

Economic Expectation for Migration to China---- Taiwanese Immigrants of Dongguan and Shanghai

Ping Lin
University of Oxford

Abstract

This paper uses data gathered from research project funded by Oriel College Oxford on economic expectation and sociological influence of Taiwanese immigrants in China to provide account of economic expectation derived from 51-in-depth interviews carried out in Dongguan and Shanghai between 2004 and 2005. We argue that despite the diversity of the sample, a number of common elements of people's economic expectation toward moving to China. Thirty-four respondents moved to China for the rise of income in the short-term, the prosperous in the long-term, or low cost for both. We also point out that seventeen respondents unexplained by economic models so we should add more sociological considerations, which will be displayed in other research.

1. Introduction

Since early 1990, it is estimated that more than one million Taiwanese businessmen had migrated from Taiwan, a industrialized country, into China, a developing country, contrary to the general migration pattern from poorer countries to richer ones. Their motivation for moving is of theoretical significance and will be explored in this paper¹.

Taiwanese immigrants in China can be traced back to their investments in Dongguan in the early 1980s (Lee 2004), when the rise of production costs and the dropping of profits pushed Taiwan's traditional industry to outsource abroad.² In 2004, there were more than thirty-four hundred Taiwanese firms registered in Dongguan in late 2003

¹ While readers should be aware of the problems associated with relying on newspapers sources of information, it is justified in this case. News from the press, such as *Jai Fang Daily* (China), *China Times* (Taiwan), *New York Times* (US), and *BBC* (UK), estimate the number of Taiwanese in China is between 1.5 million and 2 million. Readers can take the news "Taiwan Voters Weighing How Far to Push China", 18 March 2004, on *New York Times* as a good example for this estimation.

² It is difficult to confirm the year of first Taiwanese investment in Dongguan because of the travelling ban and martial law in Taiwan before 1987 made these investments as a taboo not discussed in public. However, we are sure it is no latter than 1987 from the information of respondents in Dongguan. A respondent told me her husband invested in Dongguan before the lift of travelling ban but she forgot in which year he did.

(DTBA 2004).³ From this number, we estimate the number of Taiwanese in Dongguan should be more than 120,000.⁴ Whereas Dongguan was a small county and became modernized after the investments from Hong Kong and Taiwan, Shanghai was more like a city with a good record and reborn in 1992. With good infrastructure and human resources, Shanghai quickly attracted Taiwanese investments after 1992. In 1993, Jiangsu/Shanghai attracted 26 percent of Taiwanese investments in China, lower than that (33 percent) in Guangdong; however, this number kept on growing to 55 percent, higher than that (28 percent) in Guangdong in 2004⁵. Whilst we rely on the data from local business association to estimate the number of Taiwanese in Dongguan, we do not do so in Shanghai⁶. We take the estimation from Fudan University and TAO in Shanghai as the more reliable estimate. They both estimated that more than 300,000 Taiwanese “often” lived in Shanghai Metropolis but only 20,000 of them “settled down” in Shanghai City (CSCA 2002).⁷

We take these estimations in Dongguan and Shanghai as beginning points to analyse Taiwanese’s motivation for migration. Although the result from the past research displays that business migration is the major force among this trend, we do not limit our analysis to people in business. In this research, we explore migration motives of people from more diverse backgrounds and viewpoints.

2. Literature Review

³ Mr Chen, an official of TAO (*Taiwanese Affairs Office*) in Dongguan, said that TAO had little idea about the exact number of Taiwanese firms in Dongguan because it was not compulsory for Taiwanese to register their economic activities in the local government. However, most Taiwanese firms registered in the local business association (Interview 27/10/04). Mr Zhao, the secretary general of DTBA, said all firms registered in DTBA had to and pay annual fees to keep their membership, which made the number of membership reliable. Apart from these thirty-four hundred firms, he estimated another one thousand small-sized firms unregistered (Interview 03/11/04).

⁴ In the interview with Mr Chen and Mr Zhao, I asked how to estimate the number of Taiwanese in Dongguan. As they replied, each individual Taiwanese firm hired at least ten Taiwanese employees as their core staffs. Most of these employees had three family members (usually spouse and two children) with them. So they concluded that the total number of Taiwanese in Dongguan should be more than 120 thousand.

