Chinatowns and Borderlands: Inter-Asian encounters in the diaspora

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Abstract

This paper explores two dynamic places and spaces in the Americas, destination of several Asian diasporas—the Chinese, Japanese, and South Asian—as contact and exchange zones. One would be the ethnic enclaves commonly called ‘Chinatowns’, which stretch over time from the early sixteenth century to the present, and over space from Manila in the Spanish empire across the Pacific to all over the Americas. These Chinatowns, imagined and real and riddled with stereotypes, are well-known tropes on the American landscapes, and need no further preliminary introduction; they are also firmly located within fixed national (or colonial) entities.

The second space has not been historically associated with Asian diasporas in the Americas, although well known for different reasons. Here I refer to ‘borderlands’, the overlapping space between, over, and above two political national boundaries or borders, in particular the US-Mexican and US-Canadian borderlands, both, coincidentally, clearly marked and delineated by the mid-nineteenth century (1848 and 1846 respectively). Furthermore, as these two transnational/transborder regions are also trans-Pacific, their recognition as an integral part of Asian diasporas is belated and overdue. To make the case further, the study of Asians in the Americas has revealed that Asian migrants, labour, and capital have been historically drawn to these borderlands because they represent dynamic zones of economic development, first in the heyday of maturing American capitalism at the turn of the twentieth century, and again in the glaring eye of current late-capitalist globalization. In other words, Asians have amassed on both sides of these borders for over 100 years, where they have become adept at multiple border crossings, both trans-Pacific and transnational.

Chinatowns

It was in North America, in New York City on the east coast and San Francisco on the west coast, that ‘Chinatown’ came into the lexicon of American English. Both residential and commercial, these were ethnic
enclaves imposed and enforced by the dominant society. While denied access to equal rights and political incorporation as ‘aliens ineligible for citizenship’, their denizens were needed for their cheap labour and the economic niche they created and occupied to meet the needs and desires of the larger society. Ironically, the Chinese Exclusion Act of 1882 only sealed the existence of Chinatowns as permanent enclaves, for it broke the pattern of ‘sojourning’—travelling back and forth—that had marked diasporic Chinese practices. Unable to return to the United States if they left, most chose to stay put, thus increasing and stabilizing the Chinatowns population, ensuring its survival for many decades. Long after enforced residential segregation ended, Chinatowns have persisted in the United States as tourist magnets, representing an Orientalism of both desire and repulsion in the popular American imagination.

American Chinatowns reinvented themselves as a new kind of ethnic enclave when immigration reform in 1965 facilitated the entry of new immigrants from Asia after a long period of exclusion. Renewed immigration coincided with the dawn of a new era of globalization, marked by deindustrialization in the global core—the United States—and an innovative development strategy called ‘export-based industrialization’ in the global periphery. This occurred notably in the developing Asian countries (dubbed ‘newly industrializing countries’), with their vast reserves of cheap labour. Essentially, these countries agreed with the United States to a new international division of labour by accepting massive American investment to set up light manufacturing in jerry-built factories located on specially designated lands appropriately named ‘export processing zones’ or ‘free trade zones’. Here, governments—largely authoritarian, some military in nature, most staunchly anti-communist (China and Vietnam excepted)—offered the advanced capitalist multi- or transnational corporations cheap Third World labour to assemble finished products from materials and designs supplied by First World manufacturers, for export back to the First World markets.¹

It was soon learned that one of the great contradictions of this model of Third World development was that, while it created many jobs, it simultaneously stimulated migration. Fortuitously for the would-be migrants, American immigration reforms in the 1960s facilitated their arrival in the 1970s, 1980s, 1990s, and into the twenty-first century, totalling as many as eight million legal immigrants from Asia in three decades, with an additional estimated hundreds of thousands of visitors who overstay their visas and become undocumented, and tens of thousands of smuggled workers. It is now undeniable that the processes of late-capitalist globalization and immigration are inextricably linked, and that immigration has revitalized Chinatowns and breathed life into an ethnic niche of light garment manufacturing.

