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Abbreviations Used in the Notes

<i>BBC/FE</i>	British Broadcasting Corporation, <i>Summary of World Broadcasts, Part III, The Far East</i>
<i>BR</i>	<i>Beijing Review</i>
<i>FEER</i>	<i>Far Eastern Economic Review</i>
<i>NCNA</i>	<i>New China News Agency</i>
<i>NYT</i>	<i>The New York Times</i>
<i>ST</i>	<i>The Straits Times</i>
UNHCR	United Nations High Commissioner for Refugees

Preface

THIS MONOGRAPH IS part of a larger book project on the Sino-Vietnamese conflict still in progress. As such, it is devoted to only one of the major causes of the rapid deterioration of relations between China and Vietnam after 1975. Although perhaps not the most important source of conflict between the two Communist nations, the controversy over the ethnic Chinese in Vietnam had its distinct origin and, with the passage of time, also developed its own momentum. Therefore, it can and should be separated from other issues such as the territorial dispute and the dispute over Kampuchea. In view of its broader political implications in the Southeast Asian context, the subject also warrants independent treatment. It is for these reasons that this study has been undertaken, with the hope that this small volume will not only contribute to a better understanding of the Sino-Vietnamese conflict, but also shed new light on an old problem that still confronts some countries in the Southeast Asian region.

Pao-min Chang
February 1982

Introduction

PERHAPS THE GREATEST human tragedy the world has witnessed since the Nazi persecution of the Jews during the 1930s and 1940s is the exodus of refugees from Vietnam after the Communist victory in 1975. Whether dragging their weary bodies across endless, war-scorched terrain and through tropical jungles, or braving the rough waves of the South China Sea in small, crammed fishing boats, hundreds of thousands of destitute men, women, and children have struggled on the verge of death to flee their country, and literally tens of thousands of them have met untimely death in their journey into the unknown. The magnitude of this phenomenon and the extraordinary will power demonstrated by these thousands of ordinary human beings bespeaks an utterly suffocating condition in their homeland that could only be partially attributed to the harshness of Communist regimes in their early phases.

Since the overwhelming majority of such Vietnamese refugees are ethnic Chinese, the tragedy reflects a fundamental change in Vietnam's policy toward its large Chinese community, which in turn signifies a renewal of animosity between China and her southern Communist neighbor. In fact, the issue of overseas Chinese has been a major source of conflict between Beijing and Hanoi and has directly led to the rapid deterioration of their relations since 1977.

What are the origins of the dispute? How did it evolve? And what are its implications for the future relations between China and Vietnam and for China's policy toward the overseas Chinese? This small volume examines some aspects of these questions.

I

The Chinese in Vietnam

AS IN OTHER Southeast Asian countries, the controversy over Chinese residents in Vietnam has its roots in the past and centers on the issue of assimilation. The Chinese in Vietnam do not differ from their counterparts in other Southeast Asian countries in origin or in character, nor do they make up a particularly large proportion of the total population of their host country; yet the combined effects of geography and history have made their experience unique in the region, not only affecting the status and orientation of the Vietnamese Chinese and their relationship with the native population but also hopelessly entangling the entire problem with the relations between China and Vietnam.

Being contiguous with China with lines of communication both over land and by sea well developed for more than two millennia, Vietnam was the first country in the region to receive large numbers of Chinese immigrants. Population movements of considerable scale across the land border and by the well-established waterways have been a familiar and recurrent phenomenon for centuries.¹ Political or economic crises striking either country often led to massive migration from one direction to the other. Although such migration has been mainly a one-way affair since the second half of the nineteenth century because of continuing political turmoils in China, with the largest influx taking place between 1935 and 1950, available statistics show that throughout the first half of the twentieth century arrivals of Chinese continued to be accompanied by comparable departures.² The relatively easy passage to and from their homeland

1. Victor Purcell, *The Chinese in Southeast Asia* (London: Oxford University Press, 1965), p. 200. The first massive migration of Chinese to Vietnam was recorded in 214 B.C., when nearly half a million Chinese fugitives were resettled in the northern part of Vietnam. Zhang Wenhe, *Yuenan huaqiao shihua* (Historical notes on the Chinese in Vietnam), (Taipei: Limin chuban she, 1975), pp. 3-4; see also pp. 5-29.

2. Between 1923 and 1951 nearly 1.2 million Chinese arrived in Vietnam from China, whereas about 850,000 departed from Vietnam for China. Ky Luong Nhi, "The Chinese in Vietnam" (Ph.D. diss., University of Michigan, 1963), pp. 50-55. Between 1910 and 1950 the Chinese population in Vietnam increased from at least 100,000 to about one million. *Ibid.*, p. 51.

and the frequent movement of Chinese nationals have not only ensured a high percentage of the China-born sector of the Chinese population, but have also made the Vietnamese Chinese more susceptible to China's appeals. The Chinese in Vietnam certainly have been more inclined to look to China for protection and help in times of need, if not also more attached to their homeland than the Chinese in other parts of Southeast Asia.³ This is so particularly because both the anti-Manchu revolutionary movement at the turn of the century and the anti-Japanese struggle of the 1930s and 1940s developed operational bases and mass support in Vietnam.⁴

The close relationship between China and Chinese in Vietnam forged by geographical propinquity has been reinforced by racial affinities between Chinese and Vietnamese and by the pervasive influence of Chinese culture in Vietnam not to be found in any other Southeast Asian country. Vietnam is in fact the only country in the region that has been actually ruled by China for any length of time and thoroughly sinicized. The ten centuries of Chinese rule in the formative years of the Vietnamese nation (111 B.C.—A.D. 956) and the subsequent tributary status Vietnam acquired have led to her adoption of Chinese scripts, costumes, living habits, religious practices, and value systems that were somewhat modified but not seriously undermined by the eighty years of French rule starting in the late nineteenth century.⁵ In fact, the identity in culture, race, and religion between the Chinese and the Vietnamese has been so complete and the intermarriage between them so common that it is not an exaggeration to say, as President Ngo Dinh Diem said in 1957, that “much Chinese blood flows in the vein of the Vietnamese, and Vietnamese and Chinese almost have the same moral outlook and culture.”⁶ Therefore, although the Chinese in other Southeast Asian countries can be clearly distinguished, both physically and culturally, from the indigenous population, in Vietnam it is virtually impossible to have an

3. Based upon a comparison of various sources, the foreign born Chinese made up at least one-third of the pure Chinese stock in Vietnam, numbering about 400,000 in the late 1950s. See *Zhongvang Ribao* (Central Daily), (Taipei), May 4, 1957, p. 1; *Statistical Yearbook of Vietnam: 1959* (Saigon: National Institute of Statistics, 1960), p. 21; Ky, “The Chinese in Vietnam,” p. 13.

4. Five of the ten abortive uprisings organized by Dr. Sun Yat-sen before 1911 were launched from bases in Vietnam, with participation of a considerable number of Vietnamese Chinese. The Chinese in Vietnam also eagerly lent manpower and material support to China throughout the war against Japan. Zhang, *Yuenan huaqiao*, pp. 90–92.

5. Purcell, *Chinese in Southeast Asia*, p. 209; Ky, “Chinese in Vietnam,” p. 171.

6. Ky, “Chinese in Vietnam,” p. 197.

undisputed definition of Chinese or to determine the exact size of the Chinese population.⁷

Thus, over the centuries, China has felt particularly akin to Vietnam, and the relationship between the Vietnamese and the Chinese in Vietnam has also been remarkably amicable and relatively free of tension and hostility. Although there were violent outbursts of anti-China or anti-Chinese feelings in Vietnamese history, they were infrequent in occurrence and limited in scale and were invariably instigated by ultra-nationalist elements or the French colonial government, rather than spontaneous outbreaks of racial hatred or communal conflict. Cultural affinities have facilitated mutual understanding and close cooperation between the two nations in happier times and have injected a special sense of brotherhood into their relationship, particularly when they share a common cause—hence the analogy of “teeth and lips” frequently used before 1975 to describe the solidarity between China and Vietnam.

To be sure, the close historical and cultural links between China and Vietnam are not entirely a blessing to Vietnam, for they generate within the country forces detrimental to the development and consolidation of a viable, independent Vietnamese state, particularly at times of an upsurge of Vietnamese nationalism. At the same time, they provide the Chinese government with a stronger incentive to interfere in Vietnamese affairs and also give such interference a greater semblance of legitimacy than in the case of any other Southeast Asian country. The combined effects of these tendencies could become a serious threat to Vietnam’s political stability and national security in the event that state-to-state relations between China and Vietnam are less than harmonious. And conceivably the threat to the ruling regime often appears greater than it actually might be precisely because of the geographical propinquity of the two countries and the difficulty of isolating clearly the Chinese from the native population. Consequently, the likelihood of the Vietnamese government resorting to drastic, extreme measures to secure itself from Chinese influences is presumably also much greater than is the case in other Southeast Asian countries.

7. Purcell, *Chinese in Southeast Asia*, p. 201. There have always been substantial disparities between estimates of the Chinese population made by various sources, ranging from a low of 700,000 to a high of 1.5 million in the late 1950s. *Statistical Yearbook of Vietnam: 1957*, p. 38; Ky, “Chinese in Vietnam,” p. 6; *FEER*, July 3, 1952, p. 13; Purcell, *Chinese in Southeast Asia*, p. 169. According to Chinese community leaders in Vietnam, there were at least three million Chinese in South Vietnam alone if those of mixed parentage were counted. Bernard B. Fall, “Vietnam’s Chinese Problem,” *Far Eastern Survey*, May 1958, pp. 65, 72.

However, the integration between Chinese and Vietnamese in Vietnam has not been complete. Apart from their large foreign-born sector, the Chinese in Vietnam, like their compatriots in other Southeast Asian countries, traditionally have been urban traders and laborers and have shunned politics and government both by orientation and by official restrictions.⁸ The resulting segregation between Chinese and Vietnamese, however, is less rigid than in other parts of the region, since it is mainly occupational rather than cultural or racial. It would not have constituted a potent source of tension had the predominantly urban and commercial character of the Chinese not also implied their domination over the nation's economy. Here it is noteworthy that the Chinese in Vietnam are known not only for their business acumen but also for their pioneering role in the development of the entire Mekong Delta area in the seventeenth century. With time, therefore, the Chinese have come not only to dominate Vietnam's economy but also to be heavily concentrated in the largest city and commercial center of the country, which they have in fact been instrumental in founding, i.e., Ho Chi Minh City.⁹ Although no statistics can be considered as accurate or complete, it may be safely assumed that at the time of Vietnam's independence in 1954 the Chinese controlled nearly 90 percent of all the non-European capital investments in the country and enjoyed a near monopoly in a variety of wholesale and retail trades.¹⁰ And with a Chinese population of 583,000 in 1951 the Cholon section of Ho Chi Minh City ranked conspicuously as the second largest Chinese city outside China, next only to Singapore.¹¹

The vast economic power of the Chinese in Vietnam plus their heavy concentration in the country's largest city has not only made them a valuable source of revenue but has also enabled them to acquire a measure of political influence far greater than their population suggests. Such has been the situation that perhaps few Chinese governments and certainly no Vietnamese government could afford to overlook. If one add to this the historical and geographical factors, it is only natural that China should have a special interest in the fair treatment of Chinese communities in Vietnam, if only as a matter of prestige, and that no sovereign Vietnamese government could rest without assimilating the powerful and pervasive Chinese or at least ascertaining their political loyalty. To be

8. Chinese nationals were declared ineligible for government service after Vietnam regained independence in the tenth century. Zhang, *Yuenan huaqiao*, pp. 57-58.

9. Purcell, *Chinese in Southeast Asia*, p. 184; Ky, "Chinese in Vietnam," pp. 37-38, 97.

10. Ky, "Chinese in Vietnam," pp. 62-63; Richard W. Lindholm, ed., *Vietnam: The First Five Years* (East Lansing, Michigan: Michigan State University Press, 1959), p. 186.

11. Purcell, *Chinese in Southeast Asia*, p. 169.

sure, Chinese and Vietnamese interests need not clash, for China has no more intention of reestablishing her political domination over Vietnam than Vietnam has any reason to invite economic crises by altering drastically the Chinese share in the nation's wealth. Yet the pervasiveness of the Chinese presence in Vietnam and Vietnam's contiguity to China dictates that a mere expression of concern about the well-being of the overseas Chinese on the part of China is more likely to be viewed in Vietnam than elsewhere as a provocative interference with its domestic affairs. By the same token, Vietnam can hardly adopt any measure aimed at downgrading the status and influence of the Chinese without immediate adverse effects upon her relations with China. As a result, the status and treatment of Chinese in Vietnam inevitably becomes not only a function and barometer of Sino-Vietnamese relations, but also a more sensitive and explosive issue than it is in any other Southeast Asian country and therefore a more potent source of political conflict.

Although China did not show her interest in the Chinese in Vietnam until the nineteenth century, for both cultural and geographical reasons she has over the centuries not only been more inclined but also has found it easier to intervene in Vietnam than in any other neighboring country.¹² Even after the French rule began, Beijing repeatedly sought to ensure the most-favored-nation treatment for all Chinese nationals in Vietnam through a series of treaties and agreements, including the 1885 Treaty of Tianjin, the 1886 Commercial Convention, the 1930 Convention of Nanjing, and the 1946 Chongqing Agreement. Through these bilateral arrangements the government in Beijing secured promises from the French authorities to guarantee the Chinese in Vietnam the right to reside, travel, and engage in industry and commerce freely, to own land and other properties, to establish Chinese language schools throughout the country, and to be free from any ill treatment, including excessive taxes and other discriminatory fiscal restrictions or financial burdens.¹³ According to the 1946 Chongqing Agreement, Chinese nationals were to enjoy the same status as French nationals at the expense of the natives, with all the privileges and exemptions, including the right to be exempt from military service and immigration controls.¹⁴ The agreement even gave the

12. At least eight major military expeditions overland have been launched against Vietnam since its independence in the tenth century, and China's several southward expeditions by sea all had Vietnam as their first target. Chen Yiling, *Huaqiao zhi: Yuenan* (A history of Chinese in Vietnam), (Taipei: Huaqiao zhi weiyuan hui, 1958), pp. 24-38; also, Ky, "Chinese in Vietnam," pp. 22-24.

13. Ky, "Chinese in Vietnam," pp. 118-130; Li Changfu, *Zhongguo zhimin shi* (A history of Chinese immigration), (Taipei: Commercial Press, 1960), pp. 343-344.

14. Li, *Zhongguo zhimin shi*, pp. 128-129; Zhang, *Yuenan huaqiao*, p. 77.

Chinese government the right to veto the choice of formal Chinese community leaders in Vietnam, thereby establishing a direct link between China and the Chinese in Vietnam. Since this agreement was the only one of its kind and was negotiated at a time when China's international prestige was at its zenith in a century, it could not but have reinforced the sense of national pride of the Chinese communities in Vietnam and therefore incurred the wrath of nationalistic Vietnamese.¹⁵

If China's interest in Vietnam seemed perennial, Vietnamese rulers from the tenth century on were also persistent in their efforts to assert both political independence from China and effective control over resident Chinese aliens. As early as the fifteenth century the Court of Annam sought to control Chinese immigration by confining the entry, residence, and activities of Chinese merchants and vessels to only a few designated ports and cities, thereby making itself the first indigenous government in the region to tackle the problem of ethnic Chinese.¹⁶ Since the Manchu Dynasty in China (A.D. 1644–1911) was considered to be alien to the Chinese civilization, Vietnamese rulers in the seventeenth and eighteenth centuries enforced even more stringent measures to prevent the spreading of the "alien" culture. These measures included poll taxes, compulsory registration of all Chinese, and the requirement that all Chinese wear pre-Manchu costume and hair style before being allowed to mix with native Vietnamese.¹⁷ But such measures failed to deter the continuing influx of Chinese. To curb the steadily expanding Chinese community and its growing influence, the Court of Annam in 1830 took the further, unprecedented step of declaring all children born to mixed Chinese-Vietnamese parents as Vietnamese. These children and their Vietnamese parent were explicitly forbidden to depart for China and were also required to register separately from the immigrant Chinese and to wear only Vietnamese, i.e., pre-Manchu, costume and hair style.¹⁸ Moreover, individuals of such mixed parentage were granted access to civil service examinations and subsequently to government service normally available only to ethnic Vietnamese, thereby further detaching themselves from the pure Chinese stock.¹⁹ At the same time, to ensure better administration and control, all alien Chinese were organized according to their places of origin into five dialect groups known as *bangs* or congregations, each to be responsible to

15. Joseph Buttinger, *Vietnam: A Political History* (London: Andre Deutsch, 1968), p. 239. See also Ky, "Chinese in Vietnam," pp. 129–130.

16. Zhang, *Yuenan huaqiao*, pp. 57–58.

17. *Ibid.*, pp. 58–59.

18. *Ibid.*, p. 61; Ky, "Chinese in Vietnam," pp. 184–185.

19. Ky, "Chinese in Vietnam," pp. 184–185.

the government for the good behavior of its members as well as for the payment of taxes and settlement of disputes.²⁰ Whereas these rather drastic measures represented the first attempt made by any Southeast Asian state to assimilate the Chinese and clearly facilitated the integration of those of mixed parentage into the Vietnamese society, they also led to the beginning of segregation of the Chinese from the Vietnamese, both administratively and residentially. But apart from the above restrictions, no action was taken against the economic and cultural activities of the Chinese as a whole.

The French colonial government adopted similar measures to curb Chinese immigration, also with little success. By the late nineteenth century the Chinese were already indispensable to the economic stability of the country, and attempts made to discourage Chinese immigration through heavy taxation in the 1880s led to a massive exodus of Chinese and therefore an economic crisis, which forced the French to relax their control over the Chinese.²¹ The French government, however, alarmed by the political implications of the continuing rapid growth of the Chinese population during its eighty-year rule, did succeed to a large extent in warding off China's recurrent attempts at intervention in the Chinese affairs in Vietnam, mainly by evading the terms of treaties and bilateral agreements with China and by disregarding Chinese demands and protests.²² Particularly noteworthy is that the French repeatedly turned a deaf ear to China's requests to establish consulates in Vietnam as provided in the Treaty of Tianjin; it was not until 1935 and 1936—after fifty years of delay—that the Chinese government was allowed to set up a consulate first in Saigon and then in Hanoi.²³ From time to time the French also deemed it politically expedient to play up anti-Chinese sentiments among the native population and to condone anti-Chinese riots.²⁴

Nevertheless, the French, like their Vietnamese predecessors, sought only to regulate Chinese immigration and Chinese activities, not to interfere with their cultural life or undermine their economic power. None of the above measures affected the daily life, status, or influence of

20. Zhang, *Yuenan huaqiao*, pp. 60–61; Purcell, *Chinese in Southeast Asia*, p. 184.

21. Li, *Zhongguo zhimin shi*, p. 312; Purcell, *Chinese in Southeast Asia*, p. 182.

22. Purcell, *Chinese in Southeast Asia*, pp. 186–189; Li, *Zhongguo zhimin shi*, pp. 313–314.

23. *China Yearbook, 1937* (Shanghai: The Commercial Press, 1937), p. 307.

