEs in the 1990s. Excluding Singapore, a member country of Asian NIEs, and Brunei, whose total population is too small of about three hundred thousand, it is estimated that the growth rate of other four ASEAN countries (Thailand, Malaysia, Indonesia and the Philippines) was 7.6 per cent in 1989, which was higher than that of Asian NIEs of 6.4 per cent.

Therefore, OECD (Organization for Economic Cooperation and Development) has already started to use the name of Dynamic Asian

Economies (DAE) for the six countries (of regions), adding Thailand and Malaysia to Asian NIEs.

One of the causes of the rapid development of ASEAN economies is rushing of the foreign investment to these countries. In 1988, foreign investment to the above mentioned four ASEAN countries increased by 125 per cent compared with the previous year in the case of Japanese investment and 334 per cent in the case of Asian NIEs investment. Especially, the latter, the increase of the investment by Asian NIEs, is very remarkable.

However, among the four Asian NIEs countries (or regions), three countries (or regions) excluding South Korea, namely Taiwan, Hongkong and Singapore, are a country (or a region) respectively where almost all or the overwhelming majority of the total population are Chinese or ethnic Chinese. Therefore, in order to see the Asian NIEs investment to ASEAN, we have to see the Chinese and ethnic Chinese investment to ASEAN as well.

However, not all Chinese and ethnic Chinese investment to ASEAN is that from Taiwan, Hongkong and Singapore. It includes also the investment from mainland China, Macau, other ASEAN countries and so forth. Therefore, we have to see all Chinese and ethnic Chinese investment to ASEAN.

Chinese and ethnic Chinese investment as a whole began to be at the top in the foreign investment from abroad to ASEAN since about 1987 or 1988.

In the past, the US and Japan were competing with each other to be at the top in their investment to ASEAN. However, Asian NIEs began to join in the competition recently. Asian NIEs have become one of the most important capital supplying countries (or regions) to ASEAN. This is a current phenomenon, to which people are paying great attention.

However, people can not see the emergence of another very important phenomenon. That is a fact that Chinese and ethnic Chinese investment as a whole has already become or is becoming at the top, surpassing the American and Japanese investments in ASEAN. I will see the Chinese and ethnic Chinese investment to ASEAN in detail in the following sections.

## 1. Recent Changes of the Chinese and Ethnic Chinese

Since the end of the 1970s, and especially since the beginning of the 1980s, there started to emerge very great changes of the Chinese and ethnic Chinese in mainland China, Taiwan, Hongkong (including Macau), Singapore, other ASEAN countries and the world. As a result, Chinese and ethnic Chinese and their capital began to move very actively. It is due to the following five movements of people and money.

In the first place, refugees started to migrate from Vietnam (Indo-China) to other countries. Some of them fled abroad with money. Especially in the initial stage, most of the refugees were ethnic Chinese.

In the second place, in accordance with the approaching return of Hongkong to mainland China in 1997, Hongkong people and money have started to flee abroad. In the third place, people and money have started to overflow from Taiwan as well. Taiwan ranks second in the foreign exchange reserves next after the first ranked Japan.

In the fourth place, overseas Chinese and ethnic Chinese in ASEAN are continuing their overseas escape of the oppression by the native majority people. On the contrary, some of them started their overseas expansion. In the fifth place, people are overflowing from mainland China. China has started a dramatic policy change from 1979 and she was also investing money overseas, at least before the Tiananmen Square Incident.

The destination of the Chinese and ethnic Chinese and their money is mainly towards the so-called big three, i.e. the US, Canada and Australia,

and at the same time, towards the past and current colonial countries of Great Britain (in the case of Hongkong) and France (in the case of Indo-China).

The reason why the big three is favorable for them is that these countries are relatively generous to other foreign races or ethnic groups. These three countries are the so-called multi-racial or multi-ethnic countries. In the case of capital investment to these countries, some of them welcome the immigrants who have the capital of more than a certain amount. Chinese and ethnic Chinese investment to the US can avoid the American import restrictions by shifting their production base from their residing country (or region), such as Taiwan, Hongkong, Singapore and so forth, to the US.

However, some of the Chinese and ethnic Chinese capital are rushing to ASEAN as well. It is mainly due to the lowness of wages and costs in ASEAN, appreciation of the currency in Taiwan, Hongkong and so forth, but also due to the fact that there are many overseas and ethnic Chinese in ASEAN. The main bearers or many of them of the remarkable economic development in ASEAN are overseas Chinese and ethnic Chinese.

