

# **Chinese Soft Power and Immigration Reform: Can Beijing’s Approach to Pursuing Global Talent and Maintaining Domestic Stability Succeed?**

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## **Abstract:**

During the past few years, the Chinese government has enacted laws and issued regulations to attract foreign talent, facilitate the return of skilled Chinese nationals and better regulate the entry, residence and employment of foreigners. China is quickly becoming a “new immigration country,” with all the political, economic, and social challenges that entails. This article examines the strategic and policy approaches of China’s recent immigration reform within the context of Chinese soft power. It reviews China’s new immigration laws, policies and practices, and analyzes how immigration reform fits into the new generation of Chinese leaders’ agenda of deepening and broadening China’s post-Mao reform. The article also explicates how key changes in China’s new immigration laws and regulations demonstrate that China is entering the global competition for talent while at the same time that its authoritarian government is attempting to maintain domestic stability by improving immigration-related social management.

## **Key Words:**

Immigration Reform, Soft Power, China, Exit-Entry Law, Foreign Talent, Political Legitimacy

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China's economic modernization has coincided with globalization, the information revolution, and increasing international migration and travel, thereby providing opportunities and posing new challenges to China's authoritarian government. The increasing inequalities accompanying economic modernization have fractured Chinese society, multiplying the issues and constituencies with which the government must contend. Beijing's policymakers recognized that China's outdated immigration system had become a growing obstacle to broadening its reform agenda of maintaining economic growth while dealing with these social consequences of modernization and preserving domestic stability. To deal with this obstacle, the Chinese government has enacted laws and issued regulations to attract foreign talent, facilitate the return of skilled Chinese nationals and better regulate the entry, residence and employment of foreigners.

"Soft power" is a conceptual approach to understanding a state's foreign policy that was initially articulated by Joseph Nye Jr., and has been embraced by Beijing's policymakers who have taken the concept beyond the traditional foreign policy domain. Nye believes that immigration is an important component of American soft power.<sup>1</sup> Relatively expansive immigration policies as well as legal frameworks and administrative structures that enable immigrants to experience freedom and prosperity increase a country's soft power by making that country increasingly attractive to people around the world. As the Chinese government pays growing attention to developing and wielding Chinese soft power, the value of greater openness to immigrants, as articulated by Nye, has not gone unnoticed by Chinese policymakers. Beijing's recent immigration reform aspires to leverage immigration in the country's soft power campaign in order to increase the country's openness to the world and maintain its social-political stability.

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<sup>1</sup> Joseph S. Nye, Jr. "Immigration and American Power", *Project Syndicate*, December 10, 2012. <<http://www.project-syndicate.org/commentary/obama-needs-immigration-reform-to-maintain-america-s-strength-by-joseph-s-nye>>

But Chinese policymakers are well aware of not only the social conflicts that increased immigration may engender, but also various limits of Chinese soft power, which may hamper their recently launched immigration reform.

The politics of immigration from China to major immigration destination countries, like the United States, have been extensively analyzed. In contrast, the politics of immigration policymaking in China have not.<sup>2</sup> Although immigrants' motives and conditions, particularly of Chinese returnees, have been studied,<sup>3</sup> the phenomenon of migration to China has not been systematically examined from the perspective of comparative public policy and foreign policy.<sup>4</sup> In this article, the authors examine China's strategic and policy approaches to its recently initiated immigration reform and does so in three steps. First, we explain how the country's new immigration laws and regulations have been designed and implemented with the intent of further developing and wielding Chinese soft power. Second, we provide an overview of the evolution of Chinese immigration laws, policies and practices and explain how immigration reform has fit into the new generation of communist leaders' agenda of deepening and broadening China's post-Mao reforms. Finally, we analyze to what extent the key changes in China's new

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<sup>2</sup> See relevant discussion in Frank N. Pieke, "Immigrant China," *Modern China*, 38: 1 (2012), pp. 40-77. Liu Guofu's two well-cited books on Chinese immigration laws focus on the historical development of the Chinese regulatory framework governing immigration issues in the 1980s and 1990s. See Liu, *The Right to Leave and Return and Chinese Migration Law* (Leiden, The Netherlands: Martinus Nijhoff Publishers, 2007); *Chinese Immigration Law* (Farnham, UK: Ashgate, 2011).

<sup>3</sup> There is a rich literature on China's talent migration, such as David Zweig, Chen Changgui and Stanley Rosen, "Globalization and Transnational human Capital: Overseas and Returnee Scholars to China," *The China Quarterly*, 179 (2004), pp. 735-757; David Zweig, Siu Fung Chung and Wilfried Vanhonacker, "Rewards of Technology: Explaining China's Reverse Migration," *Journal of International Migration and Integration*, 7:4 (2006), pp. 449-71; David, Zweig, Siu Fung Chung and Donglin Han, "Redefining the Brain Drain China's 'Diaspora Option'." *Science, Technology & Society*, 13:1 (2008), pp.1-33; David Zweig and Huiyao Wang, "Can China Bring Back the Best? The Communist Party Organizes China Search for Talent." *The China Quarterly*, 215 (2013), pp. 590-615.

<sup>4</sup> A few scholarly articles have attempted to investigate China's recent immigration policy changes by focusing on the case study of Africans in China. For example, Tabea Bork-Hüffer and Yuan Yuan-Ihle, "The Management of Foreigners in China: Changes to the Migration Law and Regulations during the Late Hu-Wen and Early Xi-Li Eras and Their Potential Effects." *International Journal of China Studies*, 5:3 (2014), pp. 571-597; Guobin Zhu and Rohan Price, "Chinese Immigration Law and Policy: A Case of 'Change Your Direction, or End Up Where You Are Heading'?" *Columbia Journal of Asian Law*, 26 (2013), pp. 1-28.

immigration laws and regulations can enhance the effectiveness of Chinese soft power, particularly in the perspectives of entering the global competition for talent and attempting to maintain domestic stability by improving its immigration-related social management.

### **Soft Power and Immigration Reform**

In the early 1980s, the Chinese government began to reform the administration of exit and entry rules and started to relax restrictions on so-called talented aliens, especially on those “talented aliens with Chinese ethnicity”.<sup>5</sup> For example, China’s State Council promulgated the *Provisional Rules on Introducing Overseas Talented People* on 26 September 1983. Under the *Provisional Rule*, three cabinet-level government agencies were jointly responsible for introducing, processing and receiving talented aliens. As China gradually emerged from the shadow of the Tiananmen crackdown in the mid-1990s, Beijing’s political leaders started to re-define their statecraft to re-invigorate economic reform and manage China’s troublesome image.<sup>6</sup> Against this backdrop, soft power became increasingly important to Beijing’s political leaders in their approach to formulating policies. According to the Chinese leadership, China’s national power should include not only hard power, a form of national power based on a state’s military might and economic prowess, but also soft power, the other form of national power based on a state’s political appeal and cultural attractiveness. The Chinese Communist Party (CCP)’s consensus on adding a soft power dimension to the country’s post-Mao reform emerged at the annual session of the National People’s Congress (NPC) held in 2007.<sup>7</sup>

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<sup>5</sup> See Liu 2011, 9.