24. In 1923 the Vietnamese, at the instigation of French authorities, organized a boycott of Chinese goods in Haiphong. In 1927 a three-day riot broke out in the same city. More than thirty Chinese were killed and more than a hundred wounded; at least 150 Chinese shops were looted or burned down. Representatives of the Chinese government dispatched to Hanoi to express condolences to the relatives of the dead were first detained and then expelled. Li, *Zhongguo zhimin shi*, p. 344.

the Chinese in Vietnam. In fact, under the French rule the Chinese enjoyed more freedom than they ever had before. For administrative efficiency and economy, the French made full use of the existing system of congregations; and throughout the French rule Chinese communities were delegated substantial powers in fiscal and security matters as well as in the general implementation of laws. For pragmatic, financial considerations, these community organizations were also made responsible for setting up and running their own private schools, temples, hospitals, and cemeteries.²⁵ All these practices further segregated the Chinese from the native population, since they insulated the Chinese from the direct control of governmental authorities, thereby perpetuating the parochial allegiance of the Chinese. Economically, the French relied heavily upon the Chinese as middlemen between the French elite and the native Vietnamese and as handlers of external trade, thereby extending official sanction and protection to their economic status and gains. As a result, the privileged economic position of the Chinese was actually strengthened and further entrenched vis-à-vis the natives by the end of the French rule.²⁶

In light of the above, it is not surprising that no sooner had Vietnam achieved its independence from the French in 1954 than the problem of ethnic Chinese became a real cause of concern for the indigenous regimes, both politically and economically. Indeed, the vast economic power enjoyed by the Chinese coupled with their more or less separate administrative structure and essentially alien outlooks had turned the Chinese community in Vietnam into virtually a state within a state that no Vietnamese government could tolerate without serious misgivings about its long-term implications. And the demand for the complete integration of the Chinese into the Vietnamese society was even greater in view of the continuing war between the north and the south. Yet the situation was such that any attempt at speedy assimilation would surely have generated massive resistance from the Chinese community, thereby causing disruptions in the economic structure and political stability of the country. The close alliances between the two antagonistic Vietnamese regimes and the two rival Chinese regimes merely presented further obstacles to an early solution of the problem, as any sustained action taken against the Chinese was sure to produce strong reaction from either the People's Republic or Taiwan or both, if not also to lead to serious straining of relations between them and their Vietnamese allies.

25. Purcell, *Chinese in Southeast Asia*, pp. 189-190; Ky, "Chinese in Vietnam," pp. 133-140, 171.

26. Ky, "Chinese in Vietnam," pp. 62-63, 66.

II

The Background of Conflict

ALTHOUGH BEFORE 1975 the burden of tackling the problem of overseas Chinese in Vietnam lay primarily on the government of South Vietnam, as out of an estimated total of 1.2 million Chinese, nearly 85 percent, or one million, resided in the south,¹ the Communist regime in the north was no less anxious to see its small Chinese community fully integrated into the Vietnamese society. As early as 1955, immediately after China formulated her new and more pragmatic policy toward overseas Chinese, the Communist Party of Vietnam consulted with its Chinese counterpart, and the two parties agreed on basic principles for settling the problem of Chinese residents in Vietnam. According to the agreement, Chinese nationals residing in the north would be administered by Vietnam, and on the condition that they enjoyed the same rights as the Vietnamese, they might by steps adopt Vietnamese nationality voluntarily after being given "sustained and patient persuasion and ideological education."² The question of the nationality of the Chinese in the south, which was still under a hostile administration, would be solved through consultation between the two countries after the liberation of South Vietnam.³ Although generally in conformity with the declared new Chinese policy toward the overseas Chinese at that time, which encouraged overseas Chinese to take up the citizenship of their host countries, the agreement was vague on many technical details, thereby leaving much room for divergent interpretations. In particular, it failed to spell out the expected time needed for naturalization, and whether Chinese nationals

1. According to recent Vietnamese sources, there were 1.5 million Vietnamese of Chinese descent in 1978, and about 250,000 of them resided in the north. *White Paper on the Sino-Vietnamese Relations* (Hanoi: Ministry of Foreign Affairs, 1979), p. 38; also, *ST*, May 10, 1978, p. 4. Based on these figures, the Chinese population in Vietnam was probably 1 to 1.2 million in the 1950s, with about 100,000 to 150,000 in the north.

2. *BR*, June 16, 1978, p. 17. For a Vietnamese source, see *BBC/FE*, No. 5896 (August 21, 1978), p. A3/2.

3. *BR*, June 16, 1978, p. 18.

administered by Vietnam should be treated as Vietnamese citizens during the interim or still be considered as resident Chinese citizens. The question of whether the same principle of integrating Chinese in the north should also apply to the south in the future also remained unanswered. Because of the continuing war with the south and the small Chinese population in the north, both China and Vietnam apparently felt it unnecessary to be concerned with the details before the country was reunified.

However, that Hanoi was entrusted with administering and education the Chinese for the specific purpose of integrating them into the Vietnamese society shows that the agreement was a major Chinese concession to Vietnam; and indeed, Hanoi lost no time in exercising such responsibilities fully. Immediately following the agreement, Vietnam secured China's consent to establish consulates-general in two Chinese cities, Kunming and Nanning; in 1956 Vietnam set up a third consulate in Guangzhou.⁴ Since there were relatively few Vietnamese citizens in China and since the only Chinese diplomatic mission in Vietnam was the Chinese Embassy in Hanoi, the request was apparently made with a view to extending Vietnamese jurisdiction to resident Chinese nationals temporarily in China. By 1956 Hanoi had already started to reduce Chinese language courses in all schools to a minimum and to redress the ethnic imbalance in traditionally Chinese schools. At the same time, a systematic attempt was made to socialize the economic structure. Such a policy effectively eliminated whatever Chinese dominance there still was in the economy, leaving only a small private sector of retail trade in Hanoi and Haiphong.⁵ The government met with very little resistance from the Chinese community throughout the entire transformation, mainly because of its gradual nature, but also because the overwhelming majority of Chinese in the north were industrial workers or fishermen rather than merchants. Moreover, because of the close relations between China and North Vietnam, Chinese residents affected by the Vietnamization programs were apparently well taken care of by the Vietnamese authorities.⁶

In fact, the Vietnamization program in the north was so successful that in the 1960 census Hanoi did not even bother to give the ethnic breakdown of the population in the north.⁷ In 1961 Hanoi extracted from

4. *NCNA*, June 21, 1978.

5. *Zhong-Yue jiao'e shimo* (The Sino-Vietnamese conflict: origins and consequences), (Hong Kong: Wenzhe chuban she, 1978), p. 31.

6. China also admitted that Chinese in North Vietnam were well treated before 1975. *NCNA*, August 19, 1978.

7. Victor Purcell, *The Chinese in Southeast Asia* (London: Oxford University Press, 1965), p. 172.

Beijing another important concession, which was tantamount to the naturalization of all Chinese in the north. According to this agreement, Chinese who wished to return to China for short visits would from then on be issued only Vietnamese traveling documents, presumably in the form of certificates of identity, and could depart only after they first obtained an exit permit from the Vietnamese authorities. Then the Chinese Embassy in Hanoi would issue them a tourist visa and a pass, but not a passport.⁸ Although Vietnam was still not authorized to issue regular passports to the Chinese, Beijing's willingness to waive its right to issue Chinese passports signified another victory for the Vietnamese as far as the issue of nationality was concerned. Whatever might have been the grounds on which North Vietnam requested such a change, Hanoi apparently was determined to complete the assimilation, if not also having an eye for the future of the Chinese in the south. On the other hand, China might well have agreed to the Vietnamese request in a spirit of fraternal solidarity and because of the exigencies of the war. And in view of the small size of the Chinese community in the north and the fair treatment it was receiving, China apparently acquiesced in the process of Vietnamization as a matter of course without, however, realizing its possible long-term implications on the Chinese in the south.

It was in South Vietnam that the problem of overseas Chinese attracted the attention of the outside world. By coincidence or by design, the Saigon government in 1955 also began to take measures to integrate the Chinese. A nationality law promulgated in that year revived what had been the practice before the French rule: all children born to mixed Chinese-Vietnamese parents were considered to be Vietnamese citizens, and their Vietnamese citizenship could not be renounced.⁹ On August 21, 1956, a presidential decree (No. 48) further declared all Chinese born in Vietnam to be Vietnamese citizens, irrespective of the ethnic backgrounds of their parents or their own wishes. This ruling was also meant to be retroactive. All other Chinese were considered to be aliens and would be required to apply for and periodically renew their residential permits, as well as pay a high residence tax, in order to stay in Vietnam.¹⁰ A follow-up decree (No. 52) issued on August 29 of the same year required all Vietnamese citizens to adopt Vietnamese names within six months or pay a

8. *Vietnam News Agency*, May 27, 1978, in *Monitoring Digest* (Singapore), May 28-29, 1978, p. 16. Also, *Vietnam Courier* (Hanoi), July 1978, p. 3.

9. *Yuenan huaqiao guoji wenti yanjiu* (A study of the nationality problem of Chinese in Vietnam), (Taipei: Haiwai chubanshe, June 1957), pp. 1-2. This is a collection of relevant documents on the dispute.

10. *Ibid.*, pp. 23-28.

heavy fine.¹¹ On September 6 the government issued a third and most sweeping decree (No. 53), which prohibited all foreigners from engaging in eleven trades dominated by the Chinese. Chinese plying those trades were given six months to one year to liquidate or to transfer their business to Vietnamese citizens, subject to deportation or a fine of up to five million piasters.¹² At the same time, the government took steps to Vietnamize Chinese high schools in the Saigon-Cholon area by requiring the use of the Vietnamese language and the appointment of Vietnamese principals.¹³

These measures represented the most comprehensive and drastic actions yet taken by any Asian country to absorb an alien minority. To the extent that they were explicitly directed against the ethnic Chinese, they affected immediately the status and livelihood of more than one million Chinese in the south.¹⁴ Not only were tens of thousands of Chinese in danger of losing their means of living, but also the able-bodied were subject to military service under dangerous conditions at a time of continuing war. The arbitrary nature of these measures and their unpleasant consequences apparently stunned the entire Chinese community.¹⁵ The manner in which these naturalization decrees were actually implemented by local authorities caused further deep resentment among the Chinese.¹⁶ Being technically responsible for the well-being of all Chinese nationals in South Vietnam and in response to pleadings for help from Chinese community leaders, the Taiwanese government intervened in September by protesting against the sweeping and arbitrary nature of the Saigon actions and by

11. *Ibid.*, pp. 2-5.

12. *Ibid.*, pp. 11-14.

13. *Ibid.*, pp. 8-10; Ky Luong Nhi, "The Chinese in Vietnam" (Ph.D. diss., University of Michigan, 1963), p. 173.

14. Ky, "Chinese in Vietnam," p. 155.

15. Purcell, *Chinese in Southeast Asia*, p. 216; *ST*, September 5, 1956, p. 1. The threat of physical expulsion was already explicit in these Vietnamization measures, since all Vietnam-born Chinese unwilling to take up Vietnamese citizenship would be deported to Taiwan and all alien Chinese not registering with the government properly would also be "expelled from Vietnamese territory." See George Jan, "Nationality and Treatment of Overseas Chinese in Southeast Asia" (Ph.D. diss., New York University, 1960), pp. 90-91; *Yuenan huaqiao guoji wenti*, p. 25. Moreover, all naturalized Vietnamese citizens were denied the right to vote within three years and the right to stand for election within five years. *Ibid.*, p. 95.

16. As one observer reported: "For months the Vietnamese police simply arrested Chinese citizens, confiscated their alien identification cards, and whether they liked it or not, issued them identification cards attesting their Vietnamese citizenship." Some provincial authorities levied a heavy fine upon Chinese not naturalized by the original deadline of March 8, 1957. Richard W. Lindholm, ed., *Vietnam: The First Five Years* (East Lansing, Michigan: Michigan State University Press, 1959), p. 113.

promising to do everything to help the Chinese in Vietnam.¹⁷ Taipei contended that nationality disputes could be settled only through bilateral negotiations, that the “arbitrary and forcible nationalization” imposed upon the ethnic Chinese was a violation of the United Nations Charter, and that the Chinese should at least be given the “right of free choice” in determining their nationality.¹⁸ It therefore urged Saigon not to implement the naturalization decrees until the two sides had worked out a satisfactory solution to the problem.

Saigon, however, quickly rejected all these arguments and insisted that the issue was purely domestic and therefore brooked no foreign intervention. Subsequent negotiations initiated by the Taiwanese government were fruitless, and Taipei’s attempts to seek the good offices of the United States and the support of the United Nations Human Rights Committee also failed.¹⁹ On April 17, 1957, Saigon tightened the screws by nullifying the alien certificates previously issued to Vietnam-born Chinese and requiring them to obtain Vietnamese identity cards by May 9. Unable to reverse the trend, Taipei declared on May 3 that it would assist all Vietnam-born Chinese unwilling to adopt Vietnamese citizenship to be resettled in Taiwan.²⁰ Nevertheless, because of Saigon’s clear reluctance to cooperate, the two sides could reach no agreement, even on the exact procedure of processing the prospective repatriates. In mid-July the Vietnamese government arbitrarily declared the registration closed, barely one month after it had been started, and eventually only a negligible 3,000 out of a total of 52,144 registered Chinese applicants were allowed to leave for Taiwan, not without some last-minute harassments by the Saigon government.²¹ As a result, the relations between the two countries were seriously strained.²²

Apparently because of the absence of diplomatic relations between Beijing and Saigon, and the sensitive nature of the problem in the immediate aftermath of the Bandung Conference (1954), China’s reaction

17. *Zhongyang Ribao* (Central Daily), (Taipei), September 5 and 22, 1956.

18. *Zhongyang Ribao*, September 22 and October 20, 1956.

19. Ky, “Chinese in Vietnam,” pp. 155–156; *Yuenan huaqiao guoji wenti*, p. 43.

20. *Zhongyang Ribao*, May 4, 1957.

21. *Yuenan huaqiao guoji wenti*, p. 65; Bernard B. Fall, “Vietnam’s Chinese Problem,” *Far Eastern Survey*, May 1958, p. 68. All evacuees were required to declare every item taken out of the country and were authorized to carry only 400 piasters (US \$20) with them, although they were subjected to a 500-piaster “departure tax” at the airport immediately before boarding. *Ibid.*

22. Prominent legislators in Taipei repeatedly proposed suspending diplomatic relations as retaliation against Saigon’s actions against the ethnic Chinese. *Zhongyang Ribao*, May 8 and 21, 1957.

was more cautious. But the Commission of Overseas Chinese Affairs in Beijing did make a formal protest on May 20, when the situation was worsening. In the protest, China insisted, as Taiwan had, upon the principle of free choice and condemned the Vietnamese measures as “unreasonable and unilateral, not only a brutal encroachment upon the legitimate rights of the overseas Chinese in South Vietnam, but also a serious violation of the principles of international law.”²³ As a token of support, Beijing in early June cabled US \$10,000 as relief to those Chinese who had been deprived of their livelihood by the trading ban.²⁴ Although Saigon did not heed China’s protest at all, *Nhan Dan*, the official Communist Party newspaper of North Vietnam, did carry the full text of the Chinese statement on May 23 and expressed Hanoi’s support for the Chinese stand on the following day.²⁵ Similarly, the South Vietnam National Front for Liberation (Vietcong) after its formal establishment in 1960 also endorsed the Chinese position in a number of policy statements and related documents published in 1960, 1964, 1965, and 1968, demanding specifically that “all decrees and measures of the US puppet regime regarding Chinese shall be abrogated” and claiming that “Chinese residents have the freedom and right to choose their nationality.”²⁶ Whereas the support given to China by the two Communist regimes under the circumstances of an on-going war was only natural, it is perhaps revealing that Hanoi’s lukewarm statement was the only one ever made with respect to the status of Chinese in the south. In view of the Vietnamization program already under way in the north, presumably Hanoi could not have questioned the merit of the parallel efforts made by Saigon. Nor could Hanoi have failed to note the glaring powerlessness of both Chinese regimes throughout the dispute.

Significantly enough, the only effective pressure on the Saigon regime to modify its stand eventually came from the Chinese community itself. The Chinese had been kept relatively calm by the promises and pleadings of the Taiwanese authorities. But as the deadline for compulsory change of nationality and economic nationalization drew near in the spring of 1957 and there was no sign of progress in the negotiations between Taipei and Saigon, violence broke out in the Saigon area. Thousands of exasperated Chinese demonstrated repeatedly and rioted in protest against Saigon’s policies and Taipei’s impotence.²⁷ By the summer

23. *Renmin Ribao* (People’s Daily), May 21 and 22, 1957.

24. *Renmin Ribao*, June 5, 1957; also, *FEER*, May 12, 1978, p. 9.

25. *BR*, June 16, 1978, p. 18; also *FEER*, June 16, 1978, p. 20.

26. *FEER*, June 16, 1978, p. 20; *BR*, June 16, 1978, p. 18.

27. *Zhongyang Ribao*, May 1, 4, 5, and 7, 1957.

of 1957 the Chinese had virtually closed down all their businesses and schools and were withdrawing large sums from the banks until between 800 million and 1.5 billion piasters—almost one-sixth of the country's currency in circulation—had disappeared from the market. The immediate result was a standstill in nearly all commercial transactions, a sharp drop in the value of the Vietnamese piaster on the international free market, and the appearance of tens of thousands of unemployed people in the Saigon area alone. The Vietnamese economy was almost wrecked.²⁸ That the Chinese were indispensable to the nation's economy was once again made clear. In face of the mounting crisis, the government finally softened its position in late July, allowing the Chinese to put their shops in the names of their Vietnam-born relatives or Vietnamese strawmen or, in the case of foreign-born Chinese, to take up Vietnamese citizenship by a simple act of registration.²⁹ It also agreed to accept Vietnam-born Chinese as principals of Chinese schools and to continue using the Chinese language in all subjects except history, geography, and Vietnamese language.³⁰ In the meantime, the government repeatedly postponed the deadline for registration of Vietnam-born Chinese and after September dropped it completely.³¹ By March 1958 the government had further relaxed the enforcement of economic nationalization laws, requiring Vietnamese ownership of only 51 percent of all enterprises in the "forbidden" trades. It had also decided to be flexible in implementing military service laws among the Chinese.³²

As a result, the effects of the assimilation measures adopted by South Vietnam were substantially mitigated. In fact, by June 17, 1957, only 3,500 out of an estimated total of 500,000 Vietnam-born Chinese had collected their Vietnamese identity cards as required, in spite of the deadline set for May 9.³³ And by the end of 1957, nearly 400,000 Chinese nationals were still officially recognized by the government.³⁴ Although most of these foreign-born Chinese eventually took up Vietnamese

28. Lindholm, *Five Years*, pp. 113–114. Taipei estimated that by mid-May at least 6,000 Chinese shops had been forced to close and 200,000 Chinese had become unemployed. *Zhongyang Ribao*, May 21, 1957.

29. Lindholm, *Five Years*, pp. 113–114.

30. Chen Yiling, *Huaqiao zhi: Yuenan* (A history of Chinese in Vietnam), (Taipei: Huaqiao zhi weiyuan hui, 1958), pp. 127–129.

31. Fall, "Vietnam's Chinese Problem," p. 68.

32. *Ibid.*, p. 70; *Zhongyang Ribao*, March 2, 1958.