## 2. Overseas and Ethnic Chinese as the Bearer of the Remarkable Economic Development in ASEAN

Table 1 shows the top ten wealthiest people or billionaires in ASEAN (including Hongkong). In the table, the wealthiest royal families, such as in Brunei or Thailand, are excluded. among the top ten wealthiest people in ASEAN, nine are all Chinese and ethnic Chinese except the fourth ranked Enrike Zobel. If we exclude Hongkong's three wealthiest people, six among seven are overseas and ethnic Chinese. Three in Singapore, one in Thailand, Indonesia and Malaysia respectively.

This means that the economic power of the overseas and ethnic

Chinese in ASEAN is very large. Rather, I had better say not very large, but overwhelming. There are other estimates of this kind. However, besides the differences of certain people, amount of wealth, ranking and so on, all estimates show that the overwhelming majority of the wealthiest people is overseas and ethnic Chinese. Nowadays, the second ranked Sudono Salim might stand first.

Table 1. Southeast Asian Top Billionaires: Estimated Assets

(Unit: US\$100 million)

| Billionaires                     | Assets |
|----------------------------------|--------|
| (1) Chin Sophonpanich (Thailand) | 22     |
| (2) Sudono Salim (Indonesia)     | 20     |
| (2) Li Ka-sin (Hongkong)         | 20     |
| (4) Enrike Zobel (Philippines)   | 15     |
| (4) Kuek Hong-png (Singapore)    | 15     |
| (6) Lin Seng-wei (Singapore)     | 14     |
| (7) Yu-kong Bao (Hongkong)       | 10     |
| (7) Ping Fang-kng (Hongkong)     | 10     |
| (7) Robert Kuok (Malaysia)       | 10     |
| (10) Ku Tek-puat (Singapore)     | 7      |

Note: In some cases, totalled assets of the family.

Source: Nihon Keizai Shinbun-sha ed., *Aziya wa kakeru (Asia is flying)*, 1985.

Here, “overseas Chinese” (sometimes called as “Chinese abroad” or simply “Chinese”) means “Hua-qiao” (華僑) in Chinese, i.e. mainly those who are the first generation born in China, have Chinese nationality, can speak Chinese (including dialects) as their mother tongue and so on. “Ethnic Chinese” means “Hua-ren” (華人) in Chinese, i.e. mainly those who are sons and daughters of the overseas Chinese, are the second or

third or . . . generation born in the local residing country, have local nationality (sometimes have dual nationalities of China and the local residing country and sometimes no nationality), can speak local language as their mother tongue (sometimes can also speak Chinese, English and so on) and so forth.

Therefore, in this paper “Chinese” means those in mainland China, Taiwan, Hongkong and Macau and overseas Chinese in the world, especially in Southeast Asia. Overseas Chinese is included in “Chinese”. However, ethnic Chinese is not included in “Chinese” here.

Those who are localized more and who are later generation, are called “Hua-yi” (華裔) in Chinese. Sometimes, all Chinese and Chinese descendants including overseas Chinese, ethnic Chinese and the later generation Chinese are called “Chinese race” or “Hua-zu” (華族) in Chinese. Nowadays, the first generation overseas Chinese are a few and ethnic Chinese are an overwhelming majority. The overseas and ethnic Chinese wealthiest people or billionaires have their own business groups. Chin Sophonpanich (陳弼臣), ranked first in Table 1, set up a money- and service-type business group, centered in the Bangkok Bank (曼谷銀行), the biggest commercial bank not only in Thailand but also in the whole Southeast Asia. He died in 1988 and his second son, Chatri Sophonpanich (陳有漢) succeeded his father. Chatri is the economic elite who represents the Thai economic circle. Chin was elected as a member of the world dozen bankers of the year in 1983.

Sudono Salim (林紹良) in Indoneasia, ranked second in Table 1, dominates a conglomerate consisting of steel, flour, cement companies and banks, among which the largest one in the respective field is included. Implementing M. & A. (merger and acquisition) of a Dutch multinational corporation, an American bank and so on, Sudono is said to be the most aggressive multi-national businessman in Southeast Asia. He was

also elected as a member of the world dozen bankers of the year in 1983.