⁵ Source from *Cross-strait Economic Statistics Monthly*, 1994-2005, Taipei: Mainland Affairs Council

⁶ Although *Shanghai Taiwanese Business Association* (STBA) stated more than 1300 firms registered as members in 2004, I did not take this number as the base for estimation because of its reputation among respondents in Shanghai. They complaint about the function of STBA doubted the reliability and its data and, so they recommend me take data from TAO, instead of STBA, as research base.

⁷ The Sociology in Fudan University conducted research on Taiwanese in Shanghai and published two reports in 2002 and 2003 In late 2002, I met Dr Guei and Mr Zhuang, researchers of these reports, to ask them how they obtained these two numbers. They replied that the number 300,000 was just from the estimation in the press and the number 20,000 was from their “feeling” during the interview and suggested me to ask help from the TAO in Shanghai. TAO gave me the following numbers. There were 550,000 Taiwanese entering China via two international airports (Pudong and Hongqiao) in 2002. Among these 550,000 people, 300,000 entered with 1-2 year of multi-entry visa. So TAO also estimated that around 300,000 Taiwanese “often” lived in the Shanghai Metropolis in 2002.

Traditional research on migration displays that the demographic movement often takes place with labour movement from the less-developed countries to the better-developed countries (Chantavanich 2000). The most common explanation for these movements is the 'PUSH-and-PULL explanation', which argues that people migrate because of the PULL forces (i.e. economic prospects) in the receiving countries and the PUSH forces (i.e. famine and war) in the sending countries (Cohen 1996). Economic models stress the migration cost, wage gap, and employment prospect differences between countries. And wage gap was identified as the prime reason. These arguments can be separated into neo-classical economics and new economics as follows.

Neo-classical economics explains that international migration in terms of geographic differences in the supply of and demand for labour. Countries with a large supply of labourers and relatively less capital often have wages lower than the ones with much capital and comparatively fewer labourers. If this wage differential exceeds the migration cost between countries, people are likely to move from low-waged countries to high-wage ones (Hirschman 1999). This model predicts the population movement will end when the wage gap drops to equilibrium level that merely reflects the pure cost of movement (Borjas 1999; Borjas 1990; Chiswick 1986). In this analysis, every individual is treated as an isolated unit making his own decision. A prospective migrant estimates his net return by calculating the difference in expected earning between the countries to decide whether or where he will move to acquire the greatest net benefit (Borjas 1990; Sjaastad 1962). He does not care about the net gain of other migrants but instead how to maximise his own net benefit, so his decision merely reflects the best way to exploit benefit (Massey 1993). Because of the target of benefit maximisation, a migrant will be back home or move to the third country if more benefit is predictable, such as the return of Irish from Britain during the economic rise in Ireland after the 1970s (Barrett 2001; Duleep 1994; Kirwin 1984; Malcolm 1996). Maximising the benefits is the major argument of neo-classical economics in explaining migration motivation.

New Economics also takes migration as result of wage difference between the countries. However, there are three points that differs from neo-classical economics: the unit of analysis, the functioning of the market, and the target of income. The unit of analysis of neo-classical economics is placed at individual level so that it overlooks the influence of migrants' family members. This makes neo-classical economics unsuitable to explain why some migrants with successful businesses return home when the wage at home is still much lower than that in the host countries. New

economics argues that migration decision is not made by isolated individuals, but by larger units of people, including the household of each individual migrant (Kuhn 2002). Apart from the difference in the unit of analysis, the new economics does not assume that the market functions perfectly. It argues that people in countries with malfunction of market will move to countries with better functioning markets to overcome the market failure at home. For example, a family in an aboriginal country facing crop failures and constraints in the market may send their members to countries where incomes are less related with crop market in order to obtain reasonable income to help family members at home (Massey 2003; Stark 1984). The third difference is migrants' target of economic reward. Because the final aim of migrants is helping their family members at home, their target is not to maximise their income but to earn certain amount of money with minimal risk in certain period of time. So, migrants will be back home after hitting their targets (Piore 1979; Portes 1989; Stark 1984).

Although the economic models are powerful in explaining existing labour movement, there are some puzzles that remained unexplained: *too-much and too-little puzzles* and *the mobility of professional migrants*. Both neo-classical and new-economics are helpful to explain the motivations of labour migrants but they fail to explain why the amount of migration is not evenly distributed between all low-waged countries and high-waged ones (Castles 2003; Faist 2000). If the wage difference between countries is the main factor of migration, why does *too-much* migration occur between certain countries (e.g. migration from India to Britain) but *too-little* migration between other countries (e.g. migration from India to France)? Apart from the drawbacks of these puzzles, the economic models do not account for the growing mobility of professional migrants after the 1980s (Salt 1988; Sassen 1988; Sassen 1991), because they are too simplified to analyse migration affected by non-economic factors (Hardill 2000) and the international contexts (Heisler 1992; Papademetriou 1991). For example, research on overseas nurses in Britain shows that more than 85 percent nurses comes from UK-friendly countries, such as the EC, New Zealand, Australia, US and Canada (UKCC 1998). Some of these nurses took working in Britain as a chance to obtain the overseas experience to enrich their lives, not as a chance to make more money (Hardill 2000).