33. Purcell, *Chinese in Southeast Asia*, p. 216.

34. *Statistical Yearbook of Vietnam: 1959* (Saigon: National Institute of Statistics, 1960), p. 21.

citizenship, presumably they did so for pragmatic reasons.³⁵ In fact, by automatically granting Vietnamese citizenship to all Vietnam-born Chinese and to all others willing to take it, the government merely extended political sanction to the privileged economic status and cultural activities of the Chinese without necessarily transforming their political orientation. Thus, by 1961 it was estimated that the ethnic Chinese still controlled 80 percent of all capital in the retail trade and 75 percent of South Vietnam's commercial activities.³⁶ Moreover, the Chinese continued to enjoy considerable autonomy in running their own schools and Chinese-language newspapers.³⁷ Because of the steady escalation of the Vietnam War and the corrupt rule of a military regime, the situation was perpetuated during the ensuing 15 years. As stability and prosperity became increasingly important to the government, Chinese business circles and Vietnamese governmental authorities also engaged in more and more illicit practices, such as evasion of taxes and military service and the currying of special favors on the part of the Chinese and various forms of extortion by government officials.³⁸

As a result, the problem of Chinese in Vietnam remained essentially unresolved when the country was liberated in 1975. Whatever grievances the Vietnamese might have harbored against the Chinese were reinforced during the first years of Communist rule when an acute shortage of all goods and services developed in the south because of the political and social disruptions. And many Chinese businessmen took advantage of such bad times to make profits by hoarding goods and driving up prices, thereby further exacerbating the economic crisis.³⁹ What is more, the Communist victory in the south apparently led the Chinese to believe that they now had behind them a powerful protector, China; they therefore expected more respect from the Vietnamese and less harassment from the

35. From 1960 on Saigon no longer published figures of resident Chinese other than those holding non-Taiwanese foreign passports. See *Statistical Yearbook of Vietnam: 1962*, p. 29.

36. Alice Tay Erh Soon, "The Chinese in Southeast Asia," *Race*, November 1962, p. 35.

37. In 1971 there were still 166 Chinese schools in South Vietnam registered with the Taiwanese government, including about 100 in the Saigon area. At the time of the Communist takeover in 1975, there were still ten Chinese-language newspapers in the south, even after the government had imposed a security deposit of US \$500,000 on all Chinese papers. Zhang Wenhe, *Yuenan huaqiao shihua* (Historical notes on the Chinese in Vietnam), (Taipei: Limin chuban she, 1975), pp. 107-108.

38. Such charges were made repeatedly by Hanoi after mid-1978. See, for instances, *BBC/FE*, No. 5920 (September 18, 1978), p. A3/1; *Vietnam Courier*, November 1978, pp. 10-11. See also *FEER*, April 14, 1978, p. 12; *ST*, May 30, 1978, p. 12.

39. *FEER*, April 14, 1978, pp. 11-12.

government. Such an attitude was illustrated by an upsurge of pro-Beijing sentiments immediately following the liberation. When the Communist forces entered the Cholon section of Ho Chi Minh City on April 30, 1975, the streets were lined with thousands of Chinese national flags and portraits of Mao Zedong, showing unmistakably where the hearts of the Chinese lay.⁴⁰ The unexpected and unusual display of loyalty to China on the part of Chinese residents clearly showed the superficial effects of the forced naturalization imposed upon them by the previous regime. Presumably it also impressed the Chinese government and alarmed the new Vietnamese regime; Vietnamese authorities soon ordered the withdrawal of all Chinese flags and pictures of Mao.⁴¹

In January 1976, in an apparent attempt to fathom the depth of the problem of the Chinese, the Vietnamese government required all Chinese residents in the south to register their citizenship. Although the government never publicized the results, its worst fears were confirmed when the number of Chinese registering themselves as Chinese reportedly "far exceeded" those claiming to be Vietnamese citizens.⁴² Much dismayed by this show of chauvinism or continuing attachment to China by the Chinese, and certainly worried about its political consequences, Hanoi apparently decided that something must be done about the situation. Thus, in February 1976 the Vietnamese government took the unusual action of ordering all Chinese residents in the south to register their citizenship once again, but this time as they had been classified under the Ngo Dinh Diem regime.⁴³ Since nearly all resident Chinese had had to accept Vietnamese citizenship during the Diem regime, this measure was a clear attempt to turn all Chinese into Vietnamese citizens. Those Chinese who either still insisted on retaining their Chinese citizenship or who were guilty of manifesting signs of Chinese chauvinism were heavily taxed and were discriminated against occupationally; also, their food ration was invariably reduced.⁴⁴ By September all the Chinese newspapers in the south had been ordered to shut down; the closing of all Chinese-run schools in Vietnam soon followed.⁴⁵

40. *FEER*, June 16, 1978, p. 20.

41. *Ibid.*

42. *BR*, July 7, 1978, p. 29.

43. *Ibid.*

44. Reportedly, many Chinese went to Vietnam's Foreign Nationals Bureau and applied to register as Chinese, showing as proof their old passports, entry visas, and other documents. But their cases were invariably rejected. *NCNA*, September 7, 1978. See also Li Xiannian's memorandum to Pham Van Dong dated June 17, 1977, in *BR*, March 30, 1979, p. 21.

45. Beijing charged that "immediately after liberation in 1975, the Vietnamese authorities

Before 1977, however, although Hanoi might well have already decided to solve the problem of the Chinese once and for all and although some forms of discrimination had already been practiced against the Chinese, Hanoi apparently did not yet contemplate any drastic measures against the Chinese community as a whole, if only because the regime was still consolidating its control over the south and because the war-devastated country was still on the path of recovery. A systematic attack upon the sizable Chinese population or any dramatic overhaul of the economic structure could only generate more crises and weaken the regime. On the other hand, although Beijing and Hanoi had begun to dispute some issues regarding territorial claims and regional affairs, Vietnam was still on relatively cordial terms with China and still counted on continuing Chinese aid as well as Chinese neutrality in the Vietnam-Kampuchea conflict. In the meantime, in spite of some unrest among the Chinese community, the overwhelming majority of the Chinese, being confident that the long friendship between Beijing and Hanoi would last, were resigned to their new fate in a socialist state. Under these circumstances, there was no reason for Hanoi either to alienate the Chinese or to antagonize China if both could be avoided.

If before 1977 Vietnam was still hesitant and cautious in her policy toward the Chinese, China could scarcely pay any attention to the problem, much less do anything about the situation in the aftermath of the turbulent Cultural Revolution. In fact, after the Overseas Chinese Affairs Commission was abolished and its responsible officials purged in 1969, the entire policy on the overseas Chinese was thrown into disarray.⁴⁶ The worsening leadership crisis in the mid-1970s further incapacitated Beijing from pursuing an active policy toward the overseas Chinese. It was the lack of clear policy guidelines and the almost total absence of organizational frameworks that accounted for China's apathy toward a series of anti-Chinese riots in the region in those years and particularly toward the outright persecution of nearly half a million Chinese in Kampuchea immediately following the Communist victory in Vietnam in April 1975.⁴⁷

openly took over hospitals and schools run by Chinese residents, stopped the use of Chinese language in teaching in these schools, closed down Chinese papers and dissolved the Chinese residents' organizations." *NCNA*, August 18, 1978. But the process appeared to be completed only in late 1976. See *Monitoring Digest*, May 31, 1978, p. 10.

46. Stephen Fitzgerald, *China and the Overseas Chinese: A Study of Peking's Changing Policy 1949-1970* (Cambridge: Cambridge University Press, 1972), pp. 179-180.

47. For instance, Beijing merely reported the 1969 riot in Malaysia and the 1973 riot in Indonesia without making any protests. *Renmin Ribao*, May 20, 1969; *BR*, September 7, 1973, p. 53. It is noteworthy that in the case of Kampuchea, persecution of ethnic Chinese took place before the fall of the Gang of Four in China, when China had not yet reactivated her

Thus, even though China by 1976 might have already become aware of Vietnam's regional ambitions, Beijing was apparently still hopeful of dissuading Hanoi from a course that could lead to collision. It certainly could not have used, or expected Hanoi to use, the overseas Chinese as an instrument of diplomacy.

overseas Chinese policy. *FEER*, April 21, 1978, p. 13.

III

The Gathering Storm

THE SITUATION BEGAN to change toward the end of 1976 as a result of developments affecting the internal conditions and external relations of both countries. For Vietnam, the turning point came in December 1976, when a power struggle at the Fourth Party Congress resulted in the purge of the pro-China faction and the rise of the pro-Russia faction. This change signaled the abandonment of the equidistant policy hitherto pursued by Vietnam toward its two Communist allies.¹ The same congress apparently also resolved to adopt a more militant approach to the border dispute with Kampuchea after negotiations in September had failed to produce any progress. The tilt toward Moscow was speeded up after February 1977 when China proved unwilling to provide massive aid for Vietnam's postwar reconstruction but continued to increase its financial and technical assistance to the Pol Pot regime in Kampuchea.² Such a policy was in sharp contrast to Moscow's growing eagerness to side with Hanoi vis-à-vis Beijing on every issue and to come to its help financially.³ As ties with China became more and more a liability and as the Vietnamese leadership was increasingly inclined toward a military solution of the Kampuchean problem in the spring of 1977, the external constraints against Vietnam's

1. *FEER*, June 9, 1978, p. 11.

2. In February 1977 Beijing officially notified Hanoi of its inability to provide any new aid to Vietnam. *BR*, March 30, 1979, p. 22.

3. A stream of Vietnamese VIPs, including Pham Van Dong, Vo Nguyen Giap, Truong Chinh, and Le Duan, led separate delegations visiting Moscow during 1977, culminating in the return visit of a Soviet military delegation to Hanoi in October. See *Monitoring Digest* (Singapore), March 9, August 5, September 6, and October 11, 1977. Moscow vehemently supported Vietnam in her territorial dispute with China as early as 1976, repeatedly warned Hanoi against the untrustworthiness of overseas Chinese communities in 1977, and sided with Hanoi in its conflict with Kampuchea immediately after Beijing's position was made clear in January 1978. *BBC/FE*, No. 5254 (July 8, 1976), pp. A3/1-2; *ST*, June 6, 1979, p. 2; Sheldon W. Simon, "New Conflict in Indochina," *Problems of Communism*, September-October 1978, p. 32.

taking a hard-line position on both China and the Chinese were being quickly removed.

Moreover, after the Fourth Party Congress, the Vietnamese leadership also became preoccupied with the problem of economic reconstruction and socialist transformation, as the country had now been formally reunified and politically integrated. The task, however, was formidable, since 40 percent of all cultivated farmland in the country still lay in waste by 1977 and no less than a quarter of the national budget depended upon foreign aid.⁴ It was further complicated by the large, bourgeois-oriented southern community and particularly the ethnic Chinese, who still had a firm grip on the southern economy. In fact, during the first few years of Communist rule the Chinese community, reportedly in collaboration with corrupt Communist cadres, had eluded every socialist rule and regulation promulgated in the south for the transformation of the economy, including the currency reform of late 1975 and the curtailment of commercial activities in 1976.⁵ As the regime was determined by 1977 to speed up the socialization of the southern economy and to push through such projects as large-scale land reclamation and population redistribution, more sweeping actions against the entire urban class in general and the Chinese community in particular became inevitable.⁶

The basic reorientation of Vietnam's policies in 1976–1977 coincided with an equally fundamental change on China's political scene after the fall of the Gang of Four in October 1976. Such change had an immediate bearing on the overseas Chinese. Although the implementation of a more liberal, revisionist policy of economic development and a more open-minded, conciliatory foreign policy toward capitalist nations was a gradual process, by the middle of 1977 an all-out campaign had already been launched to implement the four modernizations originally proposed by Zhou Enlai in 1975.⁷ To the extent that the new policy encouraged foreign participation in terms of both expertise and capital and allowed considerable flexibility in technical arrangement, the Chinese leadership apparently had in mind the potential contributions that could be made by the large

4. William S. Turley, "Vietnam Since Reunification," *Problems of Communism*, March–April 1977, pp. 47–48.

5. *FEER*, April 14, 1978, pp. 11–12; also *Zhong-Yue jiao'e shimo* (The Sino-Vietnamese Conflict: Origins and Consequences), (Hong Kong: Wenzhe chupan she, 1978), p. 26.

6. At the Fourth Party Congress it was planned that four million people would be moved out of urban centers and three million hectares of land would be reclaimed or restored by 1980. Turley, "Vietnam Since Reunification," pp. 47–48.

7. *BR*, March 11, 1979, pp. 6–9. For relevant documents, see *Issues and Studies*, June 1977, pp. 107–115; August 1977, pp. 77–99; and September 1977, pp. 63–70.

overseas Chinese communities. The revival of interest in and enthusiasm about the overseas Chinese was clearly shown in early 1977 when *People's Daily* and *Red Flag* in a joint editorial published on the Chinese New Year called for the formation of a "revolutionary united front of all patriotic parties, people, and overseas Chinese" and when travel regulations were considerably relaxed to attract overseas Chinese visitors.⁸

Although Beijing in its drive toward modernization probably did not expect much contribution from the Chinese in a socialist country like Vietnam, nor was a new policy on the overseas Chinese made articulate yet, Chinese leaders could not have failed to notice the unusual display of pro-Beijing sentiments among the Chinese communities in Vietnam. And precisely because of the harmful effects of a hands-off policy in Kampuchea, which had resulted not only in untold sufferings for numerous Chinese but also in a tremendous loss of China's prestige and appeal among the overseas Chinese communities around the world, China might well have felt obligated at least to pay more attention to the Chinese in Vietnam now that she was capable of doing so.⁹ This mood was clearly evident in Beijing's request, made in late 1976, to establish three consulates-general in Vietnam in addition to the Chinese Embassy already operating in Hanoi. Two of the proposed consulates were to be set up in the south, in Ho Chi Minh City and in Danang; the third was to be in Haiphong.¹⁰

Thus, ironically, when China became both more interested in the overseas Chinese and also better prepared for involvement in regional affairs, Vietnam had decided to get tough with both China and the Chinese in Vietnam. As a result, the relations between the two countries were doomed to deteriorate rapidly. In February 1977, taking advantage of a general census, Hanoi once again required all Chinese residents in the country to fill in printed forms to receive "citizenship cards." Since the forms did not mention nationality, presumably the measure was at least in part designed to identify potentially disloyal Chinese. Those Chinese who failed to comply or to register themselves as Vietnamese citizens were fired from their jobs, with their residence registrations cancelled and their food rations stopped.¹¹ They were further prohibited from entering civil

8. *Ta Gong Bao* (Hong Kong), February 21, 1977. Although the Overseas Chinese Affairs Commission was not restored until early 1978, a new Overseas Chinese Section was set up in the Foreign Ministry by July 1977, as revealed by Huang Hua in his confidential talk to high-level Party cadres on "The Situation of the World" on July 30, 1977. Text reprinted in *Zhongguo dalu* (Mainland China), (Taipei), March 15, 1978, p. 57.

9. *FEER*, May 12, 1978, pp. 9-10.

10. *NCNA*, June 21, 1978.

11. *BR*, June 16, 1978, pp. 14-15; and August 18, 1978, p. 28. Accounts by Chinese ref-

service or working for public enterprises, engaging in retail trades or farming, or moving from one place to another.¹² A decision to expel at least some of the Chinese had in fact already been made by that time, as distrusted Chinese nationals were required to fill out a form of “voluntary repatriation,” which invariably led to the confiscation of their properties and their eventual exile.¹³ Ethnic Chinese who had already acquired Vietnamese citizenship also began to suffer from discrimination occupationally and politically, and were specifically denied the right to stand for election.¹⁴ In April 1977, almost immediately after the first bloody incident in thirty years had erupted at the Sino-Vietnamese land border, Hanoi took the further step of “purifying the border areas” in the provinces adjacent to China, presumably to clear the increasingly sensitive region of people whose loyalty to Vietnam could no longer be trusted. This operation, which lasted well into the second half of the year, resulted in the crossing into China of Chinese residents as well as non-Vietnamese minority groups long settled in the border areas.¹⁵

These developments apparently alarmed China. In June 1977 Chinese Vice-Premier Li Xiannian for the first time brought up the matter of Chinese residents in Vietnam in his talks with the Vietnamese Premier Pham Van Dong; the response of the Vietnamese leader was vague and evasive. In that meeting, Li reportedly reminded Pham of the 1955 agreement and expressed Beijing’s concern about Vietnam’s policy of forced naturalization of, and discrimination against, Chinese residents. Although the tone of the language used was mild and the weight given to the entire issue was secondary compared with the territorial dispute that was heating up between the two countries, Li did reprimand Pham for “not consulting China” on the issue, thereby “placing China in an awkward position politically.” While reiterating China’s established policy on the overseas Chinese, Li made the veiled threat that “every country has the duty to protect the legitimate rights and interests of its nationals residing in other countries.”¹⁶ According to the Chinese, Pham’s only response was to state that the 1955 agreement was indeed “most reasonable” and that “the best thing to do would be to revert to that agreement,” without, however, promising that Vietnam would abide by the agreement.¹⁷

ugees fleeing Vietnam tend to substantiate these charges. See *ST*, May 30, 1978, p. 12.

12. *Jing Bao* (Hong Kong), July 1978, p. 8.

13. *BR*, June 16, 1978, p. 15.

14. *Jing Bao*, July 1978, p. 8; *Zhong-Yue jiao'e shimo*, p. 30.

15. *BR*, August 18, 1977, p. 28; also, *FEER*, May 5, 1978, p. 10.

16. *BR*, March 30, 1979, p. 21.

17. *BR*, August 18, 1978, pp. 28-29.

In September 1977 the dispute worsened when Vietnam escalated its border war with Kampuchea, launching a series of large-scale military operations across the Vietnam-Kampuchea border. Thus, during the last quarter of the year, when the fighting at the border was heaviest and when China began openly to support Kampuchea in the latter's conflict with Vietnam, the campaign against all ethnic Chinese in Vietnam was stepped up and became nationwide in scope. In the south, the Chinese were physically harassed, with their business premises and private residences freely searched and their valuables and properties often seized or confiscated. In the north, all working Chinese were placed under surveillance and were even prohibited from speaking Chinese; thousands were simply discharged from their jobs without cause.¹⁸ Starting in October, Hanoi began to expel the Chinese residing in the five Vietnamese provinces bordering China, as they had become a security risk in a worsening territorial dispute with China.¹⁹

Throughout the last quarter of 1977 and the first quarter of 1978, however, the flow of refugees across the Sino-Vietnamese border was still relatively small and could have been brought under control had both China and Vietnam refrained from further actions that might appear hostile to the other. Unfortunately for both sides, this was not to be the case. Toward the end of 1977 China decided to hold a preparatory meeting for the National Conference on Overseas Chinese Affairs to set forth a new, active policy toward all overseas Chinese. On January 4, 1978, an editorial in *People's Daily* referring to the meeting outlined the substance of this policy, which could hardly have been welcomed by any Southeast Asian country with a sizable Chinese community, much less by Vietnam. Calling overseas Chinese "part of the Chinese nation . . . with their destiny closely linked with that of the motherland," and recognizing that the returned overseas Chinese made up a "significant force in China's socialist revolution and construction," the editorial expressed Beijing's intention to "strengthen the work on overseas Chinese affairs" and unite with overseas Chinese "to form a broad patriotic united front" to realize the lofty goal of four modernizations. It also declared that China would not only protect the legitimate interests and rights of those overseas Chinese still holding Chinese citizenship and their family members in China, but would also "welcome and make proper arrangements for those who wish to return to China to take part in building up the motherland or to settle

18. *Monitoring Digest*, May 31, 1978, p. 10.