Quek Hong-png (郭芳楓) in Singapore, ranked fourth, set up a money-, service- and manufacturing industry-type business group called “Hong-Leong” (HL. 豐隆) group. In 1984, he retired from his position and his son Quek Lenben succeeded to his father’s position.

Li Seng-wee (李成偉) in Singapore, ranked sixth, dominates a business group centered in the Overseas Chinese Banking Corporation (OCBC. 華僑銀行). His father, the late Li Kong-qian (李光前) was a son-in-law of the late Tan Kah-kee (陳嘉庚) or the husband of the late Tan’s daughter. The late Tan was one of the two very famous businessmen before the World War II. Another was the late Au Boon-hou (故文虎), very famous for Tiger Balm Gardens in Hongkong and Singapore. Tan was once called “Rubber King”. Later, he went back to New China and became vice-chairman of the National People’s Political Congress (全國人民政治協商會議), a representative and a member of the standing committee of the National People’s Congress (全國人民代表大會), chairman of the China Returned Chinese Association (中華歸國華僑聯合會) and so on. He is also famous for his founding of the current Xiamen University (廈門大學) in Fujian province (福建省), China.

Robert Kuok (郭鶴年) in Malaysia, ranked seventh, dominates a business group centered in sugar, flour, cement and other manufacturing companies and was once called “Sugar King”. Later, he entered into the field of hotel business and set up the hotel-chain of Shangrilla group, which is one of the largest chain hotels in the Asia-Pacific Region.

Ku Tek-puat (邱德拔) in Singapore, though he has Malaysian nationality, ranked tenth, started his business career from working at OCBC and later set up a business group consisting of a hotel-chain and others.

The fact that overseas and ethnic Chinese have a very large economic

power means naturally that they have very strong powers in other fields as well. For example, in the field of politics, the Prime Minister of Singapore, Mr. Lee Kuan-yew (李光耀), Prime Minister of Thailand, Mr. Chatichai, the President of the Philippines. Mrs. Aquino and so on are all ethnic Chinese (華人) or Chinese descendants (華裔).

Overseas and ethnic Chinese population and their share in the total population of ASEAN are shown in Table 2. Overseas and ethnic Chinese population is based on the estimated figure of the Bureau of Consul, Ministry of Foreign Affairs, China. There are so many estimates on the figure, depending on the differences in the definition of the overseas and ethnic Chinese. However, we can see the outline of the total overseas and ethnic Chinese population from Table 2.

Indonesia is the country where the most numerous overseas and ethnic Chinese are residing. Next after Indonesia, Malaysia is the second most numerous country and Thailand, Singapore, the Philippines and Brunei in this order. There are some estimates that the overseas and ethnic Chinese population in Thailand is larger than that of Malaysia. There exist even some estimates that their population in Thailand is not only larger than that of Malaysia, but also larger than that of Indonesia.

Concerning the share of the overseas and ethnic Chinese population in the total population in a country, it is the highest in the case of Singapore and accounts for three fourths in the total population. This is the reason why Singapore is called "a mini-ethnic Chinese nation".

Next after Singapore, it is about 30 percent in Malaysia, about one fourth in Brunei, about 10 percent in Thailand, 3 or 4 percent in Indonesia and less than 2 percent in the Philippines. As for the whole ASEAN, overseas and ethnic Chinese population is less than 18.2 million and their share is more than 6 percent. There are differences of the share by countries. However, there is no doubt that in every country, overseas and

ethnic Chinese have a large population and a large economic power.

Table 2. Overseas and Ethnic Chinese Population and Their Share in the Total Population of ASEAN

| Country     | Overseas and Ethnic Chinese Population | Share in Total Population(%) |
|-------------|--|------------------------------|
| Indonesia   | 6,200,000                              | 3.5                          |
| Malaysia    | 4,521,000                              | 29.3                         |
| Thailand    | 4,500,000                              | 9.8                          |
| Singapore   | 1,922,600                              | 76.6                         |
| Philippines | 1,000,000                              | 1.9                          |
| Brunei      | 45,000                                 | 25.6                         |
| Total       | 18,188,000                             | 6.2                          |

Source: Overseas and ethnic chinese population is from 廖建祥·関其学主編『廣東對外經濟關係』廣東高等教育出版社、廣州、中国、1988年 (Liao Jian-xiang & Guan Qi-xue ed., *Guangdong's Foreign Economic Relations*, Guangdong Gaodeng Jiaoyu Chubanshe, Guangzhou, China, 1988). Share is from 『福建僑鄉報』、1989年1月24日 (*Fujian Qiao-xiang Bao*, Jan. 24, 1989).