In a reversal of the nineteenth century pattern of low-skill Asian labour migration to the Americas, this time around the greater demand was for Asian immigrant women, whose docile character and ‘nimble fingers’ were perceived to make them more adept in this kind of work. Having exported a large proportion of apparel manufacturing to Third World plants in export processing zones, first in Asia, then in Mexico, Central America, and the Caribbean, the American apparel industry has found it necessary to keep some manufacturing at home, closer to the designers, large retailers, the market, and, of course, the legions of consumers. Rapid and fickle changes in American consumer tastes in style and buying habits have further strengthened the imperative to maintain some production in the United States.

Keeping part of the apparel industry in New York City would have been far more difficult—if not impossible—but for its historic Chinatown. The International Ladies Garment Workers’ Union stated


flatly in its 1983 report on the industry: ‘Central to the revival of the industry’s fortunes in New York City has been the emergence and growth of the garment industry in Chinatown.’ What fuelled this growth was the simple fact of post-1965 immigration from Asia, one that involved more women than men. What these women provide is cheap labour, cheap enough to compete with Third World labour in Asia.

A similar transformation has occurred in the historic Los Angeles and San Francisco/Oakland Chinatowns, where Asian immigration has led to a ‘reconstituted’ labour force conducive to the garment industry boom. Over 25,000 garment jobs had been created by 1988, more than 80 per cent of them held by Chinese women, recent immigrants from Hong Kong, Taiwan, and China.

Cheap labour alone would not have shifted the locus of garment production in New York City to Chinatown, nor fuelled the enormous growth of the Los Angeles and San Francisco/Oakland Chinatowns in northern California. Asian immigrants have provided another indispensable component of the new global production strategy—that of contractors and subcontractors. If offshore outsourcing (exporting manufacturing jobs overseas) allows American manufacturers to disengage from any direct involvement with actual production of garments—a process that includes recruitment, training, supervision, disciplining of workers, and management of labour relations—subcontracting in New York and California performs the same function. In other words, the primary responsibility of the subcontractor in the modern garment industry is to recruit, mobilize, and manage labour for the manufacturers. And who best to assume

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this task than the workers’ co-ethnics, especially when the intense nature of competition and exploitation of the global commodity chain is considered? This subcontracting system drives costs to the lowest level of the chain—Third World or immigrant labour (both from the same source in Asia)—in a ‘race to the bottom’, while maximizing control and flexibility for the First World manufacturer producing for First World consumers. It allows manufacturers to escape with low fixed costs, with no factories or machinery to maintain, while they contract out production of new fashion lines only when necessary and to the lowest bidder. Manufacturers specialize in the creative and craft end: design, cutting, and merchandizing, including advertising and marketing.  

As owners of capital and markets, they supply subcontractors with the cut fabric and detailed specifications to assemble the finished product, then take delivery. Manufacturers include large retailers, such as department stores and chains (e.g. Sears, Penny’s, and Gap), well-known brand names (e.g. Tommy Hilfiger, Liz Claiborne), as well as small boutique shops and designer labels (e.g. Jessie McClintock).

The successful low-bidding subcontractors then squeeze workers to eke out their profits. Under the subcontracting system, workers—the legions of Chinese and other Asian immigrant women—are paid a piece rate rather than by the hour. Even the most proficient sewing machine operator seldom sews fast enough to make the minimum wage. To further reduce costs of production, subcontractors allow ‘homework’ to proliferate, in effect subcontracting again to individual women to work at home, where often children, older people, and other family members are enlisted to meet quotas and timetables. This informal extension of the subcontracting system has created an underground dimension to the garment industry, one that is almost totally hidden from the view of industry monitors and state regulators, until it is exposed.