19. *BR*, June 16, 1978, p. 15; Chang Pao-min, "The Sino-Vietnamese Territorial Dispute," *Asia-Pacific Community*, Spring 1980, pp. 145-150.

down.” Those who had already acquired the nationality of their host countries were “still our kinsfolk and friends.”²⁰ The same policy was reiterated officially by Hua Guofeng in his report to the first session of the Fifth National People’s Congress on February 26, when he declared that China opposed any attempt to compel overseas Chinese to change their citizenship and was duty-bound to protect those who decided to keep their Chinese citizenship.²¹ In the meantime, most of the institutions and organizations catering to the needs of the overseas Chinese, which had closed down during the Cultural Revolution, were reopened or restored. These included, among others, the long-defunct Overseas Chinese Affairs Office, the All-China Federation of Returned Overseas Chinese, overseas Chinese farms, and three universities in south China.²²

Although these statements and actions apparently were not made or taken with particular reference to the situation in Vietnam but represented a general policy on the issue, nor did China’s new stance necessarily imply Beijing’s intention to carry out illicit, subversive activities in the overseas Chinese communities around the world, they did constitute an open appeal to the overseas Chinese as a potential political asset and a valuable source of financial support that could be tapped to China’s benefit. As such, they must have heartened the Chinese in Vietnam, who had begun to feel the pinch of growing political pressures from the government. At the same time, they also could not have failed to heighten further Hanoi’s suspicions of both China’s intentions and the trustworthiness of the entire Chinese community.

It was perhaps no accident that in early and mid-March at least several demonstrations were staged by the Chinese in Ho Chi Minh City to protest discrimination and persecution, particularly in the forms of property confiscation and physical expulsion.²³ One of the demonstrations, which took place on March 20, involved hundreds of Chinese who, apparently emboldened by the declarations made by China but unaware of the rapidly deteriorating Sino-Vietnamese relations or the political significance of their actions, reportedly demanded the return of their Chinese citizenship, first lost in the mid-1950s and again nullified in the February 1977 exercise, and asked for repatriation to China. They even

20. *Renmin Ribao*, January 4, 1978; also *BR*, January 20, 1978, pp. 14–16.

21. *BR*, March 10, 1978, p. 37.

22. *Da Gong Bao*, May 13, 1978; *Wen Hui Bao* (Hong Kong), September 2, 1978. See also C. Y. Chang, “Overseas Chinese in China’s Policy,” *The China Quarterly*, June–August 1980, p. 282.

23. *Monitoring Digest*, June 1, 1978, p. 1. Presumably there were other demonstrations or forms of protest not known to the outside world.

carried portraits of Mao Zedong during the demonstration.²⁴

The continuing manifestation of “disloyalty” by the ethnic Chinese immediately following China’s new policy declarations clearly provided Hanoi with the final incentive, if not in fact a convenient and timely pretext, for clamping down on all bourgeois activities in the country in late March of 1978. To ensure the success of the operation, thousands of northern cadres had been transferred to the south, and the party leadership in Ho Chi Minh City had been overhauled in early 1978.²⁵ On the night of March 23 a 30,000-man parasecurity force made up of police, Party cadres, and students was mobilized and dispatched to cordon off the entire Cholon section of Ho Chi Minh City. On the pretext of taking inventory of goods and assets, the special force searched and ransacked every house and shop in the district, and confiscated goods and valuables from about 50,000 retailers in the city.²⁶ Similar raids were conducted almost simultaneously in other parts of the country, often with a specific quota set for each city and district.²⁷ This massive operation, which continued into mid-April, was followed by a surprise announcement on March 24 outlawing all wholesale trades and big business activities, thereby forcing some 30,000 business operations to close down without prior notice.²⁸ On March 31, in a follow-up move to destroy thoroughly the bourgeois character of the economy, Hanoi banned all private trades in the country, thereby effectively depriving thousands upon thousands of small traders, including those operating in Hanoi’s small private sector, of their livelihood.²⁹ But that was not all. Those who were stripped of their properties and businesses were ordered to move within one month or so to one of the “new economic zones,” set up in the remote border provinces, to reclaim virgin land and become agricultural producers.³⁰ The able-bodied were drafted into the armed forces and sent to the Kampuchea-Vietnam border to fight.³¹ In the north, where the socialization of the economy had long been completed, this people-to-the-countryside campaign resulted in

24. *ST*, May 3, 1978, p. 2; and September 18, 1978, p. 1. See also *FEER*, May 5, 1978, p. 10.

25. *FEER*, April 14, 1978, p. 11.

26. *ST*, May 4, 1978, p. 26; *FEER*, April 14, 1978, p. 12.

27. *Zhong-Yue jiao'e shimo*, p. 16.

28. *FEER*, April 14, 1978, p. 12.

29. *FEER*, May 5, 1978, pp. 10–11; and May 6, 1978, p. 14. *Asiaweek*, April 28, 1978, pp. 16–18.

30. *ST*, May 4, 1978, p. 26; May 30, 1978, p. 12; and June 27, 1978, p. 1. *Asiaweek*, April 28, 1978, pp. 16–18.

31. *ST*, May 22, 1978, p. 3.

the takeover by the Vietnamese of Chinese properties left unattended in and near the major cities.³²

To dry up the liquid assets of the middle class and also to proletarianize further the economic structure, the government on May 4 in another surprise move announced a single currency policy for the entire country and required all residents to surrender immediately their old and foreign currencies for the new Vietnamese *dong*. Under this new policy, each urban family could change only US \$100 worth of the new currency per couple and US \$25 worth per child; in no case could more than US \$250 worth of the Vietnamese *dong* be obtained by any city family or more than US \$150 worth by a rural family. All cash and bank deposits in excess of the maximum were seized by the government or frozen in the banks.³³ As a result, the entire middle and lower-middle class population of the country was stripped overnight of the only cash assets they had managed to keep.

Whereas the above unprecedentedly harsh measures were clearly directed against all bourgeois elements in Vietnam regardless of their ethnic backgrounds, the Chinese being what they were unmistakably constituted the principal target in the operation and also suffered the most. Unfortunately, because of the tight control over visits by foreigners and an almost total blackout on news about the reactions of the people, the devastating effects of these measures could not be fully gauged. But the March raids apparently met with desperate and widespread resistance, at least from the Chinese community in Ho Chi Minh City, and as a result of clashes between the Chinese and the police, the streets in Cholon were reported by witnesses to be "full of corpses" at the end of March.³⁴ Although these extreme actions most probably had been planned for some time and would have been implemented with or without the stimulus provided by Beijing, the very ruthlessness and particularly the timing of the entire operation could not but give the impression that it was at least partly designed to challenge China's new stance on the overseas Chinese and to test Beijing's determination to carry out its policy. As such, it could not but have been viewed by Beijing as a slap in the face. Whatever Hanoi's motivation might have been and however Beijing might have interpreted these latest developments, they certainly dashed all the hopes of the Chinese community for a peaceful and tolerable life in Vietnam.

32. For instance, Hanoi Radio in early June reported that 1,000 Vietnamese in Hanoi had taken over land and properties "abandoned" by ethnic Chinese. *ST*, June 10, 1978, p. 1.

33. *ST*, May 5, 1978, p.1.

34. *ST*, May 4, 1978, p. 26; and May 6, 1978, p. 14. Hanoi did not disclose the clashes until September. *ST*, September 18, 1978, p. 2.

IV

The Exodus

UNDER THESE CIRCUMSTANCES the refugee flow across the Sino-Vietnamese land border quickly turned into an exodus in the spring of 1978. In April and May alone, more than 70,000 Chinese crossed the Sino-Vietnamese border into China.¹ The flow of humanity continued unabated into the summer months of 1978, and by the end of July the total number of refugees having made their ways to China had already exceeded 160,000.² While most of these refugees arriving in China were from the northern part of Vietnam, the exodus by sea from the south also began to pick up momentum in April, when the average number of boat people arriving in the other Southeast Asian countries jumped from fewer than 2,000 per month to 5,000, with the result that a total of 30,000 boat people reached the shores of these countries during the first eight months of 1978.³

It was, however, the massive land crossings that stunned the Chinese authorities, who for some time were uncertain how to deal with the situation. Although accepting quietly some spillover from the effects of Vietnam's Chinese policy for some time, Beijing most probably had not expected the crossings to reach such mammoth proportions. Nor could Beijing have been less enthusiastic about accommodating such a large number of unsolicited and unscreened refugees, in spite of all the policy declarations to the contrary. That Beijing was anxious to see an early end to the unanticipated migration as soon as it began in 1977 was shown by the fact that throughout late 1977 and early 1978 the Chinese government had already discreetly taken up the matter with the Vietnamese authorities on many occasions, first at the provincial level and finally by the Foreign Ministry, urging Vietnam to take immediate measures to stop the flow, but to no avail.⁴ On April 30, 1978, when the number of refugees in

1. *BR*, August 18, 1978, p. 29.

2. *BR*, August 4, 1978, p. 19.

3. Calculated on the basis of UNHCR data sheets for 1978.

4. *BR*, July 28, 1978, pp. 30-31; and August 18, 1978, p. 29.

China had reached 80,000, Liao Chengzhi, Director of China's Overseas Chinese Affairs Office, for the first time publicly expressed China's "concern over the sudden return to China of a large number of Chinese residents of Vietnam."⁵ A few days later Xuan Thuy, Secretary of the Vietnamese Communist Party, also conceded through the Vietnamese News Agency that a number of "Chinese residents who had been leading a normal life in Vietnam, had suddenly sold their possessions and crossed the border into China illegally." He did, however, blame the exodus on "certain Chinese residents with a bad intention" who spread rumors "to sow discord between Vietnam and China," without elaborating on how exactly this had happened.⁶

The initial low-keyed approach taken by China and Vietnam clearly reflected their reluctance to publicize an issue that could embarrass both sides. On the one hand, Beijing presumably did not want to admit publicly its inability to grant the protection it had promised to the overseas Chinese or to solicit the Chinese in Vietnam openly, thereby triggering an even bigger exodus. Nor did it want to accuse Hanoi too early, since such action might forestall the possibility of reaching some kind of agreement with Vietnam to solve the problem. On the other hand, as long as China appeared to have acquiesced in the influx of the Chinese, Hanoi clearly saw no need to capitalize on a policy or situation that it could ill defend or justify. This initially tranquil atmosphere, however, turned out to be short-lived. By late May, when the daily flow had reached 4,000–5,000 and there seemed to be no end to the human influx, Beijing had no choice but to bring the issue under international spotlight.

In a strongly worded statement made by the Overseas Chinese Affairs Office on May 24, China accused Vietnam of "unwarrantedly ostracizing and persecuting Chinese residents in Vietnam, and expelling many of them back to China."⁷ Beijing contended that the crisis all started with the forced naturalization Vietnam had imposed upon the Chinese, and that in doing so Hanoi had departed from the 1955 agreement on the principle of voluntary naturalization of Chinese in Vietnam and had gone against the explicit position of support for this principle that she had taken in the 1950s and 1960s. Citing the number of refugees entering Chinese territory, Beijing attributed the exodus to a variety of discriminatory measures taken by Vietnam that had plunged the Chinese into dire distress and to such rumors spread by Vietnam as "China supports Kampuchea

5. *NCNA*, April 30, 1978.

6. *ST*, May 6, 1978, p. 1.

7. *BR*, June 2, 1978, p. 14.

against Vietnam” and “The Chinese government has called on overseas Chinese to return.” According to China, Vietnam even went as far as “transporting groups of Chinese to designated points on the border and driving them back to China across border rivers.” Calling the Vietnamese actions “planned,” the statement further charged that most of those expelled were maltreated, robbed, and even beaten up on their way to China, so much so that “they had nothing left except the clothes they were wearing when they entered Chinese territory.” The statement finally demanded an end to all the “arbitrary, truculent, and illegal” actions taken against the Chinese and held Vietnam responsible for all the consequences arising from them.⁸

By May 26 China had already launched a publicity campaign to rally domestic support and to draw international attention to the exodus. Not only was the Chinese press flooded with pictures and stories of Chinese being persecuted and expelled by Vietnam, but also a stream of national and provincial officials, including Lin Xiudeh, Deputy Director of the Overseas Chinese Affairs Office, began to make much publicized trips to the border areas to “extend sympathy to the victimized Chinese residents.”⁹ On May 29 Beijing further accused Vietnam of atrocities against the Chinese in Vietnam, including mass arrests, mass killings, and firing at the refugees crossing the land border and escaping by boats.¹⁰ On June 1 China even released a series of documentary films on the plight of the refugees to drive home her arguments.¹¹

Once the war of words started, Vietnam lost no time in refuting the Chinese charges. In a statement made by the Foreign Ministry on May 27 and in a number of commentaries that followed immediately, Hanoi contended that there was no such question as Chinese nationals in Vietnam, but only “Vietnamese citizens of Chinese descent” or “Hoa” people as known in Vietnam. According to Hanoi, the issue of the Hoa people in the north had been settled for twenty years on the basis of the 1955 agreement, which entrusted the “management of Hoa residents” to the Vietnamese government; such people had long since become full fledged Vietnamese citizens, enjoying the same rights as the ethnic Vietnamese, eligible to serve in the government and to stand for election. Regarding those Chinese living in the south, Vietnam did not deny that the 1955 agreement made provisions for consultation after its liberation, but now

8. *Ibid.*, pp. 15–16; also *BR*, June 16, 1978, p. 19.

9. *NCNA*, May 26, 1978.

10. *NCNA*, May 29, 1978.

11. *NCNA*, June 1, 1978.

emphasized the “reality left by history,” that is, as a result of measures taken by the Ngo Dinh Diem regime in 1956, practically all the Chinese had also become Vietnamese citizens. Therefore, “juridically, none of the Hoa are citizens of the People’s Republic of China. . . . Vietnam does not accept China’s views that the Hoa are Chinese residents.”¹²

Moreover, Hanoi denied any persecution of the Hoa people and branded China’s accusations as “sheer fabrications” made to “create anti-Vietnam feelings among the Chinese people and to obstruct the socialist construction in Vietnam.” Hanoi contended that the socialist transformation was a correct policy in keeping with the laws of socialist revolution, was directed at all Vietnamese residents, and therefore must not be considered as a means of ostracism, persecution, or expulsion. Only “a few of the capitalist traders had tried by all means to elude the process,” thereby entailing some disciplinary actions against them.¹³ By lending support to the “comprador bourgeois of Chinese descent” in Vietnam, Beijing had in fact forsaken its class stand and betrayed the spirit of proletarian internationalism.¹⁴ Hanoi also reminded China that she had no reason to clamor so loudly in defending the imaginary “victimized Chinese” in Vietnam while not showing the least compassion toward the more than half a million ethnic Chinese living in Kampuchea who had been “evicted from their homes, robbed of their property, confined to labor camps and tortured to death.”¹⁵

As for the expulsion of the Chinese, Hanoi blamed China for spreading rumors first and then making allegations against Vietnam. It was China that had “deceived, instigated, threatened, and coerced” the Hoa people to leave Vietnam through rumors such as “China supports Kampuchea against Vietnam,” “War will break out between China and Vietnam,” “Hoa people in Vietnam must leave Vietnam quickly,” “The Chinese government calls upon the overseas Chinese to come back,” and “Those who do not do so are traitors to their country.”¹⁶ To prove that these Hoa people had not been expelled by Vietnam but had left the country voluntarily, Hanoi produced many pictures depicting the orderly

12. *Monitoring Digest* (Singapore), May 27, 1978, pp. 14–15; and May 28–29, 1978, p. 16. *Vietnam Pictorial* (Hanoi), June 1978, Supplement. *Vietnam Courier* (Hanoi), July 1978, p. 2.

13. *Monitoring Digest*, May 28–29, p. 16; and May 30, 1978, p. 20. *BBC/FE*, No. 5829 (June 3, 1978), pp. A3/1–2.

14. *BBC/FE*, No. 5832 (June 7, 1978), p. A3/3.

15. *Monitoring Digest*, May 31, 1978, p. 31. See also *BBC/FE*, No. 5827 (June 1, 1978), p. A3/1; and No. 5832 (June 7, 1978), p. A3/3.

16. *Monitoring Digest*, May 28–29, 1978, p. 17; and May 30, 1978, p. 22. See also *BBC/FE*, No. 5828 (June 2, 1978), pp. A3/1–2.

procession of Chinese crossing the Sino-Vietnamese border. Vietnam insisted that there were no “victimized” Chinese residents and that whether leaving “legally or illegally” the Hoa people were ensured complete safety.¹⁷

It is perhaps important to note that the positions taken by the two sides reflected two incompatible perceptions of the problem — perceptions that had an immediate bearing upon the legality of their actions. To the extent that the political orientation of the overwhelming majority of Chinese in the newly communized south remained much in question, Beijing was right in claiming that the situation of the Chinese must be recognized as it actually existed. With more than 100,000 refugees already in China and with no end of the flow in sight, Beijing certainly could not remain idle and was indeed justified in demanding that Hanoi take immediate actions to end the crisis. Although China had already realized by 1977 that in the long run there would be no problem of overseas Chinese at all,¹⁸ Beijing apparently felt that the process of assimilation should be at least at a pace and a cost acceptable to all the three parties involved, particularly since the long war in Vietnam had ended. And only by insisting that the majority of the Chinese in Vietnam, particularly those in the south, had not in fact been given a free choice on matters of nationality and were therefore still technically Chinese nationals could Beijing speak up on their behalf and intervene legitimately in the controversy.

Hanoi, on the other hand, viewed the issue of Chinese in Vietnam as it ought to be, if only for the practical purpose of facilitating administration and developmental planning. Since most of the adult Chinese in Vietnam had been in the country for at least a generation, to challenge the actual effects of the 1955 agreement or to nullify the 1956 decrees on forced naturalization would be an unnecessary reversal of historical trends. Hanoi apparently felt that China should not obstruct Vietnam’s postwar efforts at national integration and reconstruction. And precisely because Vietnam had no confidence in winning the battle for the loyalty of Chinese in a free competition with China and had made woefully slow economic progress during the first three years of Communist rule, Hanoi must sever whatever ties still existed between the Hoa and China and at

17. *Vietnam Pictorial*, June 1978, Supplement.

18. Huang Hua conceded in his confidential talks to high-level cadres on July 30 that “in twenty to fifty years, there would be no problem of overseas Chinese any more.” for all overseas Chinese would have been integrated into their host countries and all returned overseas Chinese would have taken roots in China. The speech was reproduced in *Zhongguo dalu* (Mainland China), (Taipei), March 15, 1978, p. 57.

the same time break the grip of the Chinese on the nation's economy as soon as possible. Only by insisting that there were no Chinese nationals in Vietnam and that the 1956 measures were legitimate could Vietnam claim complete jurisdiction over the entire issue and have a free hand in dealing with the problem.