### 3. Taiwan's Investment to ASEAN

Among the foreign investments to ASEAN, the US and Japan are competing with each other to be at the top of investors. This means that the US and Japan have the largest economic power in ASEAN. West Germany is also expanding her influence. However, Asian NIEs are entering into the field of foreign investment to ASEAN as well.

Concerning this point, the most important country (or region) is Taiwan. Taiwan has already accumulated a large amount of foreign exchange reserves and stands second in the world next after Japan. Domestic market is not so large only with 20 million population and the share of the public enterprises is very high.

In the initial stage, there existed a high possibility for Taiwan to be liberated by mainland China's armed forces. After that in the 1970s, many nations in the world has stopped the diplomatic relationship with Taiwan and concluded an official diplomatic relationship with mainland China. Recently, international economic competitiveness is declining due to the appreciation of the currency, the rise of wages and costs and so on. As a result, Taiwan's overseas investment, especially that to ASEAN, is increasing.

Taiwan's investment to ASEAN is increasing very sharply in these few years, especially in the former half of 1989. In 1988, her investment to the ASEAN four countries mentioned before (Thailand, Malaysia, Indonesia and the Philippines) was far over US\$3 billion and approaching to US\$4 billion. It accounted for more than one fourth of the total foreign investment of US\$13.2 billion absorbed by the four countries. In every country, Taiwan's investment stood second.

In Thailand, it was US\$21.8 million next to Japan, in Indonesia \$912 million next to West Germany, in Malaysia more than \$500 million next to Japan and in the Philippines \$257 million next to the US.

In 1989, particularly after the Tian-an-men Square Incident on June 4 in China, some of the Taiwan's companies, which originally had an intention to invest to mainland China, have shifted their target to ASEAN. This is also a reason why Taiwan's investment to ASEAN has increased so rapidly. As a result, for example, in Malaysia it increased from 25 cases, M\$243 million in 1987 to 111 cases, M\$829.6 million in 1988 and only in the former half of 1989, it increased to 78 cases, M\$961.2 million. The amount per case was also very large. per case is also very large.

As a result, Taiwan's investment to these four ASEAN countries is estimated to be increasing sharply after that and some say that more than

one hundred electric and electronics companies in Taiwan will set up factories in Thailand and Malaysia within 1990.

Therefore, the ASEAN four countries held various conferences in Taiwan on the economic cooperation with and promotion of the investment from Taiwan and many officials of every country visited Taiwan. Production in Thailand and the Philippines can utilize the preferential treatment in the US, such as favorable tariff and others. Taiwan investors to these ASEAN countries can expect the export increase of their products to the US through their factories in these countries.

Among Taiwan's overseas investments, particularly those to ASEAN, one of the largest is the US Far East's investment plan to oil-chemical industry in the Philippines, totalling US\$370 million. The cost is increasing due to the delay of implementing the plan. Nevertheless, the reason why the plan is very advantageous for the company is that it is not possible in Taiwan to expand the business any more due to the environment issue. This is a pollution export, but the company says that the founding of the factory will contribute to the development of plastic industry in Taiwan and as a result, it will contribute to maintain Taiwan's rank as the cheapest supplying country (region) of toys and accessories in the world.

On the other hand, although the international competitiveness of Taiwan industry is declining, foreign investment to Taiwan is not decreasing so much. Especially, European investment to Taiwan is increasing sharply. In Jan.-Aug. 1989, among the authorized foreign investments to Taiwan, European investment was US\$353 million, stood second next to Japan's US\$420 million. American investment was US\$286 million. In the case of European investment, the rate of increase was 316 per cent, compared with the same period of the previous year, a very sharp rise. This is due to the fact that European investors recognize the Taiwan's political stability, well-arranged infrastructure, high-educated labor forces, development of

high-added-value industry, prospects for higher rate of economic growth and so on.

#### 4. Chinese and Ethnic Chinese Investment to ASEAN

Taiwan's investment to ASEAN has not stood first yet. However, Chinese and ethnic Chinese investment as a whole, including the investments from Taiwan, Hongkong (and Macau), Singapore, mainland China and overseas and ethnic Chinese residing in other countries, began to be at the top in the foreign investments to ASEAN from about 1987 or 1988. For example, the Philippines, which was once an American settlement and is still called "the fifty-first state of the US", imported foreign capital in 1987 and 1988 as shown in Table 3.