These puzzles show that some factors are missed in economic models. We should discuss them before the empirical analysis in this research. First, the length of time for expecting the net benefit may vary among individual migrants. While most labour migrants may expect better income in the host countries immediately, professional migrants may tolerate short-term deficits for the larger returns in the long-term.

Second, each individual migrant may have multiple definitions of his net benefit calculation. To migrants with resources of professional skills, their destination selection is also based on the comparison between several potential places in social connections, cultural affinity, and application of their skills. To these people, moving to one country is not only a search for more income but also lower risk as well as a better life quality. Third, the relocation of business to overseas leads some domestic professionals move as well. While foreign direct investments in the developing countries may attract labour migration to the developed countries, they also bring population mobility (i.e. entrepreneurs, employees and their family members) into the developing countries. Four, the economic models ignore migrants who may have different preference priority. When some migrants take monetary income as their first priority, others may take social relationships and emotional needs, such as family reunion, more important than their monetary income.

The discussion above states that economic models should be treated as general pattern in explaining migration motivations, but they may not be suitable in explaining migrants with more resources and multiple expectations. The research on Taiwanese immigrants in China will display the explanation of economic models and point out the need of sociological models for further analysis in the features of social relationships, obligations, cultural preference and values, quality of life, and self-actualisation.

3. Methods and Data

The reliability of statistical data is often challenged in Chinese studies even though the data is from the Chinese government (Holz 2001; Lyons 2003). Research on the issues between Taiwan and China face more pitfalls in the numerical data due to the political concerns from both governments (Sung 2005; Yeung 2001). Because of the concerns, we only take the official data as background introduction but put more emphasis on the qualitative data collected from the fieldwork⁸ by ethnographic methods. In order to obtain reliable information, I worked as a part-time teacher in two Taiwanese schools that provided me varied opportunities to talk with different Taiwanese, observe their life, and confirm the information I got. This method seems more un-organized than a structured survey but provided us with more reliable and

⁸ In the beginning of the fieldwork, I tried to collect data by doing surveys to respondents selected from strictly statistical sampling but this method did not work. Although some Taiwanese immigrants were happy to tell me their life in casual talks, none of them liked their information revealed as 'evidence' in any format of paper survey or tape-recorded interviews. In order to make all the chats go smooth, I gave up the tape-recording in most cases of interviews but took detailed description about my observation every night to keep all the information in the filed note as reliable as possible.

in-depth knowledge.

In this research, I collected data from respondents selected by the following sampling strategies and purposes: theory-based sampling have cases to challenge or confirm theories, maximum variation sampling to obtain respondents to cover the largest range of information available, typical sampling to get ordinary cases for general discussion, and critical case sampling to gain special cases for particular information. Like most sampling processes in qualitative research, the sampling in this research started from *snow-balling* techniques in some easy cases but ended with a large range of different respondents. Totally, I obtained thirty respondents in Dongguan PLC (Prefecture Level City)⁹ and twenty-one respondents in Shanghai Metropolis¹⁰. In addition to resources from selected respondents, I also obtained rich information from individuals and activities¹¹ of *TBDS* (Taiwanese Businessmen's Dongguan School), *HDTs* (Hua Dong Taiwanese School), *DTBA* (Dongguan Taiwanese Business Association), *KTBA* (Kunshan Taiwanese Business Association), *TAO* (Taiwan Affair Office) in Dongguan and Shanghai, *Tzu-chi* (one of the branches of Taiwanese Buddhists) in Shanghai, universities in Guangzhou¹² and Shanghai, *ACTA* (All China Taiwanese Association) in Dongguan, and *ADT* (Association of Dongguanese in Taipei). Information from these diverse resources helps us make our interpretation as deep as possible.