As for the charges and countercharges regarding the persecution and expulsion of the Chinese, although China's allegations have now been largely substantiated, neither side had presented the complete picture as far as the first waves of refugees were concerned. First, clearly not all the refugees arriving in China and other Southeast Asian countries before August 1978 had been forcibly evicted by Vietnam as China had charged. In fact, judging from the rate of refugee flow across the land border, the emigration was probably spontaneous, with little planning or use of force on the part of Hanoi. Indeed, it is inconceivable that China would have acquiesced for months in a large-scale operation of open expulsion; only when most of the refugees were willing immigrants would China feel obligated to open the border to them. On the other hand, to say that China had been able to instigate or force more than a trickle of the refugees to move to China is clearly to overestimate China's political appeal to the overseas Chinese and the organizational resources she possessed inside Vietnam. Indeed, in view of the well-settled nature of the Chinese in the north and the essentially bourgeois-minded Chinese community in the south, Beijing could not have had the magical power to "entice" or "coerce" so many Hoa people to move to China in such a short time.

What actually happened, at least up to the middle of July, was perhaps the combined effects of domestic pressures and external factors, reinforced by the rumors and dangers of war, that created panic among the Chinese. And once the exodus began, it developed its own momentum, generating new rumors and anxieties within the Chinese community. It is noteworthy here that both China and Vietnam had attempted to establish some linkage between the Chinese exodus and the Vietnam-Kampuchea conflict, thereby suggesting its relevance to the crisis. Beijing might well have alerted some Chinese in Vietnam that the worsening relations between China and Vietnam resulting from the war in Kampuchea could bode ill for the well-being of the Chinese community in Vietnam.¹⁹ The Vietnamese government certainly had warned the Chinese against any

19. Xuan Thuy in an interview with Japanese journalists on July 9 maintained that the Chinese Embassy in Hanoi gathered Chinese residents in early 1978 to explain China's new policy toward the overseas Chinese. *BBC/FE*, No. 5862 (July 12, 1978), p. A3/3; see also *Vietnam Courier*, July 1978, p. 7.

further display of chauvinism or disloyalty in a growing conflict with China. Hence, a wave of rumors spread among the politically always sensitive Chinese. To be sure, had China been less enthusiastic about speaking out on behalf of the Chinese, many of the refugees probably would have thought twice before rushing to the Sino-Vietnamese border. However, most of the refugees clearly would not have chosen to leave their homeland three years after the end of the Vietnam War merely because of the enticement of China or the dangers of new wars. After all, they had been through the effects of war for more than thirty years and had never during that time aspired to settle outside Vietnam, much less in China. Nor was the socialist transformation process particularly and equally unbearable to all Chinese, since the overwhelming majority of the Chinese, whether in the north or in the south, belonged to the working classes.²⁰ That the exodus took place at all, that 95 percent of the refugees crossing the Sino-Vietnamese border in 1978 were Chinese from the long socialized northern part of Vietnam, and that nearly 85 percent of the boat people escaping the south in 1978 were ethnic Chinese clearly indicated that the Chinese residents in Vietnam had indeed been driven into a state of dire distress and utter despair as a result of a systematic, extremely harsh anti-Chinese campaign throughout the country.²¹ And although a policy of expulsion of all Chinese from the country was not yet in force in the spring and summer of 1978, in view of the chaotic transportation systems and restrictions on travels in the country, the Vietnamese authorities clearly had done nothing to stop the migration but rather had actively encouraged and facilitated the human flow.

20. This fact was recognized by both Hanoi and Beijing. *BR*, July 14, 1978, pp. 26-27; *Vietnam Courier*, November 1978, p. 10.

21. *NCNA*, August 15 and September 8, 1978; *ST*, August 1, 1978, p. 6; *FEER*, December 22, 1978, p. 9.

V

The Diplomatic Tussle

WHATEVER THE ACTUAL situation might have been, the worsening refugee crisis led to a rapid deterioration of relations between China and Vietnam. Amid the increasingly tense exchange of charges and countercharges, China had already begun to exert pressures upon Vietnam. On May 12 Beijing suspended 21 complete-factory aid projects promised to Hanoi, to “divert funds and materials to make working and living arrangements for the Chinese expelled.”¹ On May 30 China suspended an additional 51 similar aid projects as a response to the “continued expulsion” and “feverish ostracism” of Chinese in Vietnam. As a result, some 1,000 Chinese technicians were recalled from Vietnam.² At the same time, apparently because of failures in getting Hanoi to stop the refugee flow, China also turned down a Vietnamese proposal for negotiations made on May 28 and branded it as “totally meaningless” and made “purely out of propaganda needs.”³ On June 1 Beijing notified Hanoi that China had decided to send ships to Vietnam to evacuate the persecuted Chinese nationals.⁴

Hanoi responded to this tough Chinese stance by launching an intensive press campaign against China throughout the first part of June. The government organized mass rallies and particularly meetings of Hoa people in major Vietnamese cities to refute the Chinese charges and published scores of commentaries to condemn “Chinese wrongdoings” and “slanders.”⁵ On June 6 the Vietnamese newspaper *Nhan Dan* described the “unilateral” and “arrogant” Chinese proposal of sending ships to Vietnam as one which “disregards the sovereignty of an independent country and belittles the elementary international laws and customs.”⁶ In

1. *BR*, June 16, 1978, p. 15.

2. *NCNA*, May 30, 1978; *BBC/FE*, No. 5832 (June 7, 1978), p. A3/1.

3. *NCNA*, May 30, 1978.

4. *BR*, June 2, 1978, pp. 14-15.

5. *BBC/FE*, No. 5834 (June 9, 1978), pp. A3/5-6; No. 5839 (June 14, 1978), p. A3/3.

6. *BBC/FE*, No. 5832 (June 7, 1978), p. A3/3.

the meantime, more refugees were allowed to leave Vietnam. During the twenty days or so following May 12, the number of Chinese crossing the land border increased by 50,000, averaging 2,500 per day.⁷ By the middle of June, the total number of Chinese refugees in China had reached 133,000.⁸

The diplomatic tussle over the issue of overseas Chinese reached a climax in mid-June when China dispatched two passenger ships to Haiphong and Ho Chi Minh City to evacuate "victimized Chinese residents." When the two ships were sent off from Guangzhou on June 15, a 6,000-man ceremony was held at the dock with much pomp and fanfare. The rally was attended by leading provincial officials and presided over by none other than Liao Chengzhi, director of the Overseas Chinese Affairs Office.⁹ At the ceremony, Liao described the Chinese action as a response to Chinese residents in Vietnam who "day and night are longing for ships from the motherland to come to their aid and bring them home." It was a move "in full accord with international practice" and "a legitimate right exercised by the Chinese government in safeguarding the interests of overseas Chinese." He therefore dismissed the Vietnamese allegation of China's violating Vietnamese sovereignty as "preposterous and without any valid grounds."¹⁰

Although the Chinese move was indeed taken in response to an urgent situation created by Hanoi's changing policy toward the Chinese and to the expectations of the Chinese community in Vietnam, the very small scale of the operation and the absence of armed escort, as contrasted with the publicity given to the event, clearly indicated that it was designed to be more a diplomatic pressure than a practical way of solving the crisis of Chinese exodus.¹¹ This was so particularly since Beijing knew that Vietnamese cooperation would be essential to the success of the operation but was not necessarily forthcoming. By establishing a *fait accompli* with the presence of Chinese ships outside the Vietnamese coast, Beijing probably calculated that China could not lose, however the exercise might turn out. If the Chinese ships were allowed to evacuate at least some of the Chinese residents from Vietnam, Beijing's charges regarding persecution would be vindicated, and China would score a diplomatic victory. Vietnam's refusal to cooperate, on the other hand, could only demonstrate to the world

7. *Monitoring Digest*, June 20, 1978, p. 22.

8. *NCNA*, June 16, 1978.

9. *BBC/FE*, No. 5841 (June 17, 1978), pp. A3/1-2.

10. *Ibid.*

11. The ship *Changli*, destined for Haiphong, can carry 1,300 passengers, while the *Minghua*, destined for Ho Chi Minh City, can carry only 900. *Renmin Ribao*, June 25, 1978.

Hanoi's lack of sincerity in solving the dispute.

Whatever China's real motivations might have been, the operation from the beginning was a futile exercise. Although Vietnam consented on June 5 to the dispatch of Chinese ships and allowed the evacuation to start on June 20, she stipulated in the same announcement that the Chinese ships could enter only after they had "complied with all procedures in keeping with current Vietnamese laws and regulations" and that all those who wished to leave Vietnam must also comply with all the existing procedures.¹² Hanoi's reluctance to cooperate in the operation was further shown when the press campaign against China was stepped up during the second week of June and when Vietnam accused China of "wanting to revive the era of imperialist gunboat policy" and therefore of "threatening the peace of Southeast Asia." Hanoi also declared that if China wanted to repatriate any "victimized Chinese," she should go to Kampuchea, not Vietnam.¹³ Thus, it was no accident that, no sooner had representatives of the Chinese Embassy in Hanoi initiated a series of "urgent meetings" with Vietnamese Foreign Ministry officials on June 13 for the purpose of making concrete arrangements for the repatriation of Chinese from Vietnam, than the two sides ran into a deadlock over the exit procedures of the prospective evacuees. Hanoi insisted that Chinese ships were in Vietnam to evacuate all Hoa people wishing to leave for China, and that since the Hoa people were bona fide Vietnamese citizens, all applicants must be processed and approved first by Vietnamese authorities and must receive exit permits before being allowed to board Chinese ships.¹⁴ Beijing quickly rejected this contention and argued that Chinese ships were sent to pick up only "Chinese residents in distress," not "Vietnamese citizens of Chinese descent who wish to leave Vietnam for China," for China had no reason to be concerned with the fate of anybody but her own nationals. And Chinese nationals should naturally be processed by the Chinese Embassy, which would issue them repatriation certificates, upon which the Vietnamese government would apply the exit visa seal.¹⁵

Although the dispute appears to be rather metaphysical and was certainly open to compromise, it turned out to be the stumbling block to any progress in the negotiations. For China to concede to the Vietnamese position would be to call into question the very legality of her actions,

12. *BBC/FE*, No. 5832 (June 7, 1978), pp. A3/1-2.

13. *BBC/FE*, No. 5832 (June 7, 1978), pp. A3/3; No. 5837 (June 13, 1978), p. A3/3; No. 5839 (June 15, 1978), p. A3/1; and No. 5843 (June 20, 1978), p. A3/8.

14. *BBC/FE*, No. 5849 (June 27, 1978), p. A3/2; and No. 5852 (June 30, 1978), p. A3/1.

15. *NCNA*, June 22 and 26, 1978.

whereas for Vietnam to accept the procedures proposed by China was tantamount to allowing a foreign country to interfere in her internal administration. Moreover, China's insistence on the right to identify and select victimized Chinese was clearly prompted by the limited resources she had for accommodating more refugees and the consideration that not all victimized Chinese in the south wished to go to China. On the other hand, precisely because of China's inability to evacuate all ethnic Chinese in Vietnam, Hanoi insisted that either all or none of the Hoa people should be eligible for repatriation. But if China was mainly interested in capitalizing on the plight of the Chinese and could not afford to accept just anybody unwanted by Vietnam, Vietnam surely had a greater stake in not making the operation a success. Giving official sanction to the exodus of Chinese would probably set off even bigger waves of emigration, which not only would have serious economic and social repercussions, but also would be politically embarrassing, since it would vindicate Beijing's charges of persecution of Chinese in Vietnam.¹⁶ In fact, in the single week following June 15, when Vietnam began to accept applications for repatriation in Ho Chi Minh City, as many as 30,000 Chinese applied for exit permits. As a result, the government had to suspend the applications on June 22, apparently in fear that the number of applicants could become unmanageable.¹⁷ Moreover, the news of the impending arrival of Chinese ships had apparently aroused great hopes and enthusiasm within the Chinese community, and Hanoi certainly did not want to boost the image of China among the Hoa people by giving her the opportunity to prove both her willingness and her ability to extend badly needed help and support, thus promoting an even stronger sense of solidarity and identity between the Hoa and China. To make the entire operation difficult if not impossible to accomplish, on the other hand, would surely discredit the Chinese government in the eyes of the Hoa people and therefore effectively cut all Chinese nationals off from China psychologically as well as politically.

A series of steps Vietnam took in reaction to the China-initiated evacuation operation after it had begun appears to validate this reasoning. On June 16, after the two Chinese ships were under way and only four days before the scheduled date for the first shipment of Chinese out of

16. The departure of thousands of ethnic Chinese fishermen, dock workers, and technicians in the north had already caused serious disruptions in various industries by mid-1978. *FEER*, August 4, 1978, p. 13.

17. *NCNA*, June 29, 1978. According to a newsmen of Japan's Kyodo News Agency reporting from Ho Chi Minh City, more than 250,000 Chinese in Cholon had applied for repatriation. *BBC/FE*, No. 5855 (July 4, 1978), p. A3/7.

Vietnam, Hanoi, in response to China's urgent request to designate ports of entry for the Chinese ships, presented the Chinese Embassy in Hanoi six "concrete conditions" that it considered as "indispensable" to the repatriation of the Hoa people. According to these conditions, Chinese ships were to use only one pier in each of the two designated ports, Haiphong and Ho Chi Minh City. Before Chinese ships would be allowed entry, Beijing was required to produce a complete and detailed schedule of ships coming to Vietnam, including the total number of trips and the number of ships involved in each trip at each port, the passenger capacity of each ship, and the complete list of Chinese cadres, i.e., crew and officials, who would accompany each of these trips to Vietnam. Moreover, the entire operation was to last for no more than three months from June 20 on, and each Chinese ship was allowed to stay in Vietnamese waters for a maximum of three days.¹⁸

Judging from the more than one million ethnic Chinese still residing in Vietnam and the large number of applications for repatriation, as contrasted with the limited facilities to be made available to China, the seaborne operation was clearly intended by Hanoi to be of very limited scale. Indeed, the short notice served by Vietnam to China on the conditions of entry made it virtually impossible for China to compile all the necessary data demanded by Vietnam, particularly since Beijing did not have the crucial information regarding the number of Hoa people intending to leave for China. Moreover, the two piers designated for the mooring of the Chinese ships turned out to be unsuitable. The pier in the area of Ho Chi Minh City harbor was more than a hundred kilometers away from the city, thereby making evacuation difficult. The pier in the Haiphong area was completely unfamiliar to the Chinese ships, and without being provided with information about its length and the water depth, the ships simply could not enter the harbor.¹⁹

But that was not all. Beijing appeared to be at the mercy of Hanoi not only at sea, but also on land. Although as early as December 1976 Vietnam had agreed to let China set up a consulate-general in two of the three cities proposed by China, namely Ho Chi Minh City and Haiphong, not until November 1977 did Vietnam inform China that she could send an advance team to Hanoi to make the necessary preparations. However, when China did send such a team to Hanoi in April 1978, the issue of overseas Chinese had already heated up, and the Chinese team was not permitted to go from the capital to Ho Chi Minh City, the reason given

18. *Vietnam Courier* (Hanoi), July 1978, p. 7.

19. *NCNA*, June 25, 1978.

being that the situation there was not yet “stabilized.”²⁰ On June 16 when Hanoi, in response to Beijing’s request made in the second urgent meeting between the two sides, finally approved the work of establishing a Chinese consulate-general in Ho Chi Minh City, it stipulated that the Chinese consulate-general could not become operational before October 1978, that is, until after the three months allowed for evacuation were over.²¹ All this meant that China would not be able to process the applications from the Chinese community or to have any say in either the size or the composition of the immigrants whom she was to receive and transport back to China, whereas Vietnam would be able to select any number and type of ethnic Chinese she decided to get rid of. Hanoi was clearly attempting to assert complete control over a process that it considered purely domestic. For Beijing, however, the conditions set by Hanoi clearly violated the principle of voluntary naturalization that China had insisted on throughout the dispute and defeated the very purpose of the evacuation exercise.

Under these circumstances China found the entire evacuation operation a mission impossible to accomplish, and on June 16, immediately following the Vietnamese actions, Beijing responded in kind by ordering the closure of all three Vietnamese consulates in China, which had been operating since the mid-1950s.²² Indeed, being unable to help the Chinese community in Vietnam directly, Beijing could only resort to other pressures. By June 21 China had already cancelled the appointment of the consul to Ho Chi Minh City and recalled the entire Chinese advance team, which had been waiting in vain in Hanoi for three months.²³ These actions, however, only provoked immediate retaliation from Vietnam. On June 19 Hanoi charged for the first time that the rumormongers who had enticed and forced Hoa people to flee the country were receiving their instruction from the Chinese Embassy in Hanoi.²⁴ By June 22, only three days after the Chinese ships had arrived outside Vietnamese territorial waters, Hanoi had already begun to accuse China of causing delays in the repatriation exercise by making “arrogant, unreasonable and unacceptable demands.”²⁵ The rescue mission was described as a “mask of sympathy,” and by keeping the Chinese community waiting in suspense, Beijing actually had “victimized hundreds of thousands of Hoa people.”²⁶ On June 23

20. *NCNA*, June 21, 1978; *BR*, June 30, 1978, pp. 19–20.

21. *BBC/FE*, No. 5843 (June 20, 1978), p. A3/9; see also *NCNA*, June 21, 1978.

22. *NCNA*, June 17, 1978; *BBC/FE*, No. 5844 (June 21, 1978), p. A3/1.

23. *BR*, June 23, 1978, p. 19; also *FEER*, June 10, 1978, p. 8.

24. *BBC/FE*, No. 5843 (June 20, 1978), p. A3/6.

25. *BBC/FE*, No. 5847 (June 24, 1978), p. A3/3.

26. *Ibid.*

Vietnam formally refused the entry of Chinese ships and by the end of the month had placed them under the surveillance of the Vietnamese navy.²⁷

From then on the negotiations, which continued into July, between Chinese Embassy representatives and consular officials of the Vietnamese Foreign Ministry concerning repatriation by sea became little more than a test of nerves and a forum for trading accusations and counteraccusations. Because Chinese requests to send special work teams to Ho Chi Minh City to process prospective evacuees were rejected repeatedly, Vietnam was accused of “lacking sincerity” and of “deliberately laying one obstruction after another” in the negotiation.²⁸ Because China insisted on evacuating only persecuted Chinese nationals and on processing such people, she was in turn accused of “betraying big-nation chauvinism which is identical to that of the emperors of ancient times” and of violating not only international law but also the 1961 agreement, which Vietnam now considered as equally applicable to the Chinese in the south.²⁹ Thus, although 19 sessions of such “urgent meetings” were held in June and July, no agreement was reached, and the entire rescue operation was finally aborted.

27. *Ibid.* See also *BBC/FE*, No. 5847 (June 30, 1978), p. A3/1.

28. *NCNA*, June 28 and July 2, 1978.

29. *BBC/FE*, No. 5851 (June 29, 1978), p. A3/5; No. 5852 (June 30, 1978), p. A3/1; and No. 5859 (July 8, 1978), p. A3/2.

VI

The Growing Border Tension

TO THE EXTENT THAT China was unable to carry out her promise to “protect the legitimate rights and interests” of her own nationals, as Beijing had repeatedly and vehemently proclaimed, the failure of the evacuation operation by sea turned out to be an embarrassment more to China than to Vietnam. Unable to control the refugee problem at its source or to project an imposing image, China could not but have become increasingly aware of her own vulnerability. In fact, as the number of refugees crossing the land border continued to increase, Beijing’s initial enthusiasm about welcoming the victimized Chinese to the motherland gradually evaporated into a more sobering concern about the social and political implications of the influx of refugees. Apart from the heavy financial burden that local government authorities had to bear, Beijing apparently also began to encounter major problems of resettling the refugees, particularly those from the south who could not readily adapt themselves to the harsh living conditions in China.¹ By early July, when the number of refugees in China approached 160,000, it became clear that unless Vietnam could be persuaded to cooperate in her policy toward the Chinese, and unless some firm measures were taken against the refugees themselves, there would be no end to the crisis.