<sup>6</sup> See Sheng Ding, “Branding A Rising China: An Analysis of Beijing’s National Image Management in the Age of China’s Rise”, *Journal of Asian and African Studies*, 46:3 (2011), pp. 293-306.

<sup>7</sup> As the *People’s Daily* reported. “[Soft power] has once again emerged as a hot topic at this year’s annual sessions of China’s parliament and top political advisory body. Such an expression of soft power can be found in government agendas and suggestions offered by legislators and political advisors who are here attending the country’s two most

While domestic and international politics have been transformed by the accelerated global flows of money, goods, people and information that constitute globalization, soft power has become an increasingly prevalent strategy of states dealing with many unprecedented challenges posed by globalization. Mainly reflected in peace and prosperity, a state's soft power appeal can be attributed to efficient government, social harmony, cultural diversity, economic opportunity, and so on. According to Nye, immigration policies that enable millions of people to migrate to the US, integrate into the American economy, society and polity and enjoy upward mobility enhance the country's appeal to people in other countries and also contribute to America's soft power: "The US is a magnet, and many people can envisage themselves as Americans, in part because so many successful Americans look like them".<sup>8</sup> Nye also credited the effectiveness of American soft power for the country's post-WWII technological leadership at the global level.<sup>9</sup> Indeed, Washington's consistent policy support, for academic and scientific exchanges between the US and the other countries, as well as recruitment of foreign students, scientists and scholars has enhanced American soft power. In addition, Nye argues that it is not enough for a state just to proclaim its soft power. Rather than just preach it, the state needs to practice soft power by enacting and successfully implementing policies at home that make it more attractive abroad, particularly because other states and their people pay attention.<sup>10</sup>

During the last two decades, Beijing's political leaders have come to understand that China's ability to persuade and lead by example is crucial to enhancing Chinese soft power, as called for by former Chinese President Hu Jintao, in his speech at the 17th National Congress of

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important annual political events." See "Soft Power, A new focus at China's 'two sessions'", *People's Daily Online*, 14 March 2007. <[http://english.people.com.cn/200703/14/eng20070314\\_357578.html](http://english.people.com.cn/200703/14/eng20070314_357578.html)>.

<sup>8</sup> Nye 2012.

<sup>9</sup> Joseph S. Nye, Jr. *Soft Power: The means to Success in World Politics* (New York: Public Affairs, 2004). 36, 42.

<sup>10</sup> Nye 2004, 55-57.

the CCP.<sup>11</sup> Hu's idea for developing Chinese soft power is articulated in his Harmonious Society (*hexie shehui*) campaign which is aimed at addressing many economic and social problems that have accompanied China's rapid economic modernization.<sup>12</sup> Since becoming China's top leader in November 2012, Xi Jinping has been trumpeting his own idea of developing and projecting Chinese soft power—the Chinese Dream (*zhongguo meng*), which has often been interpreted as “achieving national rejuvenation and socialist modernization”. According to Xi,

China should be portrayed as a civilized country featuring rich history, ethnic unity and cultural diversity, and as an oriental power with good government, developed economy, cultural prosperity, national unity and beautiful mountains and rivers... and as a socialist country which is open, amicable, promising and vibrant... To strengthen China's soft power, the country needs to build its capacity in international communication, construct a communication system, better use the new media and increase the creativity, appeal and credibility of China's publicity.<sup>13</sup>

Xi's blueprint of developing and projecting Chinese soft power aims to deal with new domestic and international challenges, with which his administration must grapple. In the past three years, China's growing economic and military prowess and increasingly assertive foreign policies have caused growing wariness among great powers as well as clashes with some Asian neighbors. Furthermore, the growing economic and social problems associated with China's rapid economic growth, such as income inequality, social injustice, governmental corruption, and environmental degradation, have caused tremendous social tension and conflicts. Protests in China have been growing in frequency, scale, and level of violence, underscoring the tensions of a society plagued by widespread social injustice and a lack of official channels to air

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<sup>11</sup> See “Hu Jintao calls for enhancing ‘soft power’ of Chinese culture,” Xinhuanet, October 15, 2007. <[http://news.xinhuanet.com/english/2007-10/15/content\\_6883748.htm](http://news.xinhuanet.com/english/2007-10/15/content_6883748.htm)>.

<sup>12</sup> The idea of Harmonious Society was officially included in the Constitution of Chinese Communist Party in 2007.

<sup>13</sup> See “Xi: China to promote cultural soft power”, Xinhuanet, January 1, 2014. <[http://news.xinhuanet.com/english/china/2014-01/01/c\\_125941955.htm](http://news.xinhuanet.com/english/china/2014-01/01/c_125941955.htm)>.

grievances.<sup>14</sup> Just as racial discrimination at home and hypocritical interventions abroad demonstrate the failure of the US government to live up to American values and reduce the effectiveness of America's soft power,<sup>15</sup> if the Chinese government cannot effectively solve these challenges, the soft power strategy will fail, especially in realizing the goals of increasing China's openness to the world and improving its social management.

The benefits of welcoming US immigration policies in wielding American soft power and boosting its economic growth have not been lost on the Chinese elites, whose own children have been increasingly attracted to study in (and move to) the United States. Increasing migration of highly skilled Chinese to the US and growing ranks of Chinese students studying in US universities, including many Chinese leaders' own children,<sup>16</sup> has been an object lesson in the use of immigration policy in the exertion of soft power. The US leads the world in attracting international students with 974,926 international students enrolled in its colleges and universities in the 2014-15 academic year, a ten percent increase from 2013-14 academic year. As China remains the leading place of origin for the sixth year in a row, Chinese students made up 31.2% of international students studying in the US in the 2014-15 academic year, well over twice the size of enrollments from second-ranked India (13.6%) and almost five times the size of enrollments from third-ranked Korea (6.5%).<sup>17</sup> Chinese nationals holding temporary student visas earned 4,983 of the 54,070 doctoral degrees awarded by US universities in 2014, over twice the number of second-ranked India. Over 93 percent of the doctoral degrees awarded to

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<sup>14</sup> See discussion in *Blue Book of China's Society: Society of China Analysis and Forecast 2013* (Beijing: Chinese Academy of Social Sciences, 2012).

<sup>15</sup> Nye 2004, 58.

<sup>16</sup> See, e.g., "Red Aristocrats: Children, relatives received accumulated wealth of Communist party officials", *The Asahi Shimbun*, October 18, 2012. "Children of the Revolution", *The Wall Street Journal*, November 26, 2011.

<sup>17</sup> See *Open Doors Report* (New York: Institute of International Education, 2015).