4. Results

The main argument of economic theories on migration is that people migrate overseas in order to receive more income quickly. By analysing the main concern of immigrants' motivation, we separate the fifty-one respondents into four categories. Because of the limit of space, we only discuss the first three categories that are related

⁹ The idea of PLC did not exist in China before late 1980s. A PLC is usually composed of a major city as a centre surrounded by counties, towns and villages (Chung and Lam 2004). Although a PLC is also called *shi* (city) in Mandarin Chinese, it is different from the ideas of "city" in English. The major city in a PLC is more close to the idea "city" in English. In this research, we just call "Dongguan" to refer to the whole Dongguan PLC and "city centre" to refer to the major four cities in Dongguan PLC (Vogel 1989: 119-120; Roberts and Ng 1997: 42).

¹⁰On geography location, Shanghai City is surrounded by Jiangsu Province, but they are at the same level of administration. Shanghai Metropolis is not an administrative concept in bureaucracy. It often refers to Shanghai City plus some satellite cities of Jiangsu Province. In this research, we put the Soozhou PLC together with Shanghai City to form the boundary of Shanghai Metropolis for discussion. For the convenience of discussion, we just refer to Dongguan PLC as Dongguan and Shanghai Metropolis as Shanghai in this research.

¹¹I have to say the activities of these institutions and organizations are very important in the fieldwork. Activities sponsored by them offer not good arenas for me to participate in and observe respondents' life but also rich materials to exercise the triangulation techniques.

¹² In this research, two cases (university students) were not obtained from the university in Dongguan but the university in Guangzhou because of the unavailability of Taiwanese students in Dongguan.

with the economic models in this paper. The result is displayed in the following table.

Table 1: Respondents' Main Concern in Decision Making¹³

Respondents (and percentage of them in each place)					
Place	More income immediately	More income in future years	Low cost	Others	Total
Dongguan	19(63)	1(3)	3 (10)	7(23)	30
Shanghai	8(38)	3(14)	0(0)	10(47)	21
Total	27(53)	4(8)	3(6)	17(33)	51

Motivation for economic rewards in the short-term

Economic theories state that people migrate for higher pay immediately. Most respondents of the first group were expatriates of Taiwanese firms. They moved to China because they would have more income overseas; otherwise, they would have to face the risk of being jobless at home. We take the case of Henry for discussion.

Henry had a university degree and years of experience in Taiwan. A Taiwanese IT firm dispatched him to Shanghai in 1992. In the beginning, his pay in Shanghai was about "1.5 to 2 times, never heard of higher than 2.5 times" higher than his pay in Taiwan.¹⁴ Apart from this monthly pay, he enjoyed a variety of allowances including "free accommodation and free air transportation between Shanghai and Taiwan for all his family members" He was recalled in 1994. In 1997, he was dispatched to Dongguan by another Taiwanese IT firm. The firm in Dongguan offered Henry similar pay, free air-tickets, and a flat complete with furniture to live in with his family.

(Field note 03/12/04)

¹³ This data is collected in the fieldwork by myself. The first three categories refer to respondents who claimed economic reward/cost as their major concerns. The first group "more income immediately" refers to the respondents who predicted to have immediately higher income in China before migration. The second group "more income in years" refers to the respondents whose first income in China was roughly the same or even slightly lower than their final income in Taiwan. They did not care about it because they predicted the rise of China in the future and the rise of their income in the coming years. The third group "low cost" refers to the respondents who knew their low income in advance. They might expect some non-monetary rewards but they all claimed that the 'low cost' was more important than the 'high income' in their economic concerns. The fourth category 'others' refers to the respondents who claimed sociological factors (i.e. family reunion, orientation to Chinese culture, and searching challenges in life) much more important than economic factors.

¹⁴ I asked respondents their income in China directly because some people might not be happy to discuss it. In the case of Henry, he told me his income "higher than that in Taiwan." When I continued to ask about the gap of "his" income, he did reply but told me the gap he had heard of in the past ten years. So we can assume this range applies to most expatriates including him.

The case of Henry represents most expatriates of Taiwanese firms. They were well educated and had years of working experience. In the beginning, they were just dispatched to work temporarily for “one or two weeks”, but these periods of works “often occurred one after another” and their duration was “more and more likely to be extended to several weeks, months or years, just like a provisional expatriate without any clear ending.” (Interview 04/12/04). Could they say “No” to stop this endless dispatch? Did they have other alternatives? As Henry said, “When one major firm leaves for China, many employees and cooperative firms have to move together. This is the trend ¹⁵” (Field note 03/12/04). Although he was recalled in 1994, Henry moved to China again in 1997. Another expatriate respondent with similar background made his moving to Dongguan with one remark, which further explains the motivation of these middle-aged expatriate: “what new career could I do in Taiwan at the age of forties when most firms I could work for had moved to China” (Field note 02/11/04). For these expatriates, it is difficult to answer the question “Did they jump or were they pushed?” From the discussion of Taiwan’s outsourcing to China in introduction and the responses here, we know that both the Pull factor (higher salaries overseas) and Push factor (the risk of being jobless at middle age) contribute to trend of expatriate migration. Their migration was purely triggered by the relocation of their firms.