Thus, on July 3 China decided to step up her pressures upon Hanoi by cutting all technical and economic aids to Vietnam and recalling all Chinese technicians and experts from that country.² These actions were followed by the suspension on July 17 of all training programs involving Vietnamese postgraduate students in China.³ At the same time China

1. Japan’s Kyodo News Agency reported from Hong Kong in August that many Vietnamese refugees in China had sought to emigrate to Hong Kong and other places because of adjustment problems. *BBC/FE*, No. 5901 (August 26, 1978), p. A3/3. See also *ST*, October 9, 1978, p. 1.

2. *NCNA*, July 3, 1978.

3. *Vietnam Courier* (Hanoi), August 1978, p. 1.

proceeded to curb the refugee flow overland, at least from the Chinese side of the Sino-Vietnamese border. On July 11 Beijing announced the closure of the entire land border to all unauthorized people, restricting entry to those Chinese who held "certificates" issued by the Chinese Embassy in Hanoi with exit visas affixed by the Vietnamese government.⁴ The move apparently served a number of purposes. Not only could it clearly disprove the Vietnamese charge that China had instigated and coerced the Chinese to return to China, but also it enabled Beijing to reassert at least some jurisdiction over the Chinese in Vietnam. And there is evidence that after mid-July the Chinese Embassy was issuing to prospective immigrants regular Chinese passports, which Hanoi had to recognize.⁵ By requiring all Chinese to go through proper formalities in Hanoi and accepting only those with proper documents, Beijing was also trying to dissuade the entire Chinese community from any rash action, thereby reducing the numbers of refugees crossing the border. Moreover, by blocking the land outlet, Beijing was throwing the hot potato back to Hanoi, forcing Vietnam to exercise greater control over the human flow on its side of the border, if not also to change her overall policy toward the Chinese community.

Apparently believing that the refugee crisis was more amenable to solution after these measures had been put into effect, China in a dramatic change of attitude on July 19 proposed to hold a formal round of talks at the vice-foreign minister's level to reach an "overall solution" to the problem.⁶ The purpose was clearly to persuade Vietnam at least to modify her policy toward the Chinese. Nevertheless, the combined application of stick and carrot could not conceal China's weak position. That Beijing had to propose the talks, in spite of the fruitlessness of the still on-going negotiations and the lack of prospect of any agreement, revealed China's anxiety to end the crisis. And indeed, from rejecting Hanoi's proposal for talks in early June, to initiating emergency meetings at the consular level with Vietnam for implementing evacuation plans, and finally to proposing high-level negotiations, there was a progressive softening of

4. *NCNA*, July 11, 1978.

5. For Vietnamese charges, see *BBC/FE*, No. 5866 (July 17, 1978), pp. A3/6-7; and No. 5871 (July 22, 1978), pp. A3/4-5. In early August Beijing began to accuse Hanoi of harassing Chinese going through formalities in Hanoi. *NCNA*, August 1, 1978. On August 11 more than 100 Chinese coming from the south to Hanoi to acquire Chinese documents were reportedly rounded up in the middle of the night by Vietnamese police and taken away to unknown places. *NCNA*, August 12, 1978. This was corroborated by the Vietnamese account of the incident in *BBC/FE*, No. 5890 (August 14, 1978), p. A3/2.

6. *NCNA*, July 19, 1978.

China's stance on the entire issue.

However, if Vietnam had earlier been reluctant to allow at least Chinese from the south to leave en masse for whatever political and economic reasons there might be, she apparently saw no need to stop the exodus now that the disloyalty of the Chinese had again been proved during the abortive repatriation exercise and now that the resulting social and economic disruptions were already irreversible. This was so particularly at a time when Hanoi had most probably decided on the massive invasion of Kampuchea.⁷ In fact, the seven-point program announced by Hanoi in June for the "orderly departure" of Vietnamese represented a 180-degree turn from its earlier position and signified that the decision to push out as many Chinese as possible had already been made.⁸ Thus, when China expected to stop the flow, Vietnam was already determined to expel openly all Chinese in Vietnam. In doing so, Hanoi had less reason than ever to fear retaliation, because after cutting all aid, China had exhausted all the nonviolent means of exerting pressures upon Vietnam.

As a result, the vice-foreign ministerial talks were doomed to failure from their outset in early August. Throughout the eight sessions of negotiation, which lasted into late September, China's position was clear and remained unchanged: Vietnam should revert to her pre-1975 policy and abide by the 1955 agreement at least in spirit by stopping the discrimination, ostracism, persecution, and expulsion of Chinese residents, actions which had caused the exodus and the continuing sufferings of the Chinese in Vietnam. China once again declared that she did not dispute the right of Vietnam to naturalize all resident Chinese, but she insisted that naturalization should be voluntary and gradual, effected through sustained and patient persuasion and ideological education. To ensure the success of the gradual assimilation, Beijing reiterated its willingness "to render cooperation and assistance by actively encouraging and urging Chinese residents to adopt Vietnamese nationality on a voluntary basis." Those who insisted on retaining their Chinese nationality should be permitted to do so, and their proper rights and interests should be guaranteed. Beijing appeared to have accepted the 160,000 refugees already in China but contended that Hanoi was "duty-bound" to receive back at least those Vietnamese

7. Sheldon W. Simon, "New Conflict in Indochina," *Problems of Communism*, September-October, 1978, pp. 27-28.

8. Up to June Hanoi had prohibited the departure of any Vietnamese citizens without authorization. *ST*, July 13, 1978, p. 19. According to informed Vietnamese sources, a directive was issued in August 1978 that instructed local authorities to "hasten the departure of ethnic Chinese from Vietnam" and to encourage the building of refugee boats. *ST*, January 10, 1979, p. 1.

citizens (i.e., ethnic Vietnamese) who had been driven across the border but who wished to reunite with their families in Vietnam. As for those Chinese who had been displaced and were stranded in the border areas, Beijing proposed that China and Vietnam “make a joint effort” to persuade them to return to their original homes, but Beijing insisted that Hanoi should first create “favorable conditions” for their return by ensuring them physical security, jobs, and property and other rights. In short, China argued that the initiative to solve the problem had to come from Vietnam.⁹

Vietnam, however, disputed both the assumptions and the rationale of China’s position. Hanoi argued that no agreement had ever been reached between the two countries on the status of the Hoa people in the south. The 1955 agreement was applicable only to the north and only until the Hoa people there adopted Vietnamese citizenship, which they had done after so many years. By insisting on its applicability in the south, China had violated both the letter and intent of the agreement.¹⁰ While continuing to deny any mistreatment of the Chinese, Hanoi claimed that the whole crisis had been “masterminded and engineered” by China for the purpose of “sabotaging Vietnam’s independent external and domestic policies.” No problem would have arisen had China not attempted to protect the Hoa capitalists, instigated the Hoa people to leave Vietnam, and incited them to cause disturbances. By demanding Vietnam to stop discrimination, persecution, and the expulsion of the Hoa people and to ensure their legitimate rights and interests, Beijing was asking Hanoi to “stop doing what it had never done” and at the same time to “implement what it had always been doing.”¹¹ With respect to the refugees already in China, Hanoi argued that since they had been enticed to leave Vietnam, Hanoi would never take any of them back. In fact, Hanoi contended that all of these refugees had always been bona fide Vietnamese citizens and it was China that had considered them as “victimized Chinese.” By what magic, Hanoi asked rhetorically, had these Hoa people whom Beijing had so eagerly lured into China now suddenly become “unwanted Vietnamese citizens”? China’s proposal to repatriate Vietnamese citizens was branded as “the last act of a melodrama” and a “sinister design to create disturbances and sabotage the internal affairs of Vietnam.”¹² As for Chinese stranded in the border regions, Hanoi insisted that the only solution was to open the border for their entry into China, because it was China that, having first enticed them to leave and now

9. *NCNA*, August 12, 1978. *BR*, September 15, 1978, pp. 18–19; August 18, 1978, pp. 25–29; and September 29, 1978, p. 22.

10. *BBC/FE*, No. 5893 (August 17, 1978), p. A3/5.

11. *BBC/FE*, No. 5897 (August 22, 1978), p. A3/4.

12. *BBC/FE*, No. 5905 (September 1, 1978), pp. A3/1–3.

refusing to take them, had created a real problem of “victimized people” and prolonged their sufferings.¹³

That China should have continued to dwell upon the issues of gradual naturalization and better treatment of Chinese residents at a time when they had only the faintest relationship to reality clearly revealed Beijing’s difficulty in extricating itself from a messy situation and the position of weakness from which it had to deal with Hanoi. Faced with a swelling refugee population and realizing the impossibility of solving the crisis without Vietnamese cooperation, China simply could no longer talk about repatriation of more Chinese from Vietnam or argue about the legality of her intervention in the crisis. In fact, Beijing was almost pleading with Hanoi to change its policy.¹⁴ In doing so, however, China could not simply shelve the issue of persecution and expulsion because to do so would have been tantamount to accepting responsibility for the exodus and would have made her demand for repatriation of Vietnamese citizens and change of Vietnamese policies untenable.

On the other hand, Vietnam had clearly hardened her position and also become more evasive precisely because she had nothing to lose, whenever the crisis might end and however the negotiation might proceed. Either China or the Chinese in Vietnam would suffer, but not Vietnam. Hanoi could not have cared less about the fate of any of the 160,000 refugees in China whose disloyalty had already been proven by their feet and whose economic utility had already been exhausted, and therefore appeared determined to let the exodus complete its natural course. Hence the continuing denial of charges of persecution and expulsion even at a time when the entire world had become alarmed and morally repulsed by the tragic plight of the boat people. By claiming that China had caused the entire problem in the first place, Vietnam could avoid confrontation with the crucial issues of the dispute and at the same time disclaim responsibility both for the well-being of tens of thousands of displaced Chinese still in Vietnam whom Hanoi had no more intention of keeping and for the continuing human flow from Vietnam.¹⁵

13. *BBC/FE*, No. 5879 (August 1, 1978), pp. A3/4-5.

14. Recalling the two passenger ships sent to Vietnam on July 28, Beijing commented: “China is a victimized party on the issue of persecution and expulsion of Chinese residents in Vietnam. She is naturally anxious to come to an early agreement so that... the victimized Chinese may be relieved of their present misery.” *NCNA*, July 28, 1978.

15. Hanoi in late July actually declared that the Chinese stranded at the border were “technically” no longer Vietnam’s responsibility. *BBC/FE*, No. 5876 (July 28, 1978), p. A3/3. Eventually China had to send food across the border to the refugees, an action which Hanoi branded as a trick to entice the Chinese to cross the border. *BBC/FE*, No. 5897 (August 22, 1978), p. A3/2.

In light of the above, it is no wonder that this new round of talks was accompanied by a sudden increase in the numbers of people leaving by sea and by growing tension along the Sino-Vietnamese land border. From September on, both the number of boat people arriving in other Southeast Asian countries and the proportion of ethnic Chinese among them reached new heights, and this second wave of refugees continued unabated throughout the rest of the year. By the end of 1978, as many as 100,000 boat people had been picked up by neighboring countries, and the overwhelming majority of them were now conspicuously ethnic Chinese, as contrasted with the predominantly Vietnamese composition of earlier, smaller waves before mid-1978.¹⁶ Moreover, it was soon established that the Vietnamese government not only connived in systematically exporting ethnic Chinese from Vietnam, but also did not lose the last opportunity of stripping them of their liquid assets by extracting five to ten taels of gold or a sum of US \$1,500 to \$3,000 each from those wishing to leave the country.¹⁷ That Hanoi preferred to expel the Chinese en masse rather than allow Beijing to repatriate them in a more orderly manner also showed Vietnam's determination to handle the problem of Chinese only in the way she chose.

In the meantime, the Sino-Vietnamese land border was far from calm. Incidents of violence broke out as soon as China closed the border in mid-July and repeatedly marred the two-month-long negotiations, and in each case, hundreds of Chinese stranded at the border were forcibly driven into China.¹⁸ The hitherto biggest and also most violent incident took place on August 25, when nearly 3,000 Chinese were reportedly driven across the border at Youyiguan (Friendship Gate). During the incident four Chinese were killed and dozens wounded; Vietnam reported two killed and 25 wounded.¹⁹ According to China, these incidents occurred

16. Calculated on the basis of UNHCR data sheets for 1978. By the end of 1978 no less than 85 percent of the boat people were ethnic Chinese. *FEER*, December 22, 1978, pp. 8-12.

17. *FEER*, May 12, 1978, p. 9, and December 22, 1978, p. 9; *ST*, November 15, 1978, p. 1, and November 20, 1978, p. 2. That Vietnamese authorities were exporting refugees in collaboration with international syndicates was made known when several foreign-registered freighters picked up thousands of Vietnamese refugees mysteriously off the Vietnamese coast in late 1978 and early 1979. *ST*, November 17, 1978, p. 28; December 24, 1978, p. 2; and April 22, 1979, p. 2.

18. Both Vietnam and China claimed that force was used. *NCNA*, August 9 and 20, 1978. *BBC/FE*, No. 5893 (August 17, 1978), p. A3/6; and No. 5902 (August 29, 1978), pp. A3/1-2.

19. *NCNA*, August 25, 1978; *BBC/FE*, No. 5902 (August 29, 1978), p. A3/2. See also *FEER*, September 8, 1978, p. 10.

when Vietnamese armed personnel pulled down the makeshift shelters of Chinese stranded at the border, seized their personal belongings, beat them up, and then “goaded” them into storming the Chinese checkpoints.²⁰ The Vietnamese claimed that each time it was Chinese saboteurs and hooligans intruding into Vietnam who attacked Vietnamese personnel with knives, steel rods, and pointed bamboo stakes, pulled down the tents of the Hoa and smashed their things, and then “herded” them across the border into China.²¹

In view of the recurrence of such incidents throughout the second half of 1978 and China’s clear reluctance to take any more refugees, the Vietnamese charges appear less credible. Presumably, the situation on the Vietnamese side of the border became increasingly chaotic after mid-July as Hanoi refused to curb the exodus of refugees while Beijing was determined to stem it. Finding themselves virtually outcasts forsaken by both countries, most of the stranded Chinese also became increasingly desperate and prone to reacting violently to any irritating or hostile act by Vietnamese authorities; such reactions in turn prompted Hanoi to take even harsher measures against them.²² And the atmosphere became more and more tense as the number of refugees grew steadily and their presence at the border was prolonged. Having no intention of resettling or taking care of them, the Vietnamese authorities might well have simply decided at least to half-frighten and half-push them across the border checkpoints whenever their numbers reached undesirable or unmanageable proportions. On the other hand, since the Chinese border guards would not shoot their helpless compatriots in resisting the periodical onslaught, they inevitably clashed with the Vietnamese border guards. With emotion running high among all involved, it did not take long for heated arguments to turn into shouting matches, then fisticuffs and stone throwing, and eventually shooting.

Whatever the actual situation might have been, the immediate result of such tussles was the continuing rise in the number of refugees entering China in spite of all the control measures and the growing tension along

20. For instances, see *NCNA*, July 13 and 20, August 2, 9, 20, and 26, 1978.

21. For instances, see *BBC/FE*, No. 5881 (August 3, 1978), p. A3/6; No. 5883 (August 5, 1978), p. A3/3; No. 5897 (August 22, 1978), p. A3/2; No. 5900 (August 25, 1978), p. A3/3; and No. 5902 (August 29, 1978), pp. A3/1–2.

22. One incident reportedly resulted from Vietnamese newsmen trying to shoot pictures of Chinese eating food received from the Chinese side; this action provoked violent reaction from the refugees, thereby leading to the expulsion of more than 700 Chinese across the border. *NCNA*, August 9, 1978.

border was closed, and the end of 1978, as many as 40,000 more land refugees entered China, bringing the total to 200,000.²³ However, not all these newly arrived refugees were pushed across into China at the several border checkpoints. About a quarter of them were reportedly expelled through obscure mountain paths and across unwatched boundary rivers; some of them found their own ways into China.²⁴ Since expelled refugees were usually escorted by armed Vietnamese, China's security problems were inevitably exacerbated. Presumably not a few Vietnamese agents had been planted among the refugees, if only to collect information about China's military strength and movements along the land border, information which would be valuable for Vietnam's impending invasion of Kampuchea.²⁵ Similarly, to stem effectively the influx of unauthorized refugees and to ensure peace and order along the long, mountainous, and still disputed land border, Chinese border guards probably could not have avoided venturing from time to time into places that Hanoi would consider as Vietnamese territory. The tussle over the human flow thus inevitably added new fuel to the unsettled territorial dispute and certainly created new disputes over matters of jurisdiction, as both sides sought to exercise effective control over an increasingly chaotic situation and to preclude hostile acts of the other. The refugee crisis therefore produced immediately destabilizing effects along the entire Sino-Vietnamese land border and contributed directly to the growing tension and violence in the border areas. By October the war of nerves had already escalated into armed clashes of considerable size.²⁶

23. *NCNA*, January 5, 1979.

24. *NCNA*, August 21, 1978.

25. Such charges were made repeatedly by Beijing. See *NCNA*, July 11, August 2, and August 21, 1978.

26. See Chang Pao-min, "The Sino-Vietnamese Territorial Dispute," *Asia-Pacific Community*, Spring 1980, pp. 151-152.

VII

The War and Its Aftermath

WHILE THE INCREASINGLY daring and unrestrained actions of Vietnam throughout the second half of 1978 indeed reflected Hanoi's growing confidence in dealing with its northern neighbor in a drawn-out dispute, they had apparently also been prompted by China's impotence in coping effectively with the refugee influx, as well as with other issues of dispute. Having expelled 200,000 Chinese into Chinese territory without encountering more than symbolic retaliation from China, Vietnam was clearly emboldened to carry its policy of expulsion to its natural conclusion as quickly as possible—particularly when the Vietnamese invasion of Kampuchea was already in the final planning stage.¹ Hanoi apparently calculated that, having become bogged down by hundreds of thousands of refugees along her southern border, China would not be capable of exerting any pressure beyond verbal protests and hollow threats, even if she wanted to.²

Indeed, Vietnam's calculations were correct to the extent that China most probably had never contemplated launching a large-scale military action against Vietnam solely over the issue of overseas Chinese. If China had felt free to use force to protect the ethnic Chinese in Vietnam, certainly she should and would have done so much earlier than February 1979. The cautious attitude and self-restraint that China had shown was clearly due to her realization of the limits of her power, and, perhaps more importantly, to her anticipation of the counter-productive effects such action would cause. To go to war against Vietnam solely or explicitly

1. Reportedly Vietnam started to prepare for a large-scale military offensive to topple Kampuchea after assessing the likelihood of Chinese intervention in April 1978. *ST*, February 19, 1979, p. 2.