Chinese nationals were in science and engineering fields.<sup>18</sup> The number of Chinese students, who earn doctorates in science and engineering fields then stay in the United State after graduation, is very high. Non-immigrant H1-B visas for specialty occupations, primarily related to science and engineering fields, are often used by employers to hire American-educated foreign nationals and, in 2014, successful petitions by US employers yielded 26,393 H1B visas for Chinese-born employees.<sup>19</sup> In 2013, 71,798 Chinese nationals became legal permanent residents in the US, second only to Mexicans, and that same year 35,387 Chinese immigrants naturalized and became US citizens.<sup>20</sup>

In response to this very visible exercise of American soft power, it is not surprising that Chinese policymakers would want to respond with a competing Chinese soft power campaign that aims to at least attract those highly educated overseas Chinese to return. Between 1978 and 2007, more than 1.21 million Chinese nationals left for study and research opportunities abroad but only about a quarter returned.<sup>21</sup> Such “brain drain” undermines efforts to improve Chinese universities, reduces the potential for technological achievements and may even hinder economic development; and it is also politically salient. As Albert Hirschman explained in the application of his “exit, voice and loyalty” concept to another communist party-led country, the German Democratic Republic, when growing numbers of a county’s citizens exit if given the chance, it can shake the loyalty of those who stay and prompt others to voice their demands, thereby,

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<sup>18</sup> See *Doctorate Recipients from U.S. Universities: 2014 Data Tables*.  
<http://www.nsf.gov/statistics/2016/nsf16300/start.cfm>.

<sup>19</sup> See “Characteristics of H1B Specialty Occupation Workers, Fiscal Year 2014 Annual Report to Congress October 1, 2013 – September 30, 2014”, U.S. Citizenship and Immigration Services, Department of Homeland Security.  
<<http://www.uscis.gov/tools/reports-studies/reports-and-studies>>

<sup>20</sup> See 2013 Yearbook of Immigration Statistics, Office of Immigration Statistics, U.S. Department of Homeland Security, tables 3 and 21.

<sup>21</sup> Cong Cao, “China’s Brain Drain and Brain Gain: Why Government Policies Have Failed to Attract First-Rate Talent to Return?” *Asian Population Studies*, 4 (2008), pp. 331–345.



undermining the political stability of a government.<sup>22</sup> One cannot help thinking that members of the CCP leadership have had East Germany at the back of their minds, as top Chinese students leave to study at US universities and fail to return.

Since the mid-1990s, the Chinese government launched at least 12 programs to attract the return of highly educated and skilled overseas Chinese and target returnees for additional support, such as the “1,000 Talents” program initiated in 2008. However, these programs have fallen short in return of top-notch Chinese scientists and academics, particularly on a permanent, full-time basis.<sup>23</sup> As Cong Cao explains, there were several factors for the low rate of return, particularly among the most accomplished scientists, including their lack of social and political networks in *guanxi*-based society, different quality standards for research, extensive academic misconduct and less than enthusiastic welcomes from institute leaders and department heads who fear competition from returnees for organizational leadership positions and perks.<sup>24</sup> More generally, those who left to study abroad face problems after returning to China, such as acquiring work authorization and appropriate jobs for spouses and finding affordable bilingual education for their children born and raised abroad. Family members, therefore, often remain abroad and many highly skilled Chinese who do return do not do so completely and attempt to maintain a transnational family life that requires easy access to visas for the returnee and his or her family. Others who have seen the many costs of return endured by their colleagues, friends and relatives, opt against it.

The Chinese government’s initial immigration reform efforts were primarily aimed at reducing the barriers to the return of Chinese emigrants and their descendants in order to

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<sup>22</sup> Albert O. Hirschman, “Exit, Voice, and the Fate of the German Democratic Republic: An Essay in Conceptual History.” *World Politics*, 45 (1993), pp. 173-202.

<sup>23</sup> Zweig and Wang 2013.

<sup>24</sup> Cao 2008.

compete with countries, such as the US, in the global competition for the talents of highly-educated Chinese but this became increasingly viewed as only a first step toward immigration reforms that could attract highly-skilled non-Chinese immigrants as well. China is now following the path of other countries that have historically been major migrant “sending countries,” such as Ireland, Germany, Italy and Spain that have also become *de facto* “immigration countries.” Like those “new immigration countries” before it, China faces political, economic, and social challenges posed by increasing immigration. According to the data reported from the Ministry of Public Security (MOPS), about 454 million persons entered and exited China in 2013, including more than 52.5 million foreigners (not including residents from Taiwan, Hong Kong and Macau). In particular, about 1.08 million foreigners entered China for employment in 2013, an 8% increase from 2012; and about 216,000 foreigners entered China for study in 2013, a 13.8% increase from 2012.<sup>25</sup> Given the fast-growing number of Chinese residents and the accelerating increase in the number of foreigners who have entered and exited China in recent years, the illegal entry, residence and employment of foreigners have developed into political problems that are eliciting government measures to improve administration of immigration laws and border controls.

Increasing international migration and travel have provided opportunities and posed new challenges to governments around the world. Two of the most important immigration policy issues for policymakers are the pursuit of high-skilled migrants and migration control, specifically of influxes of “unwanted” asylum seekers and migrants whose skills and labor are not in demand but who attempt to cross borders or enter legally and then violate the terms of their visas. An immigration policy motivated by a comprehensive soft power strategy needs to

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<sup>25</sup> See “2013 年出入境人员和交通运输工具数量同比稳步增长 (A Steady Increase of Immigrants Who Entered and Exited China and Their Transportations in 2013)”, Bureau of Exit and Entry Administration, MOPS 2014, <<http://www.mps.gov.cn/n16/n84147/n84196/3971894.html>>.

balance lifting of restrictions to immigration with addressing the economic dislocations, cultural conflicts and political reactions within the societies that new migrants enter. As the contributors to *Controlling Immigration: A Global Perspective*<sup>26</sup> explain in detail, governments must have the appropriate legal framework and administrative structure to be able to exercise a sufficient level of migration control in order that native populations do not feel that immigration is “out of control” and become susceptible to xenophobic social and political movements but rather participate in building a more tolerant, immigrant-friendly society. Much as other “latecomers to immigration,” such as Italy, Spain, Japan and Korea before it,<sup>27</sup> China must balance opening channels to more immigration with maintaining effective border controls and internal enforcement of immigration laws so as to avoid public perceptions of loss of control over immigration and the political repercussions that such perceptions may yield.

International immigration may not only bring “the best and the brightest” from around the world to receiving countries but it may also channel receiving countries’ values and cultural attractiveness through immigrants back to their sending countries.<sup>28</sup> If highly skilled immigrants perceive the receiving society to be open to them and be a good place to raise their children, they are likely to send back positive views and information that makes the receiving society more attractive abroad. If skilled-immigrants perceive the receiving society as xenophobic and hostile to their presence, the messages that they send back home, and possibly to other countries, will not put the immigrants’ host country in a positive light and may potentially reduce, rather than increase, that country’s soft power. Hence, immigration reforms can further Beijing’s political leaders’ soft power strategy and serve as a new approach to furthering China’s post-Mao reform

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<sup>26</sup> James F. Hollifield, Philip L. Martin and Pia Orrenius, *Controlling Immigration: A Global Perspective*, Third Edition (Stanford, CA: Stanford University Press, 2014).

<sup>27</sup> See Ibid, Chapters 11, 12 and 13.

<sup>28</sup> Yossi Shain, *Marketing the American Creed Abroad: Diasporas in the U.S. and their Homelands*. (Cambridge, U.K.: Cambridge University Press, 1999).

but only if reforms are effectively implemented and managed to balance increasing immigration with migration controls that head off reactionary xenophobia.