Motivation for economic rewards in the long-term

Although economic theories state that people migrate for higher pay in the short-term, some migrants may have different idea about the length of time. They would sustain some cost or low income for certain period of time in order to search for higher income in the long-term. Whilst most respondents fit in the previous category, four respondents claimed they put more emphasis on the economic benefit in the long-term. In this section, we take the case of Min’s searching for “plenty money in the future” for discussion.

Min obtained his Diploma in Construction in 1980. He had known the property business, building and selling houses, very profitable in his childhood¹⁶ and his period of being an apprentice. He said, “They spend their money just like

¹⁵ Other expatriates confirmed Henry’s opinion. Expatriates recalled to Taiwan are still more likely to be dispatched again than their colleagues. If they resign to work for other firms, they are also highly likely to be dispatched to China because most bosses often think, “You have been there before. You have more experience to deal with Chinese so you should go there again.” (Field note 09/03/05)

¹⁶ He recounted me a true case in his childhood to explain how he learnt this. One day, he and his father walked past a construction site containing unfinished apartments. It cost NT 230 thousand to buy one unit of flat. One week later, they passed the same place again. The price had risen to NT 290 thousand for one unit. His father told him to stay there. He cycled home quickly to take NT 20 thousand to pay the deposit for one flat.

wasting the tap water.” He worked as a construction builder in 1982-84 and ran his own business in construction and interior design after 1985, but he “missed the best time to make a lot of money because the property business in Taiwan was decreasing in prosperity in the late 1980s.” He kept on searching for “the feeling of becoming a millionaire at one night” and believed he would achieve this one-day.

“In the late 1980s, some Taiwanese came to China to do business in entertainment, such as restaurants, KTV, and karaoke. They thought the quality of designing and building by Chinese was so horrible that they asked their Taiwanese partners to help them. So I came to China to help my customers in 1993-1995”, he said. Apart from occasional working for his customers, he travelled and explored business opportunities in many Chinese cities, even in Harbin and Gueizhou. He succeeded several times during these two years; for example, he “earned ¥150 thousand in one month by selling a special tasting beef noodle” and “made a fortune by selling fashionable trousers in Beijing.” Finally, he finished all his business in Taiwan decided to settle down in Shanghai in 1995. He believed that Shanghai was the place he would have the possibility to “enjoy the sense of becoming a millionaire at one night” in the future.

(Interview and Field note 29/04/05)

The case of Min stated that business entrepreneurs were more likely to be in this group. They did not pursue satisfying economic returns immediately after migration. They would spend certain amount of money and time to explore several potential destinations before migration. To Min, his life in China in 1993-1995 did not only consist of travelling and working. He also explored business opportunities in many cities and got an idea that “*designing a fashion, instead of following the fashion*” is the best way to make a lot of money quickly.¹⁷ His experience in 1993-1995 made him believe that he would get rich in Shanghai in the future. So, he closed all his

¹⁷ He told me the story of how he got this idea: designing fashion instead of following the fashion is important. In 1994, clothing design in Beijing was still quite old-fashioned. People wore dark coats and cheap trousers. But people in southern China had some new ideas about clothing design. He bought a lot of “*Tsai-Jiao-ku*” from Guangdong to Beijing. It is a kind of trouser with heel belts. When people put on the trousers, they have to step on these heel belts. Then the trousers look straight and beautiful. He hired several young, tall, and good-looking girls to put on these trousers and walk around the streets. Then other girls on the streets asked these hired girls where to buy these special trousers. He was the only one selling those trousers in Beijing at that time. So he made a lot of money by selling those trousers with good price. After selling out of those trousers, he did not keep on with that business. Why? “*Once the fashion is set, the profits will drop. It is pointless to follow it or do it again*”, he said (Field note 29/04/05).

businesses in Taiwan to settle down in Shanghai in 1995. Although he did not have clear idea about what business exactly to carry out in that year, he believed that he would find the way to fulfil his dream of becoming a millionaire over there. The case of Min states that some Taiwanese moving to China because they had blocked mobility opportunities with the economic downturn in Taiwan. Moving to China provided them possibilities of self-actualisation during the rise of Chinese economy.