As noted already, as with garment workers, the majority of garment subcontractors in New York and California are also Asian immigrants, mostly women and some men. Of the approximately 5,000 subcontractors in Los Angeles in 1989, almost 60 per cent were Asians, evenly divided among Vietnamese, Chinese, and Korean immigrants (another 30 per cent were Latino immigrants, and only 13 per cent were non-immigrants). Chinese subcontractors are dominant in New York City. Chinese and other subcontractors have flocked to fill the niche of ‘contractor entrepreneurs’ because the initial investment is quite low: even in the 1990s, for as little as $10,000 as a down payment for used machinery, or by leasing equipment, a subcontractor could set up a small shop with ten to 20 workers, drawn from co-ethnics or from the pool of recent Asian immigrants—Chinese, Vietnamese, Koreans, Filipinos, South Asians, etc. Besides recruiting and managing a small labour force and providing them with the basic tools—a sewing machine and fabric supplied by the manufacturer or jobber—the subcontractor has only to find and rent space to go into business.

While the number of manufacturers has become more concentrated, to the point where in Los Angeles there are only 100 of them contracting out most of the business, just the opposite has happened at the subcontracting level, where numbers have proliferated. Literally thousands of subcontractors with very small shops, averaging 50 or fewer workers, dot the garment landscape in the Chinatowns in New York and California, creating a veritable ‘entrepreneurial niche’ for immigrants. Even more unstable than other small businesses, these small factories come and go with great frequency; they are notorious for closing up shop at a moment’s notice, then


reappearing in another location under another name with the same owner.\textsuperscript{16} When upstart newcomers undercut older firms in order to get into business, manufacturers benefit.\textsuperscript{17} It is also not uncommon for subcontractors to take several jobs from different manufacturers/jobbers simultaneously, or for manufacturers and jobbers to divide up one job among several subcontractors.\textsuperscript{18}

However tortuous the relationship between Asian immigrant subcontractors and the manufacturers and retailers, it is their relationship with the workers—almost all women and almost all recent immigrants like themselves—that has given the industry its notoriety and led to the label of ‘sweatshops’. The American government defines a sweatshop as ‘a business that regularly violates both wage or child labour and safety and health laws’.\textsuperscript{19} In the specific case of the garment industry, one critic extends the definition to refer to any set of factory conditions considered ‘inhumane’ and ‘unfair’, first exposed in the export zone factories in Asia and the Third World.\textsuperscript{20} Any observer or analyst of the industry can see that all garment factories in New York and California, including the handful of union shops, teeter on the brink of being sweatshops, for the simple reason that such marginal businesses are reduced to squeezing their workers mercilessly in order to make any profit and stay afloat.

To complete this story of Asian interactions in American Chinatowns, this paper’s focus is on the Asian immigrant women workers who constitute the base of the global commodity chain. By enduring intolerable sweatshop conditions, and thereby making this system work, many suffer in silence and seldom complain because they believe they have no other job options. In converting themselves into an available and flexible labour force almost immediately upon their arrival on American shores, they have enabled the garment industry to keep a critical part of production in the United States, right in the manufacturing and retail centres of New York City, San Francisco, and Los Angeles, where most of them settle among co-ethnics.

Those immigrant women who are absorbed into garment work are most likely to have had little formal education, possess little or no


\textsuperscript{17} Bonacich, ‘Asians in the Garment Industry’, pp. 145–47.


\textsuperscript{19} United States General Accounting Office, ‘Sweatshops in New York City’, p. 1.

English language skills, and are deemed to be low skilled in other areas as well. Research has shown that these deficiencies are the most critical factors in determining immigrant occupation options in the United States. Yet many are compelled to work to supplement the family income, because their equally low-skilled, English-deficient spouses also work in low-paying jobs, such as those in Chinese restaurants. It would be wrong to dismiss their contribution to family income as merely supplementary, however, for many women earn as much, if not more, than their spouses. Furthermore, with both partners stuck in low-wage, dead-end, often seasonal jobs, poverty for some in the immigrant communities has become a permanent fact of life. Garment work may be an entry point for immigrant women, but it is not usually a way out, except for the handful who find the means to become subcontractors.