### **China as a Country of Immigration: An Overview of Immigration Laws, Policies and Practices**

Since Reform and Opening up, nationals of the People's Republic of China have increasingly emigrated in response to technological, economic, and immigration policy changes in Western societies and become a growing proportion of global migration flows. Particularly after China joined the World Trade Organization (WTO) in 2001, a growing number of Chinese have emigrated through making investments abroad or parlaying their educations and skills into visas, while in the other direction, a large number of international students, foreign professionals, foreign businesspeople, returned overseas Chinese, and cross-border "fortune seekers" have gone to China. The UN defines a migrant as someone who has lived outside of his or her state of nationality or birth for more than one year. 2013 UN migrant stock statistics indicate that of the world's 231,522,215 migrants, 9,342,485 were Chinese nationals living abroad and 848,511 were nationals of other countries in China for more than one year,<sup>29</sup> more than double the 324,000 migrants in China in 1985.<sup>30</sup> These statistics are based on census data reported by UN member states to the UN. While censuses are usually fairly good at reporting the number of a country's legal permanent residents, they may be less able to capture the number of those on student and temporary work visas who remain in a country for more than one year and they often undercount those individuals living in a country without authorization, if the numbers of unauthorized migrants are captured at all.

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<sup>29</sup> See "Trends in International Migrant Stock: Migrants by Destination and Origin," United Nations Department of Economic and Social Affairs, Population Division, POP/DB/MIG/Stock/Rev.2013, 2013.

<sup>30</sup> See "World Population Policies 2009", United Nations Department of Economic and Social Affairs, Population Division, ST/ESA/SER.A/293, 2010, p. 171.

When one considers additional estimates of individual groups based on a broader range of data beyond the census, it becomes clear that the number of international migrants in China is probably far greater than UN estimates. For example, it has been estimated by the Embassy of South Korea in China that there are about 650,000 South Koreans in China, largely concentrated in Korean communities in Beijing, Shanghai and Qingdao.<sup>31</sup> Since early the 1990s, thousands of African traders and businesspeople have migrated to China, particularly, Guangzhou. It was estimated that the total number of Africans at any given time in China is between 400,000 and 500,000.<sup>32</sup> Guangzhou has the largest African community in Asia with more than 100,000 African inhabitants.<sup>33</sup> China has increasingly drawn foreign students from around the world, with the total number of international students from about 200 countries studying in China reaching 328,330 in 2012.<sup>34</sup> Although many foreign students may only stay for a summer or semester, those who stay more than one year, are, by definition, international migrants.

While increasing migration into and out of China has become a growing share of global migration flows, the Chinese government has experienced a dramatic learning curve in immigration policymaking.<sup>35</sup> In the 1960s and 1970s, Mao Zedong perceived China as surrounded by its “revisionist” and “imperialist” enemies (the Soviet Union and the United States respectively) and opposed both immigration of foreigners and emigration of Chinese.

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<sup>31</sup> See “韩中关系概况 (A Summary of Korea-China Relations)”

<<http://chn.mofa.go.kr/worldlanguage/asia/chn/bilateral/political/index.jsp>>.

<sup>32</sup> Adams Bodomo, “The African trading community in Guangzhou: An emerging bridge for Africa-China relations.” *The China Quarterly* 203 (September 2010), pp. 693-707; Heidi Østbø Haugen, “Nigerians in China: A Second State of Immobility.” *International Migration*, 50:2 (2012), pp. 65-80.

<sup>33</sup> Some media reports projected that more than 200,000 Africans were living in Guangzhou, about 2% of Guangzhou population. See Dave Tacon, “In Pictures: ‘Chocolate City’”, Al Jazeera, 28 September 2014, <<http://www.aljazeera.com/indepth/inpictures/2014/09/pictures-chocolate-city-2014911115258446208.html>>. See Fauna, “Africans in Guangzhou: Opportunities & Discrimination,” ChinaSMACK, 10 September 2011, <<http://www.chinasmack.com/2011/pictures/africans-in-guangzhou-opportunities-discrimination.html>>.

<sup>34</sup> See “Statistical Report for Foreign Students in China in 2012”, Ministry of Education, 2013. <<http://english.jsjyt.gov.cn/news/keynews/folder612/2013/03/2013-03-112650.html>>.

<sup>35</sup> For a better understanding of how the CCP has sought to frame and manage its relationship with foreigners in history, see Anne-Marie Brady, *Making the Foreign Serve China: Managing Foreigners in the People’s Republic* (Lanham, MD: Rowman & Littlefield Publishers, 2003).

While China plunged into a self-inflicted political, economic and intellectual isolation, several nationwide political movements such as the Anti-Rightist Campaign in 1957 and the Cultural Revolution from 1966 to 1976 targeted anyone with overseas contacts.<sup>36</sup> Those overseas Chinese or Chinese who had overseas contacts were perceived as class enemies and agents of imperialism. Thousands of Chinese returnees had been harshly prosecuted during the Cultural Revolution.

As the Chinese government abandoned ideology-driven politics under the leadership of Deng Xiaoping, it also developed very positive views of overseas Chinese and what officials refer to as “foreign talents.” The CCP realized that overseas Chinese could bring great opportunities for China’s foreign relations and economic development.<sup>37</sup> By 1993, the flow of foreign investment to mainland China originating in Taiwan and Hong Kong was three times that of all other nations combined.<sup>38</sup> Ethnic Chinese from South-East Asia, Japan, the Americas and Australia could well have provided a major portion of the investment coming from those countries other than Hong Kong and Taiwan, however, solid statistical evidence is not available.<sup>39</sup> According to Liu, the Deng Administration carried out “a careful and well-coordinated immigration strategy with a well-defined right to leave and return” in order to facilitate China’s economic growth and improve China’s national image from the perspective of human rights protection.<sup>40</sup> For example, China’s State Council promulgated a series of policy statutes to relax the limits on exit and entry of Chinese citizens and foreigners in 1984. These

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<sup>36</sup> Brady’s book chapter well documents how the wide-spread political prosecutions against foreign sympathizers and government-sanctioned Chinese xenophobia reached their peak during the Cultural Revolution. See Brady 2003, 143-176.

<sup>37</sup> See discussion in C.Y. Chang, “Overseas Chinese in China’s Policy.” *The China Quarterly*, 82 (1980), pp. 281-303.

<sup>38</sup> See Murray Weidenbaum and Samuel Hughes *The Bamboo Network: How Expatriate Chinese Entrepreneurs Are Creating a New Economic Superpower in Asia* (New York: The Free Press, 1996).

<sup>39</sup> Wang Gungwu, “Greater China and the Overseas Chinese,” in David Shambaugh, ed. *Greater China: The Next Superpower?* (Oxford: Oxford University Press, 1995), p. 278.

<sup>40</sup> See Liu 2007, 129.

statutes set the stage for comprehensive reform of China's immigration law. Finally, the Law of the People's Republic of China on Control of the Entry and Exit of Aliens (LCEEA) was adopted by the NPC in November 1985, and became effective on February 1, 1986.