2. *Ibid.* On the eve of Vietnam's invasion of Kampuchea, Hanoi was reported to be still "supremely confident" that China would not invade Vietnam, and Vietnamese troops stationed along the Sino-Vietnamese border were both small in quantity and irregular in character. *FEER*, December 22, 1978, p. 17.

for the purpose of protecting ethnic Chinese, even after all the peaceful means of settlement had been exhausted, would surely have led to more persecution of the million or so Chinese remaining in Vietnam. What was more, it would have had serious repercussions on China's relations with other Southeast Asian countries, most of which also had a Chinese problem and were openly apprehensive of the extent to which China was prepared to go to back up its new overseas Chinese policy. It was presumably for all these reasons that throughout the second half of 1978 China did not even make any threatening remarks directed at the issue of ethnic Chinese, though the refugee crisis was in fact steadily worsening. Nor did China, in launching the punitive military action against Vietnam in February 1979, utter a single word about Vietnam's mistreatment of the Chinese or China's determination to protect the Chinese in Vietnam.³

Nevertheless, in view of the nature and magnitude of the refugee crisis and its close links to the deterioration of Sino-Vietnamese relations in general and the border conditions in particular, one could hardly dismiss it as irrelevant to the 1979 war. Even if it was neither the only nor even the major cause of the military conflict, it had certainly reinforced China's inclination to use force, thereby expediting her final decision to make war against Vietnam.⁴ If Vietnam had succeeded in demonstrating her independence and her disrespect for China by deliberately exacerbating the refugee crisis, China must have been increasingly alarmed by the multiplying political and social costs of her own relative inaction and by the inefficacy of her responses. The steadily escalating mistreatment of Chinese in Vietnam in spite of all the pleadings and protests made by Beijing had already made a mockery of China's declared policies toward the overseas Chinese. The consistent evasion of crucial issues in all negotiations, the blatant flouting of border control measures, and eventually the outright use of force against the refugees certainly constituted injury added to insult. By the end of 1978 it was quite clear that if no new and more effective action was taken against Vietnam, the social and economic burdens China had had to bear since the refugee crisis began would be further increased, in addition to all the public humiliation China had already suffered as the professed protector of the overseas Chinese.

Thus, although China's invasion of Vietnam in February 1979 had been triggered by a combination of factors and aimed at political objectives

3. *NCNA*, February 18, 1979.

4. Chang Pao-min, "The Sino-Vietnamese Territorial Dispute," *Asia-Pacific Community*, Spring 1980, pp. 151-152.

larger than the settlement of the refugee problem, the issue of overseas Chinese had clearly figured prominently in the thinking of the Chinese leaders. Indeed, the very choice of words, "teaching Vietnam a lesson," that had been repeatedly cited as the primary purpose of invading Vietnam was sufficiently ambiguous to conceal some of China's unstated motives and yet revealing enough to show her bitterness over Vietnam's Chinese policy.⁵ It is also significant that the immediate cause of China's invasion was identified as recurrent Vietnamese border provocations and armed incursions into Chinese territory, actions which clearly could not be isolated from the refugee crisis.⁶ In launching the invasion, therefore, China expected not only to restore order and stability to the land border, but also to stem the seemingly endless human flow by denying Vietnam at least the land outlet for her unwanted people. China apparently calculated that if she applied military pressure, Vietnam would finally be compelled to control the human flow from her side, if not also to change her overall policy toward the ethnic Chinese. At any rate, a war initiated by China would at least help her attain a position of relative strength vis-à-vis Vietnam over an issue on which she had so far had virtually no bargaining power.

The effects of the military action, however, fell far below China's expectations. Although Beijing did succeed in substantially slowing down the refugee flow overland and thereby finally getting the problem at least under control, as far as Sino-Vietnamese relations and the Chinese community in Vietnam are concerned the month-long war probably created more problems than it solved, since it was humiliating enough to make Vietnam consider herself the victim of Chinese aggression but was too limited in its stated objectives to strengthen China's bargaining position. And in spite of all the precaution China had taken to dissociate the invasion from the issue of ethnic Chinese, the war was in itself sufficient to warrant retaliation against the ethnic Chinese still in Vietnam. As a consequence, if there had been any hesitation or self-imposed restraint on the part of Hanoi in persecuting and expelling the Chinese from Vietnam before the military clashes, there was none whatsoever after them. In fact, indiscreet Vietnamese Foreign Ministry officials after the war candidly revealed to foreign journalists that Vietnam intended to get rid of all

5. The phrase "teach Vietnam a lesson" was first used by Chinese officials on January 8, 1978. *ST*, May 4, 1979, p. 16. Deng Xiaoping repeated it on January 31, 1979, in the United States, and again on February 6 in Tokyo on his way back to Beijing. *NYT*, February 1 and 7, 1979. See also *BR*, February 9, 1979, p. 3. It was cited again by China after launching the invasion of Vietnam. *ST*, February 28, 1979, p. 1.

6. *NCNA*, February 18, 1979.

Chinese in Vietnam.⁷ By the same token, if the Chinese in Vietnam had hoped to better their lot or see some daylight after a long nightmare, they had no more illusions, either. Hanoi's determination to expel all Chinese from Vietnam and the desperation of the Chinese themselves thus combined to produce the largest exodus in modern history, and the blocking of land routes was no hindrance to the massive flow by sea which China had no way to deter or control. It was no accident that the exodus by sea speeded up in March 1979 and escalated steadily throughout the second quarter of the year. While the monthly average of boat people arriving in the other Southeast Asian states in the first quarter of 1979 was already 11,000, as compared with 7,500 for 1978, the figure skyrocketed to 28,000 in April and reached an all-time high of 55,000 in June 1979.⁸

In the meantime, China, being geographically contiguous to Vietnam, continued to be affected by the new waves of refugees. During the four months immediately following the end of the border war, the monthly influx exceeded 10,000, and by mid-July another 50,000 refugees had reached China, mostly by way of the Chinese island of Hainan and the southwestern coast of the Guangdong Province.⁹ Moreover, as if in retaliation against China's invasion of Vietnam and her support for Kampuchea, Hanoi's policy of purging and expelling ethnic Chinese was quickly extended to Vietnam-occupied Kampuchea, leading to a new upsurge of refugees crossing by land into Thailand in June and July.¹⁰ In the first half of 1979 a total of 43,000 refugees was estimated to have crossed the Thai-Kampuchean border, and Thai military sources reported that most of them were of Chinese descent and that many had been sent to the border aboard Vietnamese trucks.¹¹

While letting the Chinese out of the country en masse, Hanoi was also openly extorting money from them as well as confiscating their property before allowing them to depart. According to sources in Hong Kong's banking circles, in April 1979 alone a total of US \$242 million was remitted through Hong Kong to Ho Chi Minh City by overseas Chinese to help their relatives or friends in Vietnam pay their way out of

7. *ST*, June 18, 1979, p. 3. Vietnamese delegates at the Jakarta Conference in May said that at least half a million more were waiting to leave Vietnam and that the problem lay only in whether other countries were ready to accommodate them, not in Vietnam. *NYT*, June 13, 1979.

8. UNHCR data sheets for 1978 and 1979.

9. *BR*, July 27, 1979, p. 23. The total refugee population in China had reached 250,000.

10. *ST*, May 23, 1979, p. 1; and May 25, 1979, p. 5.

11. *ST*, May 25, 1979, p. 5; and June 6, 1979, p. 2. The figure is based on the UNHCR data sheet for 1979.

the country. This amount was equivalent to half the total value of Vietnam's exports in 1978.¹² By June it was estimated that the refugee business had already replaced the coal industry as Vietnam's number one earner of foreign exchange and was expected to gross as much as US \$3 billion.¹³ That Hanoi had absolutely no concern about the fate of the refugees was shown not only in the woeful conditions of the small, dilapidated fishing boats into which they were packed, but also by the fact that such overcrowded refugee boats were sometimes shot at and even deliberately sunk by Vietnamese coast guard and naval vessels as they sailed precariously into the open sea.¹⁴

Given these circumstances, the negotiations that were resumed at Beijing's initiative immediately after the border war could not possibly have made the dispute over the overseas Chinese more amenable to solution. They merely served as another forum for the two countries to trade accusations. Vietnam, which had never been in a hurry to resolve the dispute, was in fact provided by the war with new ammunition and issues in her perennial war of words with China. But even China did not entertain much illusion about the prospect of progress on the drawn-out dispute in this third round of negotiations. Therefore, only two of the eight proposals presented by the Chinese delegation in the first session dealt with the question of overseas Chinese, and both concerned general, noncontroversial matters of principle. The two proposals were, first, that nationals of one country residing in the other country should respect the laws of that country and the customs of the local people, while the host government should guarantee their proper rights in regard to residence, travel, employment, property, and personal safety; and second, that the Vietnamese government should receive and resettle as soon as possible those ethnic Vietnamese driven into Chinese territory who wished to return to Vietnam.¹⁵ Without dwelling specifically on the status and plight of the Chinese in Vietnam, Beijing apparently hoped that Hanoi would become at least more accommodating.

Vietnam's counterproposal, however, did not respond to these issues at all, but was instead exclusively concerned with the problem of "securing peace and stability in the border areas."¹⁶ Apparently determined to

12. *NYT*, June 13, 1979.

13. *ST*, June 8, 1979, p. 36.

14. *NCNA*, May 30, 1978. *ST*, May 31, 1979, p. 28; June 18, 1979, p. 3; June 8, 1979, p. 1; and June 29, 1979, p. 2. *NYT*, June 13, 1979.

15. *NCNA*, April 18, 1979. An estimated 30,000 out of a total of 260,000 refugees accepted by China are ethnic Vietnamese. *ST*, July 10, 1980, p. 2.

16. *BBC/FE*, No. 6095 (April 19, 1979), p. A3/4. See also No. 6102 (April 27, 1979), pp. A3/11-12.

avoid a subject it never felt at ease with but always insisted on total control of, Hanoi chose to bypass the question of overseas Chinese and to concentrate on attacking the “aggressive” and “criminal” nature of China’s military operation and on accusing China of pursuing a “big-power expansionist and hegemonistic policy” in Vietnam and in all of Southeast Asia.¹⁷ In fact, throughout the first and second rounds of talks Vietnam did not even mention the problem of refugees or overseas Chinese. At a press conference held by the Vietnamese delegation in Beijing on June 28, during the second round of talks, the chief negotiator, Dinh Nho Liem, when questioned by some foreign reporters whether Vietnam intended to drive all Chinese nationals out of Vietnam, reportedly dodged their questions by insisting that the issue had nothing to do with the current Sino-Vietnamese negotiations.¹⁸ Not until early July, when the exodus by sea had aroused great indignation and caused grave concern in the international community and particularly the Southeast Asian countries, and when the Kampuchean War had also created a new, seemingly endless stream of refugees crossing into Thailand, did Hanoi finally speak out on the refugee crisis.¹⁹ When Vietnam did comment on the problem, she simply blamed China and the United States for having “created the exodus of Vietnamese fleeing abroad” and insisted that since these Vietnamese had left voluntarily and “illegally,” it was China and the United States that should be held responsible and should receive them.²⁰

Unable to bring the Vietnamese government to face the issue of overseas Chinese or refugees in China at the negotiating table, Beijing from late June on decided to promote international pressure on Vietnam by capitalizing on Hanoi’s “barbaric policy of creating and exporting refugees” to Southeast Asian countries with the clear purpose of “dumping economic burdens and social problems” on these countries and “creating turmoil and disrupting public order” in them.²¹ Hanoi retorted by accusing China of attempting to drive “thousands of trained Hoa” back to Vietnam and to other Southeast Asian countries. It was China, Hanoi argued, that had dispatched secret agents and saboteurs in the disguise of

17. *BBC/FE*, No. 6102 (April 27, 1979), p. A3/9; No. 6161 (July 6, 1979), p. A3/2; and No. 6155 (June 30, 1979), p. A3/2.

18. *BBC/FE*, No. 6155 (June 30, 1979), p. A3/2.

19. The summit of seven developed nations issued a strong statement on June 28 condemning Vietnam. *ST*, June 29, 1979, p. 36. The conference of ASEAN foreign ministers in late June also held Vietnam responsible for the refugee crisis. *ST*, July 2, 1979, p. 3.

20. *BBC/FE*, No. 6161 (July 7, 1979), p. A3/7; and No. 6172 (July 20, 1979), p. A3/4.

21. *BR*, June 22, 1979, pp. 21–22; *NCNA*, July 5 and 19, 1979.

land refugees and boat people to Vietnam and to other Southeast Asian countries for the purpose of “domination, trouble-making, interference, and subversion against various countries in the region.”²² Making explicit use of the “fifth column” theory popular with some Southeast Asian countries, Hanoi went a step further to warn all Southeast Asian countries of the untrustworthiness of the Chinese communities in these countries, from which China had “recruited and armed tens of thousands as instruments of political and economic pressures and subversion against local governments.”²³ Since no progress whatsoever was made in solving any of the outstanding issues of conflict, the exchanges in the conference hall became more and more hostile, with Vietnam accusing China of “evading her responsibility for the war of aggression” and China charging Vietnam with “evading the crucial issues of dispute.”²⁴ This last round of negotiation, like the two previous ones, ended in failure when China called off the talks on March 6, 1980, after 15 fruitless sessions of talks that had lasted for nearly one year.²⁵

Just as there seemed to be no end to the quarrel and no shortage of ammunition for the war of words, so the exodus both by land and by sea continued. Although Hanoi seemed to have turned down the tap somehow after the Geneva Conference on Refugees held in late July of 1979, the human flow was far from being stopped. In spite of all the control measures taken by Beijing, at least 10,000 more refugees reached China between July 1979 and July 1980, bringing the total refugee population in China to 260,000.²⁶ This figure exceeds the estimated total Chinese population in the northern part of Vietnam, where the overwhelming majority of the newly displaced people had come from. At the same time, during 1979 alone as many as 206,594 boat people, mostly from South Vietnam, reached the shores of other Southeast Asian states.²⁷ The flow continued into 1980 with another 80,000 added to the boat population, bringing the total number of boat refugees to 400,000 by the end of 1980.²⁸ Assuming conservatively that one out of every two boat refugees succeeded in battling the stormy waves of the South China Sea, overcame the hunger and thirst during the journey, and finally survived the pillage, rape, and murder of the pirates who flourished in the region, the total

22. *BBC/FE*, No. 6161 (July 7, 1979), p. A3/2; and No. 6172 (July 20, 1979), p. A3/4.

23. *BBC/FE*, No. 6161 (July 7, 1979), p. A3/2.

24. *NCNA*, June 28, 1979; *BBC/FE*, No. 6172 (July 20, 1979), p. A3/4.

25. *NCNA*, March 6, 1980.

26. *ST*, July 10, 1980, p. 2.

27. UNHCR data sheets for 1979 and 1980.

28. *Ibid.*

number fleeing Vietnam by sea could well exceed one million.²⁹ Although the boat people have included both Vietnamese and ethnic Chinese, if the estimates made by the United Nations High Commissioner for Refugees that ethnic Chinese accounted for 70 percent of the boat refugee population may be used as a general guide,³⁰ one can conclude that the entire Chinese population in South Vietnam also has now been all but completely eliminated. The dispute over the Chinese in Vietnam, therefore, has become a dead issue in a most bizarre and tragic way.

29. It was estimated that at least 50 percent of all refugees leaving Vietnam by boat perished at sea. *ST*, June 8, 1979, p. 36. Some informed sources put the casualty rate as high as 70 percent. *NYT*, June 13, 1979. The UNHCR estimated in May 1980 that one out of every two boats that landed in Malaysia had been attacked at sea by pirates. *ST*, May 8, 1980, p. 2. See also *FEER*, December 22, 1978, pp. 13-14.

30. Based on UNHCR estimates. See *ST*, October 13, 1978, p. 3.

VIII

The Conflict in Perspective

ALTHOUGH NOT TO BE separated from the broader geopolitical conflict between Beijing and Hanoi, the Sino-Vietnamese controversy over the overseas Chinese clearly had its distinct origins and its own momentum. It reflected the complex and lasting nature of an old problem and in terms of consequences also pointed to a remarkable continuity between the two eras separated by 1975. By and large, the conflict was rooted in circumstances beyond the control of both China and Vietnam. Because of the prolonged political turmoils in Indochina, the South Vietnamese government never had a real opportunity to absorb the Chinese in Vietnam. Nor did the Chinese themselves feel a real need to transfer their allegiance as long as the political future of the country remained in flux. As a result, the problem remained basically unresolved when the Communists overran the south, in spite of all the efforts made by the Saigon regime to assimilate the Chinese and the declared pragmatism in China's policy toward all overseas Chinese. To a certain extent, therefore, Hanoi and Beijing were both faced with an anachronistic situation in 1975 and were caught by surprise by the superficial effects of Vietnamization. As Hanoi rushed in to tackle the problem, Beijing was also inevitably dragged into it, and the magnitude of the problem was such that it was destined to explode into a crisis.

The case of Vietnam is unique in that Vietnam shares with China not only common borders but also a common ideology and political system. Had Vietnam been a noncontiguous, non-Communist Asian nation, Beijing probably would have felt more powerless and certainly would have been more discreet in its reactions. However, Vietnam has had a friendship with China sealed in blood and sweat for more than thirty years. After all the material and human sacrifices China had made in support of the Vietnamese struggle against imperialism, she apparently felt that Hanoi could at least show its gratitude by consulting Beijing on such important matters as the treatment of overseas Chinese and by refraining from any drastic actions against them. That Hanoi failed to do so was

therefore viewed as a blatant act of betrayal and machiavellianism that could not be condoned without damaging China's pride and image.

The need for China to adopt a tough stand on the issue of ethnic Chinese in Vietnam was all the greater because the problem arose at a time when China was renewing her interest in overseas Chinese and beginning to pursue a more active policy, and Vietnam was the first country openly to challenge Beijing's new posture. What happened to the Chinese in Vietnam and how China reacted to it, therefore, could well be a test case with far-reaching implications for millions of Chinese in other Southeast Asian states as well as in other parts of the world.¹ And if Chinese in a socialist country contiguous to China that had been a close comrade-in-arms for so long could not count on Beijing's sympathy and support, certainly there would be no hope whatsoever for China to cultivate and win the friendship of Chinese communities in the other Southeast Asian countries that had been much less friendly to her.

To be sure, China's eagerness to intervene in Vietnam was further strengthened by the openly displayed pro-China sentiments within the Chinese community in Vietnam, which could not be simply ignored. Although it is difficult to identify the exact pattern of interaction between Beijing and the Chinese in Vietnam in the years immediately following the end of the Vietnam War, China's adoption of a more active policy in late 1977 might well have been prompted at least in part by the stream of pleadings for help that besieged the Chinese authorities after mid-1975, not only from the Chinese in Indochina, but also from Indochinese refugees exiled in Europe and the United States.² And the outpouring of pro-Beijing feelings among the Chinese in South Vietnam from 1975 to 1978 was indeed spectacular considering their non-Communist political background. Certainly it could not be reproduced in other parts of the region under similar circumstances. It therefore inevitably complicated the entire matter by obliging Beijing first to adopt a positive attitude toward the Chinese in Vietnam and eventually to go all the way to make good its promises of protecting them.