Motivation partially for low monetary cost

One of the common topics for casual chatting in the fieldwork was the low cost of certain services and goods. Most respondents did not have clear idea about how much they spent exactly but they (except a few in Shanghai) said they spent less in China because most goods and services were cheap.¹⁸ A few respondents volunteered to work in China partially because they expected the low economic cost and the returns of non-economic rewards. We take the cases of Ken and Teng for discussions.

Ken studied in the Philippines in 1996-2000 and back to Taiwan in 2001. He worked in Dongguan because his mother told him to “explore the possibilities here”. Although his pay was not very good, he was quite happy without complaint. I asked him why he was happier than most expatriates and he replied “Why unhappy? It is just like the Philippine. The living cost in the Philippines was so low that I had a sexy girlfriend and a big house cleaned by servants every day. It is the same in China. You should take advantages of this low cost here. If you have ¥50, you can walk into any restaurant without worrying about the price on the menu. What meal do we expect for ¥50 (NT 200, £3) in Taiwan? Even the cost for prostitutes is much cheaper. You pay ¥130 then you get services including straight sex, showering, watching TV, and taking rest after sex. What can you have in Taiwan?”

(Field note 30/09/04)

Because the living cost in China is relatively lower than that in Taiwan, some expatriate respondents paid less attention to their income than their colleagues did because they could keep their material life at high standard easily with the low living cost. With this low living cost, they had more energy and opportunities to broaden their careers. The

¹⁸ My observation is that this “low living cost” does not include the goods and services with pure European style. For example, if you have noodle, it is quite cheap. If you have Heineken at bar or cappuccino coffee in Starbucks, the cost is roughly the same (and sometimes more expensive) as that in Taiwan (even in England). This is why a few respondents in Shanghai have different response about the living cost in China.

case of Ken is a good example among these Taiwanese who enjoyed the low costs in material life and careers. Ken's life experience in the Philippines taught him how to take advantage of the low living cost to enjoy his material life before moving to China. Because of this awareness, his life in Dongguan was more active and colourful than the other single male respondents. He worked as a part-time manager at a nightclub on the weekend without obtaining any income. Why?

Apart from working full-time during the weekdays, he hangs out almost every weekend to "help" his friends, Ruby and Ruby-H, run a night club, 'CASA', in Chang-an (a town in Dongguan) without being paid. Although they do not pay him, they provide him with transportation cost and allow him to sign for the customers... "I will run my own company and they (the customers in CASA) will be my partners. They do not have time to actually run a new firm but they can contribute some money or social connections, then I will be the manager actually running it. Everything you see here is business.

(Field note 23/10/04)

To Ruby and Ruby-H, they benefited from a free helper to serve their customers at CASA. They did not pay Ken any salary, but a little less profit in Ken's bill-exemption in CASA¹⁹. All Ken received was a tiny transportation allowance but a good place to build up his social connections with Taiwanese in varied occupations. To Ken, this "low cost" in Dongguan is not only limited to food and sex. It also refers to cost in terms of associating with prospective business partners. In CASA, Ken had found a good place to associate with various Taiwanese and local Chinese. Rich customers in CASA tonight could be business partners of Ken in the future. Most important of all, he did not have to pay for this half-business social life²⁰.

¹⁹ I went to CASA with Ken three times and then I understood this logic in business. This logic may appear strange to the European. The logic is: keeping a good personal relationship with the customers is an important factor in running a business, especially in the service industry (restaurants, pubs, or clubs). Customers may frequent a certain place because they like to chat and flirt with the waiters/waitresses/bartenders or the boss. In order to build up this good relationship and maintain it, managers usually have the rights to "pay a bill for the guests". It means, "You are not my customer. You are my friend. I am so happy you are here. So, you do not have to pay for this bottle of beer, snacks...etc." Since the boss exempts the customers from paying some bills, the customers are expected to buy more other drinks or go there next time. To the boss, the art of this exemption is how to make a little less profit (exempt certain customers from some bills) in order to attract more possible income (customers buy more other services). Ken is the one who has the power to exempt customers from some bills in CASA.