However, due to lack of coordination among the functionaries of the CCP and Chinese government agencies, there had never been a unified legislative process on the issues related to exit and entry. Those numerous policy orders, directives, subsidiary rules and official documents had never been institutionalized in a complete legal framework. According to Liu, this ineffective model can be attributed to the influence of the centrally planned economy, in which individual government agencies are separately responsible for managing different sections of the national economy and social development.<sup>41</sup> Therefore, those reform measures in 1980s and 1990s were not capable of solving fundamental problems and dealing with new challenges. Especially after China joined the WTO, the structural flaws of China's immigration laws have crippled the development of an effective immigration system while China became evermore integrated with the outside world. In Liu's view, China's immigration reforms of the 1980s and 1990s were too superficial to bring its immigration system into line with international standards, requiring additional legal reforms and significantly improved immigration legislation.<sup>42</sup>

Against this backdrop, Beijing's political leaders have paid growing attention to the country's participation in international cooperation on international migration since 2001. Obviously, Beijing wants to increase the country's openness to the world and its influence on the global governance of migration, and hence develop an important dimension of China's immigration-related soft power—agenda-setting. For example, China has held Observer status in the International Organization of Migration (IOM) since June 2001. Since it began to host a

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<sup>41</sup> See Liu 2007, 144.

<sup>42</sup> Guofu Liu, "Changing Chinese Immigration Law: From Restriction to Relaxation." *International Migration and Integration* 10:3 (2009), pp. 311-333.

liaison office of IOM in 2007, Beijing has accepted technical assistance from IOM in the area of migration management and allowed the IOM to pursue its collaborations with Chinese civil society organizations to improve the living conditions of internal migrant workers. As a member of the International Labor Organization (ILO), the World Tourism Organization, the WTO, and the UN, China has increasingly participated in their migration related agencies and programs. For example, since its new immigration law became effective in 2013, China has been monitored by the UN High Commission for Refugees to assume full responsibility for registration, refugee status determination and durable solutions, in line with international standards. To date, the IOM and ILO have jointly managed the EU-China Dialogue on Migration and Mobility Support Project to better manage mobility and legal migration between the EU and China as well as reducing irregular migration flows.

Although legislative and legal change came slowly, the collective views of Chinese policymakers' toward immigration clearly changed during the past two decades. This shift in views is reflected in the Chinese government's response to an official UN survey of member states on world population policies conducted in 1996 and 2009 that included questions about international migration. In 1996, the Chinese government expressed its view that the level of immigration was "satisfactory" and indicated that it had policies in place to "maintain" the overall level of immigration. In 2009, the Chinese government still viewed the level of immigration as "satisfactory" but indicated that it had changed its policies to "raise" the overall level of immigration. Specific policy changes included a shift with respect to "permanent migration" and "family reunification" from "maintain" in 1996 to "raise" in 2009. Also, in 1996, the Chinese government did not provide information on any integration policies; but in 2009, it indicated that it did have policies or programs to foster the integration of non-citizens such as



language classes and the provision of social services. Finally, the government indicated in 1996 that it did not have a policy to encourage the return of its overseas nationals but then in 2009, it did.<sup>43</sup>

These changes in the Chinese government's positions on immigration were reflected in a series of policy initiatives in the mid-2000s that eventually produced new laws and regulations. After China joined the WTO in 2001, more NPC delegates repeatedly suggested that the country's 1985 immigration law was outdated and insufficient to accommodate growing and increasingly diverse immigration flows. In 2004, the Chinese government began considering draft legislation for an immigration policy to facilitate return of skilled Chinese nationals and their descendants as well as enable the Chinese government to better regulate the entry and stay of other skilled immigrants who are not ethnic Chinese. By December 2004, the MOPS established a working group on the draft law. In October 2007, the Legislative Affairs Office of the State Council sent the draft law to provincial governments and central government entities for comments and suggestions. The new immigration law—Exit and Entry Administration Law of the People's Republic of China (EEAL)<sup>44</sup>—was adopted by the NPC on June 30, 2012 and came into effect July 1, 2013.

After adopting the EEAL, the Chinese government concentrated on drafting new administrative regulations in accord with the new law. On May 3, 2013, the Legislative Office of the State Council published the *Regulations on the Administration of the Entry and Exit of Aliens (Draft for Comments)* on its website in order to solicit public opinions on the draft regulations.<sup>45</sup>

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<sup>43</sup> See UN 2010, 170-171.

<sup>44</sup> The official English version of EEAL can be found at the website of China's Bureau of Exit and Entry Administration. <<http://www.mps.gov.cn/n16/n84147/n84196/3837042.html>>

<sup>45</sup> See the Chinese government's official notice of soliciting public opinions on the draft regulations at the website of State Council's Legislative Affairs Office. <<http://www.chinalaw.gov.cn/article/cazjgg/201305/20130500386562.shtml>>

The draft regulations were revised significantly in response to those public comments. On July 22, 2013, China's State Council promulgated its new *Regulations on the Administration of the Entry and Exit of Aliens* (RAEEA), which came into effect on September 1, 2013. The RAEEA cover foreigners' visas, entry, exit, temporary stay and permanent residence as well as related penalties and deportation. These efforts to reform China's immigration laws and regulations can be viewed as the deepening and broadening the country's reform agenda by a new generation of communist leaders. Immigration policy reforms, however, are often much more politically difficult to enact and implement than technocratic elites assume.

### **Changing Immigration Policies and their Implications for the Effectiveness of Chinese Soft Power**

China's immigration laws and regulations have changed dramatically in the post-Mao reform era. These changes not only demonstrate the government's embrace of immigration but also reflect the political, economic and social dynamics that drive changes in migration flows and policies. In order to better understand changes in China's immigration reform that were driven by political and socioeconomic dynamics of Chinese society, this section will compare China's new and old immigration laws and regulations; analyze the rationale for and implications of Beijing's invigorated policies of pursuing global talent within an international context of Chinese soft power; and examine the rationale for and implications of Beijing's new initiatives of improving its immigration-related social management.

#### *What is new? Key Changes and New Initiatives in China's Immigration Reform*

The new entry-exit regulations categorize ordinary visas into 12 types, instead of the 8 categories in the previous law. Some major changes in visa classification are as follows: First,

the new R-visa was established for highly skilled foreign workers and for specialized talents in short supply that are urgently needed. Second, new Q visas enable permanent residents to sponsor their relatives for family reunion and to come for short-term visits. Third, the new M visa was established for foreigners who come to China for business or commercial activities. Fourth, new S visas enable foreigners working or studying in China to have family members come to China for short-term visits and for longer stays. Fifth, the four visa categories—the Q visas, the S visas, the J visas (issued to foreign journalists of international news organizations), and the X visas (issued to foreign students)—have two subcategories. The Q-1, S-1, J-1 and X-1 are issued to foreigners for long-term stay; and Q-2, S-2, J-2 and X-2 are issued to foreigners for short-term visit.<sup>46</sup>

There are some other major changes in the Chinese government's administration of regulations governing foreigners' entry and exit. First, the government is mandating the development of an automated entry-exit system (including biometric data) similar to systems implemented by Australia, the United States and Japan. In 2005, the MOPS's Bureau of Exit and Entry Administration (BEEA) started to collect some biometrics, such as fingerprints, on a voluntary basis. With the new immigration law, the BEEA has the authority to compel foreigners to provide their fingerprints and other biometric data when they enter China. Second, the new regulations require visa applicants to submit supporting documentation for consideration of their applications. For example, the supporting documentation for Q visas, S visas and F visas must include an invitation letter from a family member in China and proof of the family relationship. The supporting documentation for M visas must include an invitation letter issued by a Chinese business partner. The new regulations also clarify the interview procedures for

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<sup>46</sup> In Chinese laws, while “long term” normally refers to the intended duration of stay in China that exceeds 180 days, the intended duration of stay in China that is no more than 180 days is considered to be “short term”.

foreigners who apply for entry to and residence in China as well as their visa extension, renewal and replacement.