Garment sweatshops pay substandard wages (meaning less than the minimum wage) and no overtime for workdays over eight hours and working weeks longer than 40 hours. Sweatshops also provide no health insurance, no paid holiday, no sick leave, nor any other kind of benefits. Instead, workers are paid only for the piecework that is completed, whether in the shop or at home. Unless a machine operator becomes extremely proficient at performing the same task repeatedly over a period of time, they can seldom sew fast enough to make even the minimum wage. Given the short runs and quick turnarounds of the market, it is unlikely that most workers have the opportunity to perfect skills and learn enough shortcuts to achieve the minimum wage via the piece rate payment method. One common practice employed by sweatshop owners to avoid paying fair and complete wages is to deliberately keep sloppy books, resulting in persistent complaints by workers of inadequate pay or unpaid back- and overtime pay.

Chinese immigrant women workers accept sweatshop labour conditions in large part because they usually work for co-ethnic

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employers in a linguistically and culturally familiar environment. This is especially true of New York City, less so of Los Angeles, where Latino immigrant women also compete for garment jobs. Workers are recruited for the sweatshops through ethnic, immigrant, and community networks, and by word of mouth. Their Chinese bosses tell them ‘we are all part of the family’, when in practice shared ethnicity can also be used to ‘blunt a potentially abusive employer-worker relationship’. What appears to be ‘personalistic authority’ between co-ethnics in a structurally unequal relationship may in fact be ‘submission to coercive power’ and is ‘necessarily arbitrary and unfair’, concluded the International Ladies’ Garment Workers’ Union. Owner-employers in these sweatshops are ‘by nature unfair and capricious’, their relationship with co-ethnic workers ‘conducive to abuse’. At the same time, it is precisely their privileged access to this low-wage immigrant labour force that affords the Chinese subcontractors a degree of leverage against the much more powerful manufacturers. And it is precisely their ability and willingness to push and keep their fellow Chinese workers’ wages down that make them such attractive partners to the manufacturers.

With subcontractors bidding so competitively against each other, they have to find other ways to cut corners in addition to paying low and short wages. Typically, they rent space in rundown buildings and basements with poor ventilation and no heating in the winter, resulting in subfreezing temperatures. Rooms already cramped with workers and machines are further filled with bundles of cut fabric, piles of completed garments, and boxes to pack them in. To protect themselves from flying fibre dust, women sometimes drape improvised masks made up of pieces of white fabric over their ears and noses. Bathroom facilities are dirty and inadequate, electric wiring loose and exposed. Windows are barred with iron grates, and fire exits are blocked by boxes and metal bars, creating a confined space to better control workers while at the same time saving costs.

While sweatshop violations are rampant and persistent, they are seldom exposed and corrected. One Department of Labour inspection

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26 International Ladies’ Garment Workers’ Union, Chinatown Garment Study, p. 59; Waldinger, Through the Eye of the Needle; Wong, ‘Chinese Sweatshops in the United States’.


of California garment shops in 1994 found 98 per cent non-compliance with some labour, wage, safety, and health codes. On those rare occasions when sweatshop owners are caught and fined for violations, they usually just pack up their machines and close up the businesses overnight, without prior notice, at the same time changing their residence so they cannot be tracked down, leaving workers unpaid and suddenly unemployed. In short, foreign competition, the downward pressure on wages, and the large flow of Asian immigrants to the United States have interacted to intensify workshop employment conditions, leading to the spread of sweatshops in Chinatown and throughout the garment industry.

That this subcontracting system and its degeneration into sweatshop conditions is profitable for the big manufacturers and retailers of American apparel is indisputable. Various estimates of how the garment dollar is divided estimate the retailer’s share at 50 cents or more, the manufacturer’s at around 35 cents, the subcontractor at only ten cents, and the seamstress at just five cents. This estimate is based on Los Angeles figures in the 1990s, in a nine billion dollar wholesale business that doubled at the retail level.