However, that all the above factors were relevant in shaping Beijing's policy by no means suggests that there was a basic change after 1977 in China's goals with respect to overseas Chinese in general and the Vietnamese Chinese in particular. In fact, a careful reading of Chinese policy statements made since 1977 shows that China's new stance was

1. There were at least one million stateless Chinese in Southeast Asia in 1978. *FEER*, June 16, 1978, pp. 17-24.

2. *Ming Bao* (Hong Kong), May 1978, pp. 106-107. *FEER*, May 12, 1978, p. 10.

little more than a reactivation of her pre-Cultural Revolution policies. To the extent that Vietnam was already a Communist country in 1977 and that most Chinese in Vietnam were bourgeois-oriented, Beijing's interest in the Chinese community apparently did not go beyond seeing it as a bridge for friendly ties between the two countries and most probably not even as a reliable source of revenue and expertise in China's modernization programs.³ Although China appeared to have "talked big" in the beginning of the crisis by repeatedly asserting her right to protect the interests of her overseas nationals, such a posture was more a gesture to placate the Chinese than an expression of intention to act forcefully. In fact, not until her territorial integrity was being violated in late 1978 did China back up her verbal protests and warnings with any show or threat of force. Nor was China prepared to repatriate more than a negligible percentage of Chinese from Vietnam even after an evacuation plan had been put into operation. After all, the controversy emerged and the population migration began as early as the spring of 1977. Yet China took no open action for more than year, and reacted only after the refugee influx had already reached unbearable proportions. Judging from the predicament China faced, therefore, one could hardly describe the Chinese reactions throughout the dispute as overzealous or provocative.

Precisely because Beijing was unable to extend effective help to so many Chinese in Vietnam and yet could not simply ignore any mammoth social engineering process directed against them right across China's borders, what it sought from Vietnam was little more than a graceful way out of a delicate situation by allowing the Chinese sufficient time to assimilate into the Vietnamese society. Hence Beijing throughout the controversy never challenged Hanoi's right to integrate the Chinese, but only disputed the pace and cost of such a process by emphasizing persistently the necessity and desirability of gradual naturalization. That Beijing never gave even a rough figure of Chinese whom it considered as its citizens also showed that it was not the future of the Chinese that concerned China, but rather their well-being in the transitional period. From Beijing's point of view, if only Hanoi had slowed down the socialist transformation, thereby avoiding social unrest and minimizing resentment among the Chinese, the entire problem would have been solved gradually without causing unnecessary political embarrassment to China. And according to

3. *BR*, March 10, 1978, p. 37. The amount of overseas remittances from Vietnam to China from 1950 to 1964 was only one-tenth to one-fifth of those from other Southeast Asian countries. Leo Suryadinata, *Overseas Chinese in Southeast Asia and China's Foreign Policy* (Singapore: Institute of Southeast Asian Studies, 1978), p. 43.

China's own experience, such a policy was entirely feasible: the process of socialist transformation could indeed be gradual, one in which the expertise of bourgeois professionals and entrepreneurs could be used to the benefit of Vietnam.

Given China's past experience in coping with the overseas Chinese problems, there is also every reason to believe that had Vietnam resorted only to subtle discrimination against the Chinese without openly persecuting them and forcing them out of the country, the conflict could have been confined to manageable limits, and Beijing most probably would have seen no reason to create a clamor or eventually to go to war with Vietnam. After all, virtually none of the Chinese in the south ever held passports issued by Beijing. Furthermore, Beijing had never been able to alleviate the plight of Chinese in any of the other Southeast Asian states when they were subjected to harsh measures of assimilation. Whatever actions China might have taken would probably have been confined to discreet diplomatic pressures.

That Vietnam did not give any consideration to China's predicament but went deliberately against Beijing's wishes was therefore a pill too bitter for China to swallow. Once it became clear to Beijing that Chinese in Vietnam were openly persecuted and actively encouraged or even compelled to return to China and that the stream of refugees crossing the land border was apparently endless, China clearly had no choice but to react forcibly. The unpleasant memory of having to repatriate some 100,000 Indonesian Chinese in the 1960s was apparently still fresh in Beijing's mind, and China certainly did not want to turn herself into a dumping ground for all the 1.5 million Chinese unwanted by Vietnam. To acquiesce in the Vietnamese actions against the Chinese would not only have had serious social and economic repercussions on a country already limited in resources, but would also have set a bad precedent, leading to endless problems with other Southeast Asian countries in the future. The influx of Vietnamese refugees therefore had to be stopped, through negotiation if possible and by force if necessary.

On the other hand, Vietnam's policy toward the Hoa people has been dictated by both her external objectives and her domestic needs. Precisely because of its close ties with and clear dependence upon China for more than thirty years, Hanoi after the end of the Vietnam War was determined to redress the bias by deliberately steering away from Beijing and was therefore particularly wary of any sign of Beijing's growing influence within the country through the ethnic Chinese. In view of the formidable obstacles Hanoi faced in consolidating its power in the south, the large Chinese community and its dubious political outlooks indeed

constituted for Vietnamese leaders a constant source of anxiety that had to be removed as soon as possible. This task became all the more urgent because of Vietnam's worsening border conflict with Kampuchea, of which China disapproved. The imperatives of reducing China's impact and realizing its own regional ambitions therefore required Hanoi to take a drastic approach to the problem of integrating the more than one million potentially unreliable Chinese. And precisely because there was no need to toe Beijing's line after 1975, Hanoi believed that the issue of the Hoa people should and could be finally solved.

The decision to launch a frontal assault upon the Chinese community, however, did not merely reflect Hanoi's determination to assert its complete independence from China, but was also demanded by the country's economic situation. Apart from the law of socialist transformation, which Vietnam as a Communist country had no choice but to follow, Vietnam after the war was besieged by acute and prolonged economic woes that could be attributed largely to the essentially bourgeois southern community. And whether to push through the programs of socialist reform or to bring some order into the chaotic economy, it was necessary to dislodge the Chinese from their grip on the nation's economy. If China did not want to suffer a loss of face in the event of drastic transformation of the Chinese community in Vietnam, Hanoi could not afford to wait for such transformation, precisely because of the large size of the Chinese community and its enormous economic power. And to acquire the badly needed capital for domestic reconstruction and external adventures, what could be a more ideal target of attack or source of revenue than the affluent but distrusted Chinese?

Nevertheless, like its predecessors, Hanoi was clearly aware of the valuable role the Chinese community in Vietnam could continue to play in national reconstruction and certainly saw no reason to deprive them of all their means of living, much less to expel them, as long as they were resigned to their new fate. This was so particularly with respect to those who had made the socialist North Vietnam their home for more than thirty years. In fact, while the socialist transformation clearly affected all bourgeois elements in Vietnam, the political surveillance and discrimination directed specifically against the Chinese could also have been necessary but temporary measures enforced to minimize security risks at a time of continuing political unrest and changing alliances in the region. And apparently the "clearing the border" campaign launched by Hanoi in early 1977 was limited in scope and purpose, affecting mainly the diverse minority races living along the border, with the bulk of the Chinese community in the north left intact.⁴

4. *FEER*, May 5, 1978, p. 16.

What Hanoi expected from the Chinese community, therefore, was perhaps nothing more than an overt show of allegiance for the new regime and a willingness to accommodate to the measures for social and economic reform. To ensure that the integration and socialization processes went smoothly, however, Hanoi expected Beijing to adopt nothing less than a hands-off policy, for only when and if the Chinese community was denied access to the most powerful source of support could the assimilation policy have any prospect of success. Hanoi apparently calculated that as long as the Chinese were realistic enough to be content with their new status in socialist Vietnam, and as long as Beijing refrained from intervention, the dust would settle in Vietnam after some time, no matter how costly the integration might be. This belief explains why Hanoi throughout the dispute adamantly and persistently claimed complete jurisdiction over the entire Chinese community, and in fact made it a nonnegotiable issue. To have done otherwise would have been to add uncontrollable factors to mounting obstacles. And precisely because the task of integrating the Chinese was both crucial and formidable, Hanoi viewed any form of resistance from the Chinese community as a manifestation of disloyalty and any degree of intervention from Beijing as a deliberate act of sabotage against Vietnam's developmental process.

In the light of the above, had the Chinese community demonstrated a greater measure of calm and political apathy, and had Beijing been less enthusiastic about expressing sympathy for and lending support to the Chinese, Hanoi would have felt more secure, and the socialization process would certainly have been less violent. However, such was unfortunately not the case. Indeed, the degree of overt sympathy for China expressed by the Chinese community could hardly have been tolerated by any independent-minded Vietnamese government. Such pro-China feelings were bound to suggest illicit links between the Chinese and the government in Beijing and were in themselves sufficient proof of the untrustworthiness of the former. The active wooing of the Chinese by Beijing merely confirmed the suspicions of the Vietnamese leaders, and in turn compelled them to take increasingly harsh actions against the Chinese. In stepping up its assaults upon the Chinese, Hanoi not only further humiliated Beijing, but also unleashed powerful disruptive forces within Vietnam. And eventually the combined pressures of political discrimination and economic deprivation upon the Chinese community were so overwhelming that they could not but have alienated even the most loyal and apolitical Hoa. The interaction among Beijing, Hanoi, and the Chinese in Vietnam thus set off a chain reaction that quickly got out of control. After all the unrest and disruptions, Hanoi apparently decided

that the Chinese in Vietnam had become a sheer liability both economically and politically and that expelling all the Chinese from the country was simply the most expedient if not also the only way out of an uncontrollable situation.

This conflict over the overseas Chinese, however, probably would not have run its full, tragic course had it not been linked to a clash of interests between China and Vietnam over territorial and regional matters after 1975 and to the changing alliances among China, Russia, and Vietnam. These links explain at least partly why the dispute worsened dramatically at the end of 1977, when the Sino-Vietnamese talks on territorial disputes were breaking down and when both sides became clearly aware of the other's intentions regarding Kampuchea and of the incompatibility of their positions.⁵ It was also no accident that the Chinese invasion of Vietnam in 1979 followed immediately the Vietnamese occupation of Kampuchea. Similarly, had Vietnam not received the full backing and encouragement of the Soviet Union, she most probably would not have resorted to such extreme measures against the Chinese community so openly or turned against China so violently in 1978. On the other hand, precisely because Hanoi was playing proxy for Moscow in Indochina, Beijing found Vietnam's actions against the Chinese particularly detestable and was also extremely reluctant to back out from the worsening conflict. Indeed, the 1979 war was launched not so much to show China's determination to protect the overseas Chinese as to demonstrate to Hanoi that it could not get away with its anti-China activities even though it had Moscow's backing. It is in this light that one can speak of the overseas Chinese issue as a function of a larger geopolitical conflict in the region. Nevertheless, given the evidence presented above, one could hardly describe these external, broader factors as direct causes of the dispute over the Chinese, although they have delimited the context of the conflict and have certainly exacerbated its intensity by adding fuel to a burning fire.

In the final analysis, the Sino-Vietnamese conflict over the overseas Chinese represents one more and indeed the most vivid illustration of the long-standing dilemmas faced by all the three parties involved in such controversies. For China to close her eyes to any massive discriminatory

5. Chang Pao-min, "The Sino-Vietnamese Territorial Dispute," *Asia-Pacific Community*, Spring 1980, pp. 145-155. In December 1977 China published the full text of Kampuchea's policy statement on the worsening Vietnam-Kampuchea border conflict but only excerpts of the Vietnamese statement. *BR*, January 13, 1978, pp. 23-25. See also *FEER*, January 13, 1978, p. 10.

measures taken by Southeast Asian countries against resident Chinese communities is to forsake hundred of thousands, if not millions, of Chinese who either remain technically Chinese citizens or at least still look to China as the only source of help, or both, thereby mocking her status as a major power. Yet to lend effective support to such a large number of overseas Chinese requires a measure of power and influence that Beijing simply does not possess. And an energetic policy of political and moral support could only produce false hopes among the Chinese and antagonize the host countries, thereby bringing more misfortune to the Chinese communities. For Vietnam as for some other Southeast Asian countries, on the other hand, the presence of a large alien colony is objectionable and troublesome enough; to grant equal treatment to the Chinese community is to add political influence to the vast economic power it already possesses, thereby entrenching and perpetuating its privileged position in a non-Chinese society. Yet to expel the Chinese is politically unthinkable under normal conditions, while any successful attempts at complete assimilation of the Chinese would need to be of such a scale and nature that they could only—at least in the short run—alienate further the Chinese from their host government and generate social and economic upheavals, if not also oblige the Chinese government to step in. But clearly the most painful dilemma is faced by the overseas Chinese themselves. Being both envied and resented in their countries of residence, they have to choose between two equally unpleasant courses of actions. If they accept docilely whatever deprivations and discrimination might be imposed upon them as second-class citizens, they may well eventually lose most of their hard-earned gains. If they resist measures of forced integration or appeal to external sources for help, they will be branded as chauvinists or traitors and will supply their host governments with more justification for harsher discrimination and even open persecution. However they react, the Chinese remain the scapegoat for all internal troubles and a handy hostage that can be easily used against China in any dispute.

Moreover, the interaction of the three parties in Vietnam clearly shows that, just as in any previous case, China as well as the Chinese was unmistakably the loser. Even if China had wished to use the issue of overseas Chinese as a political lever against Vietnam when the refugee crisis began, she was quickly put on the defensive and could only react to every measure taken by Vietnam. And the more China got herself involved, the more conspicuous was her vulnerability in the conflict. Because of this vulnerability Beijing had to cling persistently to negotiations in spite of their proven futility, for negotiation was the only way by which China could hope to modify Vietnam's policy and improve the lot

of the overseas Chinese. However, if China could not tolerate open humiliation, Vietnam succeeded in delivering exactly that to her by consistently stalling every negotiation initiated by China while stepping up her persecution of the ethnic Chinese. In fact, negotiations were used by Hanoi to underscore China's impotence, as the Vietnamese position steadily hardened. As the conflict deepened, the Chinese community became in Vietnamese hands more and more conspicuously a trump card, which Hanoi played with increasing skill against Beijing. The decision made in late 1978 to expel all the Chinese clearly showed the extent to which Vietnam was prepared to go to humiliate China. It also completed the picture of a China totally helpless in a situation largely beyond her control.

The bitter lesson China has learned in Vietnam has broad implications and is bound to affect China's future overseas Chinese policy and the future of Chinese communities in Southeast Asia. Insofar as it was a crushing defeat of China's new stance on the overseas Chinese, Beijing clearly cannot expect much tangible gains from its existing policy of appealing to and giving support to millions of overseas Chinese. To the extent that China's intervention in Vietnam has rekindled fears among certain Southeast Asian countries about China's goals with respect to the overseas Chinese, Beijing will find it harder than ever to assure those countries of her good intentions.⁶ In all probability, therefore, Beijing is likely to tone down its present posture toward the overseas Chinese and even to revert to the pre-1977 position of inaction and indifference, if only to avoid bringing further disgrace to China and endangering the already precarious status of ethnic Chinese in the region. Perhaps for this reason China since late 1978 has not reiterated her policy on the overseas Chinese and deliberately played down the entire issue during the last two rounds of negotiations with Vietnam in 1979 and 1980.⁷ However, the likelihood that China will become an even less relevant factor in local Southeast Asian politics does not necessarily imply that the Chinese communities in the region will be better off from now on. Whereas the glaring inability of Beijing to come to the help of its overseas brethren in

6. Anxieties about China's intentions were expressed particularly by Malaysia and Indonesia. See *ST*, November 25, 1978, p. 40; December 12, 1978, p. 32; and April 30, 1979, p. 4.

7. In September 1980 China adopted a nationality law that not only withheld Chinese citizenship from all Chinese born outside China whose parents have taken up residence overseas, but also made Chinese citizenship no longer automatic to China-born Chinese residing overseas. Such Chinese may acquire Chinese citizenship only by an explicit expression of intention and only upon approval of their applications. *ST*, September 17, 1980, p. 32.

Vietnam in time of crisis has definitely dashed whatever illusions the other Chinese communities in the region might still have entertained, it has certainly not promoted racial harmony in some of these Southeast Asian countries or reduced their governments' suspicion of the ethnic Chinese. To the extent that the racial tension in some of these countries has in fact been exacerbated by the arrival of thousands of Chinese refugees, Vietnam's ability to expel nearly a million Chinese with impunity might well encourage more vigorous and outright persecution of Chinese in other parts of the region, since these Chinese are now entirely at the mercy of their host governments.⁸ Indeed, if racial relations in such countries cannot be improved substantially in the coming years, a replay of the Chinese exodus cannot be ruled out.

The victory Vietnam has gained in the controversy over the issue of overseas Chinese, however, is perhaps more superficial than Hanoi might have hoped. It was certainly made at a high cost to the Vietnamese economy and society. The social and economic disruptions resulting from the exodus of Chinese have seriously impeded reconstruction and have perpetuated a state of near chaos. The government might have amassed a fortune from the expelled middle class, but it will take decades to replenish all the skills and expertise drained overseas. Moreover, the very ruthlessness of the new Vietnamese regime in forcing the exodus could not but have blackened its image among both its own people and its immediate neighbors. Hence the massive departures by sea of ethnic Vietnamese, in addition to the Chinese, since July 1979, and the remarkable unity displayed by the five ASEAN states in their positions on Vietnam. In exporting refugees to other Southeast Asian countries, Hanoi has in fact defeated its original purpose of discrediting and punishing China, for the refugees are viewed as a destabilizing force by all other Southeast Asian states, and all these countries now regard Vietnam, not China, as the culprit.⁹ In this respect, Hanoi's unabashed lying about the refugee problem and its evasion of all responsibilities for it has only further diminished Vietnam's credibility in the eyes of all those that have to deal with her. And the dramatic shift of world opinion from deep sympathy and even admiration before 1975 to utter indignation and condemnation after

8. There has been political debate in some Southeast Asian countries on the policy of accommodating Vietnamese refugees, and clashes between the boat refugees and indigenous people have been reported. See *ST*, December 6, 1978, p. 32; December 18, 1978, p. 1; and December 28, 1978, p. 15.

9. For instance, the Bali Conference of Asian Foreign Ministers in late June of 1979 clearly expressed this concern and condemned Vietnam for its role in the refugee exodus. *ST*, July 2, 1979, p. 3.

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1978 is perhaps also unprecedented in modern history. One may surmise that even Russia cannot but be amazed by the blatant ingratitude Vietnam has shown toward China and the extreme sophistry she has resorted to in defending her misconduct, and therefore cannot but wonder about the extent to which Vietnamese friendship may be considered as a political asset.¹⁰ Viewed in the above light, Vietnam may have won a few battles on the issue of overseas Chinese, but diplomatically and politically she has most probably lost the war. However one may interpret the broader political implications of the Sino-Vietnamese conflict, in view of the bitter and humiliating experience China has had in dealing with Vietnam and the high cost Vietnam has had to pay for her policies, the controversy over the overseas Chinese issue is bound to poison the relations between the two countries for a long time.¹¹

10. The somewhat cooling relations between Moscow and Hanoi since mid-1980 and the growing role of Russia in Kampuchea may well signify changing attitudes on the part of Moscow. See *FEER*, February 6, 1981, p. 10; and February 27, 1981, pp. 32-33.

11. China has consistently rejected Vietnam's repeated bids to resume the stalled peace talks, branding Hanoi's request as propaganda gimmicks. *ST*, February 8, 1980, p. 2; and March 7, 1980, p. 3. *BR*, July 21, 1980, p. 2; October 6, 1980, p. 6; and December 29, 1980, p. 7.

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