To implement China's new immigration law, the regulations also address foreigners' illegal residence. The regulations clearly define the four circumstances that a foreigner will be deemed to be residing illegally in China. First, if a foreigner stays beyond the period permitted by the visa or residence certificate; second, if a foreigner who was admitted without a visa has remained in China beyond the visa-free period and failed to apply for a stay or residence certificate; third, if a foreigner moves outside of any area to which his or her stay is restricted; and fourth, if a foreigner engages in activities inconsistent with the purpose of his or her residence, or if he or she violates Chinese law.

The new regulations also require foreigners who apply for residence certificates to provide their passports, fingerprints and other documents. A notable change in the RAEEA is that China's residence certificates are now meticulously divided into 5 categories—for work; for study; for journalists; for Chinese family reunion; and for foreign family visit. Another notable change is the minimum validity period for work-based residence certificates, which has been reduced from 1 year to 90 days, with the maximum period remaining unchanged at 5 years. In this regard, any foreigner who intends to do business in China for 90 days or more in any calendar year must apply for a residence certificate instead of using a business visa as was permitted under the previous law. By requiring more visa and resident certificate applications of foreign business people, this policy change aims to strengthen the government's ability to curb illegal stay by those who enter for business.

Furthermore, the new 2012 immigration law addresses foreigners' illegal employment by, for the first time, defining the term "illegally working in China," and by imposing more severe

punishments on foreigners convicted of engaging in illegal work in China. Not only must they pay a fine of between RMB5,000 and RMB20,000, but also they may face detention of five to 15 days and be barred from re-entering China for a period of between one and five years. The new immigration law also gives the Public Security Bureau (PSB) authority for on-the-spot interrogation and further interrogation for up to 48 hours. More importantly, the EEAL obligates all citizens and organizations in China to report any illegal entry, residence or employment to the PSB. The EEAL also imposes heavy fines on any individuals, organizations and business entities that offer jobs to ineligible foreigners or employ any foreigners without work authorization. All these punitive measures were absent from China's previous immigration laws.

#### *Entering the Global Competition for Talent by Winning Hearts and Minds*

With its new immigration laws and regulations, the Chinese government is joining a trend common among Organization for Economic Cooperation and Development member states to adopt selective migration policies favouring immigration of the highly skilled.<sup>47</sup> This trend is increasingly being framed in terms of national economic competitiveness.” According to the Chinese Premier Li Keqiang, “(China’s) economy has entered a new stage, with the emphasis on quality, efficiency and technological upgrading. But no progress will be made without innovation and a huge talent pool. To adapt to the situation, the government will promote innovation and introduce foreign talent to serve China’s need for economic and social development.”<sup>48</sup> Increasing the immigration of foreign talent through the adoption of new laws and regulations broadens China’s openness and increases its attractiveness, thereby, furthering the Chinese leadership’s blueprint of developing and projecting Chinese soft power. Against this backdrop,

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<sup>47</sup> Rey Koslowski “Selective Migration Policy Models and Changing Realities of Implementation.” *International Migration* 52:3 (2014), pp. 26-39.

<sup>48</sup> See Zhao Yanan, “Premier hails work of foreign experts,” *China Daily*, January 22, 2013, page 1.

Beijing has adopted a two-pronged strategy to welcome highly skilled foreigners as well as lure back overseas Chinese scientists, engineers and businesspeople.

After three decades of economic growth that relied on increasing employment of low-wage and low-skilled workers in manufacturing and construction, it became critically important for China to build its own technological expertise. Significant numbers of highly skilled foreigners have been participating in China's economic modernization but China still lags behind many other countries in producing, attracting and retaining high-skilled professionals and high-value talent. According to the Global Talent Competitiveness Index, China ranked 47th among the 103 countries covered by the 2013 study.<sup>49</sup> The Chinese government has increased research and development (R&D) spending in order to attract foreign talents, and in 2012, China overtook the EU on a key measure of innovation--the share of its economy devoted to R&D.<sup>50</sup> Nevertheless, the government's policy efforts and the country's career opportunities still cannot win the hearts and minds of many foreign talents. According Wang Huiyao, an acute scarcity of high-level, innovative talent in China persists, which he attributed to China's cumbersome immigration system with its rigid exit and entry laws and extremely restrictive regulations governing permanent residence of foreigners.<sup>51</sup> By loosening these restrictions, China's immigration reform has become an important channel through which Beijing can use its welcoming immigration policy as part of its overall soft power campaign to attract human capital and investment.

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<sup>49</sup> Bruno Lanvin and Paul Evans, *The Global Talent Competitiveness Index 2013* (Singapore: Insead, 2013).

<sup>50</sup> China's R&D expenditure as a percentage of GDP was 1.54 percent in 2008, 1.76 percent in 2010, and 1.98 percent in 2012. See Richard Van Noorden, "China tops Europe in R&D intensity." *Nature*, 505 (2014), pp. 144-145.

<sup>51</sup> Huiyao Wang, "Talent Management Vital in Tough Times," *China Daily (European Weekly)*, December 13, 2013, page 11.

China's high-skilled immigrants can be categorized into two groups—the non-Chinese foreign expatriates and Chinese returnees from overseas. In order to appeal to those non-Chinese foreign talents, Beijing established the R visa, which is issued to highly-skilled foreigners and to foreigners with specialized talents that are urgently needed due to short supply. When the Chinese government included “recruiting foreign talents” as one of rationales for visa categorization in its new immigration law (i.e., EEAL), it provided the legal basis for establishing a new visa for foreign high-level talents. So eager was Beijing to recruit highly skilled foreigners that even before drafting the implementing regulations, the Organization Department of the CCP's Central Committee issued temporary rules for a new five-year-term visa in July 2012. This temporary 5-year visa was later replaced by the R visa in RAEEA. The Chinese government began issuing the R visa to foreign talents after 1 July 2015.<sup>52</sup> Furthermore, those highly-skilled foreign professionals and foreigners with specialized talents who hold the R visas are eligible to apply for their permanent residence permits after working in China for 3 years. Similar in ways to the United States' H-1B visa, the R visa could enable Chinese companies, state-owned enterprises, and the central, provincial and local government agencies to attract and retain significantly more foreign talents.