As a single country (region), the US stood first and Japan was the second, Hongkong was the third and Taiwan's share was not so large yet in 1987. However, Hongkong's share was large and adding the shares of mainland China and Singapore to the shares of Taiwan and Hongkong, Chinese and ethnic Chinese investment as a whole accounted for 27.5 per cent, which was over that of the US, 21.6 per cent. In 1988, since Taiwan's share increased rapidly, the share of the Chinese and ethnic Chinese investment as a whole accounted for 34.4 per cent, which was over that of the US, 33.8 per cent.

Of course, in the case of Singapore, all the overseas investment was not necessarily made by the overseas and ethnic Chinese in Singapore. There are some Malays and Indians in Singapore. However, we can not get the investment figure by races. And even assuming that three fourths of the Singaporean overseas investment were made by the overseas and ethnic Chinese in Singapore according to the fact that three fourths of the total population in Singapore are overseas and ethnic Chinese, the above mentioned conclusion that the Chinese and ethnic Chinese investment to

ASEAN as a whole stood first need not change.

Table 3. American and Japanese Investments and Chinese and Ethnic

Chinese Investment to the Philippines

(Unit: 1,000 peso)

| Country (or Region)                     | 1987       |       | 1988       |       |
|---|------------|-------|------------|-------|
|   | Investment | %     | Investment | %     |
| US                                      | 739,975    | 21.6  | 3,216,172  | 33.8  |
| Japan                                   | 591,345    | 17.3  | 1,995,902  | 21.0  |
| Taiwan                                  | 186,022    | 5.4   | 2,306,401  | 24.2  |
| Hongkong                                | 569,633    | 16.6  | 564,296    | 5.9   |
| Mainland China                          | 169,425    | 4.9   | 350,381    | 3.7   |
| Singapore                               | 18,378     | 0.5   | 50,068     | 0.5   |
| Sub-total of Chinese and ethnic Chinese | 943,458    | 27.5  | 3,270,946  | 34.4  |
| Grand total                             | 3,427,342  | 100.0 | 9,523,416  | 100.0 |

note: Percentage is round off. Chines total does not correspond with the sub-total figure. Source: Board of Investment, the Philippines.

Furthermore, American Chinese and American Japanese investments are included in the American investment to the Philippines. Besides, although it is not possible to distinguish overseas and ethnic Chinese foreign investment from other foreign investments, the foreign investments to the Philippines from other countries may include overseas and ethnic Chinese investment from those other countries.

This kind of phenomenon, that is Chinese and ethnic Chinese investment as a whole stands first, had not occurred yet in 1986. However, from 1987 onward, Chinese and ethnic Chinese investment as a whole has become at the top in the foreign investments to the Philippines.

The same phenomenon seems to have occurred in other ASEAN

countries. For example, in Malaysia Japanese investment ranked first in 1987. Chinese and ethnic Chinese investment from Taiwan, Hongkong and Singapore as a whole was less than that of Japan. However, Chinese and ethnic Chinese investment from these three countries (regions) as a whole has surpassed that of Japan in 1988. In Jan.-May 1989, since the increase rate of Hongkong's share was low, Chinese and ethnic Chinese share as a whole was not so large as in 1988. Nevertheless, there is no doubt that their total share was over that of Japan.

Although not all of the Chinese and ethnic Chinese investment was made by the cooperation with the local overseas and ethnic Chinese, most of the investment was made through their personal relationship with the local overseas and ethnic Chinese. This kind of relationship was called clan or "Bang" (幫) relationship in the past. "Bang" (幫) means a formal or informal group. Among them, the most important one is the group of the same dialect or the group for those who came from the same village or town. The economic network based on the connections of the same family, the same dialect or the same occupation has a very strong influence in the overseas and ethnic Chinese economies in the world even now.

For example, Minister of Foreign Affairs in the Philippines, Mr. Mangraps was reported to have visited Taiwan secretly on Oct. 21-23, 1989. The man who introduced him to Taiwan was said to be an ethnic Chinese businessman in the Philippines and the Minister seems to have had a meeting with Mr. Lian Zhan, Minister of Foreign Affairs in Taiwan.