²⁰ My observation is that Ken is not the only one calculating his "low living cost after migration" in this way. Some expatriates have a similar idea more or less. They both think "*One day, I will get a chance to have my own business (by the social connections I have here), but it is impossible for me (to have these important connections with little cost) in Taiwan.*" (Field note 29/12/2004)

Apart from Ken, we have some respondents who did not expect any income but only the low cost in China, such as students in universities. Low cost in maintenances is one of the major concerns in their migration. We take the case of Teng for discussion.

“How much do you pay for the tuition fee”, I asked. “We pay “¥14, 000 (NT56, 000) as tuition fee for the whole academic year, not one semester”, Teng replied. “How much is the rent for accommodation?” I asked. “It is ¥ 3,200 (NT 84000) every six months, including all bills. Two people share one room and several rooms share toilets and bathrooms,” Wen answered me. Is it expensive? I am too old to have good idea about the current tuition fee in Taiwan. Teng said, “If we study in a private medical school in Taiwan, we have to pay more than NT 100,000 (¥25, 000) as tuition fee for one semester. One semester, not one academic year! So, one academic year is double the price (NT 200,000 / ¥25, 000). If we rent a room in Taipei, it costs at least NT 8,000 (¥ 2,000) for rent per month” Wow, that’s a big difference. Then I asked Teng, “Have you thought of studying in other countries?” Teng said, “Yes I did, but it is cheaper here. Money (the financial budget) is important”.

(Field note 14/11/04)

Teng and Wen achieved admissions by the help of *Study Agency*²¹ and they had Taiwanese relatives studying in the same school earlier than they did, so we were sure they had known about their living cost and tuition fee before application. As Teng said, the low cost is one main factor to explain her studying in China. We cannot say this low cost is the only reason attracting them to study in China, but this factor is really attractive to some students who want to fulfil their dream of doing something they like overseas. In August 2005, the Chinese government decided to lower the tuition fee of Taiwanese students to that of Chinese home students. It is believed that this new policy will attract more Taiwanese students to study in China in the future. The case of Ken and Teng reveals the importance of information in making their migration. The accurate information provided by relatives (Ken’s mother) and institution (Study Agency) gave them more confidence to estimate their net benefits, which help them to make their decisions.

²¹ Study Agency is a kind of business-like travel agency in Taiwan. Some students who wish to study abroad do not directly contact the universities by themselves but ask help from the Study Agency. This agency helps potential students to prepare almost all documents for their application and tell these potential students all the necessary information including tuition fee and living costs. Since these two girls obtained their admissions this way, it is reasonable that they were informed with all relevant financial information before going to China.

5. Conclusion

From the discussion above, we know that economic theories on migration are powerful to explain the motives of most expatriates. Most expatriates were both pushed by the risk of being jobless at home and pulled by the promise of higher pay overseas. We also find out some Taiwanese, especially entrepreneurs, did not move to China for higher income in the short-term but for more economic rewards in the long-term. These immigrants took their cost of time and money as necessary investment to explore more profitable opportunities in the future, so they took the economic rewards in the coming years more important than their income at hand. Apart from these two groups of people, we also display some Taiwanese moved to China partially for the low cost over there. They regarded China as a good place to pursue their idea life and career with low cost.

These results show most respondents took economic net benefit as their first priority although they might have varied idea to define their benefit and diverse length of time to sustain cost before obtaining reward. These cases also suggest us the importance of non-economic factors in migration, such as age (Henry and Hsue), blocked mobility opportunities at home country (Min), accurate source of information (Ken and Teng), and opportunities for self-actualisation in the host country (Min, Ken, and Teng). Economic models are not powerful enough to explain all the concerns of these respondents. We also find economic theories are not able to explain the migration motivation for the remaining one-third respondents. These respondents paid more emphasis on the non-economic considerations, such as family reunion, orientation to Chinese culture and in search of challenges in life. More analysis of these considerations will be displayed in my PhD thesis.

References

- Barrett, Allan. and P. O' Connell. 2001. "Is There A Wage Premium for Returning Irish Migrants?" Institute for the Study of Labour, Bonn, Germany.
- Borjas, G. 1999. "Immigration and Welfare Magnets." *Journal of Labour Economics* 17:607-637.
- Borjas, G. 1990. *Friends or Strangers: the impact of immigrants on the US economy*. New York: Basic Books.
- Castles, S. and M. Miller. 2003. *The Age of Migration, international population movement in the modern world*. London: Macmillan.