The government has also improved living and working conditions for highly skilled foreign experts and their family members. For example, the new S-1 and S-2 visas permit short visits and long term stays of the family members of foreigners who reside in China for work, study, etc. These visas give foreign professionals more options for bringing spouses and families to China and reduce the obstacles to recruiting more high-skilled foreigners. Furthermore, in

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<sup>52</sup> According to media reports, on 7 July 2015 Shanghai Pudong International Airport issued the first R visa on arrival to an Austrian national who was set to begin working as a manager of a high-tech firm in Shanghai. See “Top talents ‘R’ now even more welcome,” Shanghai Daily, 7 July 2015. <<http://www.shanghaidaily.com/metro/expat-community/Top-talents-R-now-even-more-welcome/shdaily.shtml>>

November 2014, the US and China agreed that short-term tourist and business visas for those traveling between the US and China would be valid for 10 years. Two days later, the Chinese Embassy in Washington DC issued its first 10-year visa to an American citizen and the Chinese Embassy began accepting applications for L, M, Q-2 and S-2 with 10-year validity as well as for the X-1 visa valid for 5 years. Visa holders can enter and exit China for unlimited times within their visas' valid periods.<sup>53</sup>

During the last two decades, Chinese emigrants who originate from mainland China have occupied a dominant position among the overseas Chinese populations in many receiving countries. Many of them are students-turned-immigrant professionals. They are better-educated and more highly skilled than previous generations of emigrants.<sup>54</sup> According to China's Ministry of Education, from 1978 to 2011, more than 2.2 million Chinese students went abroad. However, only 818,000 of the 2.2 million returned.<sup>55</sup> The rate of return is even lower for those who attended universities in Western countries and graduated with doctorate degrees in science and engineering. According to some reports, many brilliant overseas Chinese talents had never considered returning as an alternative.<sup>56</sup> Even China's government media admits that many of the early returnees were not among the best and brightest and that China has a long way to go in improving its current talent schemes and science-infrastructure system.<sup>57</sup>

Chinese returnees from overseas can be further categorized into the two groups—the Sea Turtles (*Haigui*) and the Seagulls (*Haiou*). The *Haigui* returnees are primarily the Chinese

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<sup>53</sup> See relevant information released by the Chinese Embassy in Washington DC. < <http://www.china-embassy.org/chn/laszj/zytz/t1209708.htm> >

<sup>54</sup> Sheng Ding, "Digital Diaspora and National Image Building: A New Perspective on Chinese Diaspora Study in the Age of China's Rise." *Pacific Affairs*: 80:4 (2007), pp. 627-648.

<sup>55</sup> See "339,700 Chinese choose to study abroad in 2011," Xinhuanet, February 11, 2012. <[http://news.xinhuanet.com/english/china/2012-02/11/c\\_131403850.htm](http://news.xinhuanet.com/english/china/2012-02/11/c_131403850.htm)>".

<sup>56</sup> Jane Qiu, "China targets top talent from overseas." *Nature*, January 28, 2009. <<http://www.nature.com/news/2009/090128/full/457522a.html>>.

<sup>57</sup> See "State plan seeks to attract talent, halt brain drain." China News Service (English), November 23, 2011. <<http://www.ecns.cn/in-depth/2011/11-23/4058.shtml>>.



students or migrating professionals who came back to China after their temporary overseas studying or working experiences. Many of them are working as white-collar professionals and enjoy high socioeconomic status in their host countries. Most *Haiou* returnees are the overseas Chinese who gave up their Chinese nationality by naturalizing elsewhere and practice complex methods of communicating and moving within a highly developed transnational social structure. They travel back and forth between China and their adopted countries, alternating their careers without being bound by national borders. Many of them are highly skilled scholars, managers, and financiers who return with experience, professional networks and financial support. Not only are these *Haigui* and *Haiou* high-skilled migrants and foreign investors who can contribute to China's economic modernization, but they can also channel the appeal of Chinese values and culture to other countries (and vice versa).

Whether they are Sea Turtles or Seagulls, overseas Chinese and their family members must contend with many immigration-related problems and new visas are intended to relieve these problems. The new Q-1 visa is issued to the relatives of Chinese citizens applying to enter and reside in China for purposes of family reunion, to the relatives of persons who have qualified for permanent residence in China, and to persons applying to enter and reside in China for other purposes such as adoption. The new Q-2 visa is issued to visiting relatives of Chinese citizens and relatives of persons qualified for permanent residence in China. In addition, China's new immigration regulations allow any overseas Chinese who still hold valid Chinese passports to use their passports as ID cards in China. They can use their Chinese passports to open accounts in Chinese banks, purchase government-sponsored social insurance, apply for their driver's licenses, etc. All of these new immigration-related policy changes are intended to win the hearts and minds of overseas Chinese and, based on reports in overseas Chinese media, these changes

in China's new visa regulations are considered a great improvement.

*Defusing Political and Social Tensions by Curbing Illegal Entry, Residence and Employment*

China's development model of economic modernization without democratization has increased income inequality, social injustice, government corruption, and environmental degradation. Manifestations of these problems include frequent major industrial accidents, food and medicine poisoning scandals, and massive public health crises. China's authoritarian regime resists any democratic political reform and, therefore, China lacks democratic procedures that might help it to solve crucial governance issues. As Nye explained, a state's soft power draws on its political values but only if the government of that state lives up to those values at home and abroad. At this point, China lacks appealing political values that can contribute to the communist regime's political legitimacy. In order to project the appeal of Chinese soft power, the CCP is determined to safeguard the country's social-political stability (*weichi wending*) and make it the government's paramount priority. Against this backdrop, Beijing views increasing illegal entry, illegal residence, and illegal employment of foreigners as challenges to socio-political stability that require measures to improve administration of immigration laws and border controls.

Indeed, illegal migration has developed into a serious and complicated problem for China's border security and economic development.<sup>58</sup> China's labor demands at the higher wage and skill levels have largely been met with legal migration, however, legal migration has not sufficiently satiated China's manufacturing, agricultural and service employers' demand for lower-skilled labor, which has created opportunities for illegal migrant workers from

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<sup>58</sup> See discussions in Ming Hong, "中国非法移民问题探析 (An analysis of China's illegal immigration problem)." *Journal of the Central University for Nationalities* (Philosophy and Social Sciences Edition), 5 (2010), pp. 46-51; Gang Luo, "我国外来非法移民成因探析 (Analysis of the causes of illegal immigrants in China)." *Journal of the Yunnan University for Nationalities* (Philosophy and Social Sciences Edition) 29:4 (2012), pp. 46-51.

neighboring countries. There are tens of thousands of illegal immigrants working and living in the Pearl River Delta and Yangtze River Delta as well as Southwest and Northeast Chinese provinces. For example, many young people from small border cities and towns of Southwest China have gone to work in larger cities, leaving farm labor shortfalls during busy seasons that are filled with illegal migrant workers from Vietnam. There are tens of thousands of North Korean asylum seekers in China, whose asylum claims have not been recognized by the Chinese government.<sup>59</sup> Many work illegally in China to pay smugglers to get them to South Korea while others remain in China and work in the informal economy. In addition to illegal migrants from neighboring countries, international students overstay their visas and become illegal migrants, as do foreign professionals, businesspeople, and traders who violate the terms of their visas.