The Philippines is very near to Taiwan and her economic connection with Taiwan is very close historically. As a result, there are many Filipino ethnic Chinese who went to Taiwan to work, succeeded there in economic activities and invested a part of their wealth to their mother country, the Philippines. Tan Yu is a typical example. He could succeed in the fields of hotel administration and real estate business and his Asian Tower, the

tallest office building in Taiwan, was planned to complete in 1989.

In the Philippines, Tan's daughter Emirio Roxas (鄭綿綿), only thirty one years old, is in charge of the business group. In September 1989, she declared to set up a foundation, the fund of which is said to be over that of the Rockefeller Foundation, and to build the biggest hospital in the world at Manila of five thousand beds. In October, the group started the construction of the Asia World Plaza Hotel in Manila, one of the biggest high-class hotel in the world. Its total construction cost amounts to US\$500 million. It is scheduled to be completed at the end of 1992.

In Thailand also, Taiwan's first mission to investigate the investment environments in Thailand was organized in August 1987 and many Taiwan's businessmen joined the mission. It was Chatri Sophonpanich (陳有漢) mentioned before, the leader of the Bangkok Bank business group, who organized the mission.

Besides Taiwan, other two Chinese and ethnic Chinese Asian NIEs, Hongkong and Singapore, are also increasing their investment to ASEAN. In the case of Hongkong, investors are waiting and seeing the political and economic situations in mainland China. Instead their investment to ASEAN is increasing.

In the case of Singapore, per-capita foreign exchange reserves stood first in the world, US\$6459 as of the end of 1988, far surpassing the second ranked Switzerland, \$4811 and the third ranked Taiwan, \$4012. Based on the large sum of the foreign exchange reserves, Singapore is also increasing her overseas investment, especially to other ASEAN countries.

Therefore, Singaporean investment to the neighboring country, Malaysia, particullay to Johore state, with which Singapore is connected by a bridge, is increasing sharply. Singapore stands third in the foreign investment to Malaysia, next to Japan and Taiwan. A considerable part of the Singaporean investment to Malaysia is directed to the state of

Johore. Investments from Taiwan and South Korea are rushing to the state as well and the state is changing to be the third largest industrial base in Malaysia, next to Kuala Lumpur and the state of Selangor.

As a result, Malaysia agreed to construct another bridge between Johor Bahru and Singapore in July 1989, though Singapore is not so willing that there is an estimate for the realization of the plan to take at least five years.

On the other hand, in October in the same year, Prime Minister Lee visited another neighboring country, Indonesia and it was decided for one hundred foreign companies to invest to Batam island near to Singapore. In December, a mission of the Development Bureau in Singapore was scheduled to visit Indonesia and make a discussion on the plan.

### Conclusion: Beginning of the Chinese and Ethnic Chinese Age

As the result mentioned above, Chinese and ethnic Chinese have become a principal shadow actor of the Asian-Pacific Age. We have already seen that three countries (or regions) of the so-called Asian NIEs are Chinese and ethnic Chinese ones. Very remarkable economic development of other ASEAN countries except Singapore is also mainly due to the positive activities of the overseas and ethnic Chinese in these countries. Mainland China's economic development for the past ten years after the open-door policy is also very remarkable. Chinese and ethnic Chinese investment in the four ASEAN countries mentioned before (Thailand, Malaysia, Indonesia and the Philippines) amounted or is amounting to be at the top in the foreign investments from abroad to these countries. This is the beginning of the Chinese and ethnic Chinese age.

After the Tian-an-men Square Incident, mainland China's investment to ASEAN might decrease. The investments from Taiwan, Hongkong and Singapore to mainland China might decrease as well and their investments

to ASEAN might increase. As a whole, Chinese and ethnic Chinese investment to ASEAN as a whole might increase. Someday, mainland China's economy might recover well and her investment to ASEAN might increase. Someday, a century of the Chinese and ethnic Chinese might come. We have to pay attention to the trend of the Chinese and ethnic Chinese investment to ASEAN.

### Note

This paper is written mainly based on the writer's new book, *Kakyou: Network-suru Keizai-minzoku (Overseas and Ethnic Chinese: An Economic People in Network)*, Koudansha, Tokyo, 1990 and an article, "Shui-ni-tatta Chugokukei-toushi (Chinese and Ethnic Chinese Investment standing First)", *Kokusai-keizai (International Economy)*, Kokusai-hyouronsha, Tokyo, Feb. 1990.