- Chantavanich, S. 2000. *Culture of Peace and Migration: integrating migration education into secondary school social science curriculum in Thailand*. Bangkok: Chulalongkorn University.
- Chiswick, B. 1986. "Human Capital and the Labour Market Adjustment of Immigrants: testing alternative hypotheses." Pp. 1-26 in *Research in Human Capital and Development*, edited by O. Stark. Greenwich: JAI Press.
- Cohen, R. 1996. *Theories of Migration*. Edward: Elgar.
- CSCA. 2002. "Taiwanese in Shanghai." CSCA(Centre for Sociology and Cultural Anthropology), Fudan University, Shanghai.
- DTBA. 2004. "Taiwanese Enterprises in Dongguan." Dongguan Taiwanese Business Association, Dongguan.
- Duleep, H. 1994. "Social Security and the Emigration of Immigrants." *Social Security Bulletin* 57:37-51.
- Faist, T. 2000. *The Volume and Dynamics of International Migration and Transnational Social Spaces*. Oxford: Oxford University Press.
- Hardill, I. and S. Macdonald. 2000. "Skilled International Migration: the experience of nurses in the UK." *Regional Studies* 34:681-692.
- Heisler, B. 1992. "The Future of Immigrant Incorporation: Which Models? Which Concepts." *International Migration Review* 26:623-645.
- Hirschman, C. 1999. "Theories of International Migration and Immigration: a preliminary reconnaissance of idea types." Pp. 120-136 in *The Handbook of International Migration, the American experience*, edited by C. Hirschman. New York: Russell Sage Foundation.
- Holz, C. and Y. Lin. 2001. "The 1997-1998 break in industrial statistics: Facts and appraisal." *China Economic Review* 12:303-316.
- Kirwin, F. and Nairn, A. 1984. "Migration Employment and the Recession, the Cases of the Irish in Britain." *International Migration Review* 17:672-681.
- Kuhn, R. 2002. "The Logic of Letting Go: family and individual migration from Rural Bangladesh, Population Aging Centre." University of Colorado at Boulder, Boulder, Colorado.
- Lee, J. 2004. "Time to Move on? Taiwanese Firms in the Pearl River Delta." *Sinorama Magazine*, pp. 6-8.
- Lyons, T. 2003. *China Maritime Customs and China's Trade Statistics, 1859-1948*. New York: Willow Creek Press.
- Malcolm, E. 1996. "Elder Return Migration from Britain to Ireland, a preliminary study." National council for the Elderly, Dublin, Ireland.

- Massey, D. 2003. "Patterns and Processes of International Migration in the 21st Century." in *Conference on African Migration in Comparative Perspective*. Johannesburg, South Africa.
- Massey, D. et al. 1993. "Theories of International Migration: a review and appraisal." *Population and Development Review* 19:431-168.
- Papademetriou, D and P. Martin. 1991. "Migration and Development: a review of the evidence." in *Migration and Development: the unsettled relationship*, edited by D. P. a. P. Martin. Westport, CT: Greenwood Press.
- Piore, M. 1979. *Birds of Passage: Migrants Labour and Industrial Societies*. Cambridge: Cambridge University Press.
- Portes, A. and J. Böröcz. 1989. "Contemporary Immigration: theoretical perspectives on its determinants and modes of incorporation." *International Migration Review* 23:606-630.
- Salt, J. and A. Findlay. 1988. "International Migration of Highly Skilled Man Power, theoretical and developmental issues." Pp. 159-180 in *The Impact of Migration on Developing Countries*, edited by R. Appleyard. Paris: OECD.
- Sassen, S. 1988. *The Mobility of Labour and Capital: a study in international investment and labour flow*. New York: Cambridge University Press.
- . 1991. *The Global City*. Princeton: Princeton University Press.
- Sjaastad, L. 1962. "The Cost and returns of human migration." *Journal of Political Economy* 70S:80-93.
- Stark, O. and D. Bloom. 1984. "The New Economics of Labour Migration." *American Economic Review* 75:173-178.
- Sung, Y. 2005. *The Emergence of Greater China, the economic integration of mainland China, Taiwan and Hong Kong*. London: Palgrave.
- UKCC. 1998. "Statistical Analysis of the UKCC's Professional Register, 1 April 1997 to March 31 1998." United Kingdom Central Council for Nursing, London.
- Vogel, E. 1989. *One Step Ahead in China, Guangdong under Reform*. Cambridge, MA: Harvard University Press.
- Yeung, G. 2001. *Foreign Investment and Socio-economic Development in China, the case of Dongguan*. London: Palgrave.