While rapid economic development combined with declining fertility rates has increased demand for migrant labor, fears of job displacement precipitates conflict between Chinese citizens and labor migrants from abroad, particularly in certain parts of China with increasing illegal migration. The local populations of some areas were completely unprepared for the arrival of large numbers of foreigners, whose presence is increasingly drawing attention to relatively new issues such as interracial dating and marriage. Immigration-related social tensions have political ramifications that have manifested themselves in other countries through xenophobic and ultra-nationalist political movements,<sup>60</sup> notably exemplified by extraordinary gains of extreme right anti-immigrant parties in the May 2014 European Parliamentary elections and

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<sup>59</sup> The Chinese government has never provided any official number of North Korea refugees in China. In Beijing's views, North Korea asylum seekers are economic migrants crossing the border illegally and they should be subject to return to North Korea. According to a report published by the UN Office of the High Commission for Human Rights (OHCHR), more than 20,000 North Korean defectors live in South Korea and a vast majority of them used China as the main conduit for their escapes from North Korea. See "Report of the Detailed Findings of the Commission of Inquiry on Human Rights in the Democratic People's Republic of Korea", 2014. <<http://www.ohchr.org/EN/HRBodies/HRC/CoIDPRK/Pages/ReportoftheCommissionofInquiryDPRK.aspx>>

<sup>60</sup> See e.g. Rafaela M. Dancygier, *Immigration and Conflict in Europe* (Cambridge, UK: Cambridge University Press, 2010).

subsequent elections in the UK, France and Poland in 2015. In China, immigration-related social tensions occasionally elicit nationalist reactions when China enters into diplomatic disputes with those immigrants' home countries. Escalation of territorial disputes between China and several Asian states, particularly Japan, Vietnam and the Philippines have prompted many Chinese citizens to express growing nationalist sentiments offline and online. For example, just two months before the CCP's last once-in-a-decade leadership transition, there was an outburst of nationwide anti-Japan demonstrations in September 2012 and Japanese businesses were attacked by Chinese protesters. In the aftermath of Vietnamese rioters' violent attacks on Chinese nationals in May 2014, the Chinese online forums such as *Qiangguo Luntan* were quickly loaded with numerous anti-Vietnam and xenophobic comments.

There have been xenophobic reactions in Guangzhou against some of its more than 100,000 African inhabitants, which includes a large number of African traders, many of whom remain in China without authorization. The topics of racism and xenophobia are rarely discussed in communist China but in its 16 July 2009 edition, *South China Morning Post* (SCMP), an influential English-language newspaper in Hong Kong, splashed the following sensational headline on its front page: "Africans protest in Guangzhou after Nigerian feared killed fleeing visa check," with a large picture of Africans protesting in Guangzhou, some showing bloodied shirts to onlookers. The sensational reporting of SCMP triggered unease among many local residents in southern China about the presence of illegal immigrants. Given that public discontent with China's authoritarian government is so volatile, any nationalistic protest aimed at either China's international rivals or illegal immigration could quickly change its course and focus on Beijing's own governance failures, threatening the CCP's political legitimacy. Indeed,

these immigration-related social tensions and conflicts have contributed to incentives for the Chinese government to institute immigration reforms.

Given that China lacks appealing values such as freedom of speech, pluralism and democracy that can contribute to the communist regime's political legitimacy at home and abroad, the appeal of Chinese soft power may increasingly depend on whether China can become a more tolerant, immigrant-friendly, multi-cultural society, perhaps along the lines of Singapore. In order to simultaneously attract highly skilled migrants and curb illegal entry, residence and employment of foreigners, Beijing is striving to be creative with its new immigration laws and strike a balance. China wants to open its door to high-skilled foreign professionals, businesspeople, and traders as well as potential Chinese returnees, while at the same time, strictly controlling illegal entry, illegal residence and illegal employment. Given that demonstration of effective migration control by a government is often correlated with public support for that government's policy of maintaining or increasing immigration levels, the Chinese government will need to implement effective immigration administration and border controls to help convince China's citizens that more immigration is in the national interest as well as to preempt xenophobic reactions that may dissuade the highly skilled from moving to China and tarnish the reports sent back home of those immigrants who do.

## **Conclusion**

Over the past few decades, China has become an immigration as well as emigration country. Unlike Western countries, which have had laws to regulate the management of temporary and permanent immigration, regulations only sporadically appeared in Chinese legal instruments concerning entry and exit administration and migration related to foreign investment.

By initiating immigration policy reforms, the Chinese government has acknowledged the reality of increasing immigration and it is putting in place a legal and administrative framework that will further its broader reform agenda. In particular, Beijing aims to increase the effectiveness of Chinese soft power by enhancing the country's attractiveness to foreign talents and improving administration of immigration laws and border controls to maintain domestic stability.

China's new immigration laws and regulations constitute a major step forward in the country's immigration management but China still has a long way to go before arriving at a set of comprehensive immigration laws that are effectively administered. For example, further clarification of the civil rights, economic opportunities, and social benefits afforded to permanent resident permit holders is necessary. During his recent meeting with foreign experts, Premier Li implied that the Chinese government needs to work hard in the areas such as safeguarding the legitimate rights and interests of foreigners, treating Chinese and foreign talents equally, and providing foreign talents in all sectors with conditions for independent innovation and an environment for achieving self-worth.<sup>61</sup>

Moreover, China's new immigration laws and regulations may make the entry and exit of overseas Chinese and non-Chinese migrants easier as well as facilitate their stay and work in China, but on their own, these changes are unlikely to enable the social and political integration of foreigners and ethnic Chinese who were born abroad or have been away for decades. Unlike American soft power, which is based on the spread of its ideals of individuality, tolerance, and opportunity, and the public-private partnerships in pursuing social cohesion and economic and

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<sup>61</sup> According to Li, "the Chinese government is working on protecting the rights and interests of foreigners by providing foreign talents with personal service that is up to international standards. The Chinese government plans an even better environment for foreign workers in terms of visa and resident documents. China plans to open up national science projects, awards, professional qualifications and membership of academies to foreign talents. China will provide them with space to develop and necessary environment to realize personal goals. See "Chinese premier calls foreign talent to China," Xinhuanet, 30 September 2015, <[http://news.xinhuanet.com/english/2015-09/30/c\\_134676156.htm](http://news.xinhuanet.com/english/2015-09/30/c_134676156.htm)>.

political integration, Chinese soft power, to a large extent, is more a matter of Chinese government decree rather than longstanding practice. Therefore, the ‘quality’ and image of China’s authoritarian government are essential to the effectiveness of Chinese soft power. In the global information age, the ‘quality’ and image of governments are primarily attributed to such elements of political credibility as efficient governance, respect for fundamental human rights, and responsible international behaviors. Unfortunately, the Chinese government lacks those elements of political credibility to improve the effectiveness of Chinese soft power in dealing with the issues related to immigration.

Finally, immigration reform is just a part of comprehensive political and social reform. Immigration reform without political reform is unlikely to solve the more complicated economic and social conflicts triggered by increasing immigration. Only real political reform can address aggravating economic and social problems rooted in growing economic inequality and political corruption. Also, without political pluralism and rule of law, China’s new charm offensive measures of attracting foreign talents will ultimately have limited soft power appeal. All classical immigration countries have had long and tortuous paths of immigration reform and many, like the US, are still debating, updating and reforming their immigration policies today. On this note, China’s recently launched immigration reform will face an uphill battle to fully realize the soft power potential that policymakers envision, and the Chinese government will have a long journey ahead to successfully manage migration and be effective in the global competition for talent.