By the end of the twentieth century, New York’s Chinatown still dominated that city’s garment industry. Federal investigators in 1997 estimated that 90 per cent of the 4,000 factories in the city were still concentrated in Chinatown, mostly husband-and-wife operations employing around 15 workers. Some workers complained that they were paid $180 for an 84-hour week, equivalent to earning only $2.14 an hour (at a time when the minimum wage was $5.15). In 59 factories randomly inspected, federal investigators discovered 1,400 workers who were owed a total of $412,300 in back pay, almost $300 per worker. The owners of these sweatshops repeated the usual litany of excuses: pressure from foreign competition forced them to cut corners by paying workers less. Moreover, they complained that, in turn, retailers often paid them too little, too late for what they produced.

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30 United States General Accounting Office, ‘Sweatshops in New York City’, pp. 26–28; Wong, Through the Eye of the Needle; Morrison, ‘Chinese Sweatshops in the United States’.
31 United States General Accounting Office, ‘Sweatshops in New York City’, p. 54.
Borderlands

American borderlands are another kind of space that has attracted Asian immigrants; as in the case of Chinatowns, historically this group has been disproportionately made up of workers and merchants, although here the workers have been largely single men (that is, men living without their families, not necessarily unmarried men without families) seeking new livelihoods or better fortunes (or both). Two American borderlands stand out: the better known and more controversial US-Mexican divide, and the US-Canadian line, which is just now emerging from the shadows of its southern counterpart. With both international boundaries drawn in the mid-nineteenth century (1846 for Canada, 1848 for Mexico), the borders of the expansionist United States became fixed. At the same time, what converged at both the northern and the southern borders were frontiers—vast, remote territories rich in land and natural resources, sparsely populated, minimally governed from the central seats of government in the United States, Canada, and Mexico. These frontiers were poised for economic development based on intensive extractive and global commercial enterprises once investors were alerted and markets identified: lumber, gold mining, and salmon in the Pacific Northwest, gold and copper mining in the Southwest (Mexico’s Northwest), and later cotton, fruits, and vegetables. Capital began pouring into these frontiers from Wall Street financiers on the east coast, from Europe, and from Asia. Labour migrants arrived from across the Pacific, while local peasants were rapidly displaced from communal lands and proletarianized. (It is notable that in Spanish, the word for frontier and border is the same: la frontera.) Infrastructural improvements, notably railroads, accompanied development, along with ports, warehouses, processing and packing plants, other modes of transportation (such as trans-Pacific steamships), and communication.

The history of Asian labour migration to the American West is well known, beginning with the mid-century gold boom of California, the subsequent development of agriculture in the San Joaquin Delta and central valley, and the construction of the transcontinental railroad. It culminated in the Chinese Exclusion Act of 1882 which, by the early twentieth century, was widened to include all Asians. The so-called American West extended all the way north to Seattle and its border with British Colombia, Canada, and out into the Hawaiian islands of the vast Pacific, as well as south across the border into the Pacific states of northern Mexico. When viewed through these very wide...
lenses, the West is both a transborder and a trans-Pacific zone. Asian labourers and merchants—first Chinese (mostly from Guangdong province), then Japanese and Okinawans, Filipinos, and South Asians (led by Sikhs from the Punjab)—competed with locals and other immigrants for opportunities and resources and jockeyed for power in a fluid environment full of raw, entrepreneurial energy and risk takers. Race and ethnicity mattered in both positive and destructive ways, along with variations of co-ethnic and inter-ethnic/inter-racial collaboration and conflicts that intersect with gender and class divisions. If Chinatowns are tight ethnic enclaves, borderlands are open multicultural spaces.

At the dawn of the twentieth century, on the American-Canadian border, American, British, and Canadian capital stimulated the growth of lumber, mining, and fisheries on both sides. This resource-rich environment was also labour poor, which meant that both national economies were dependent on immigrants to work in these industries. While Europeans flocked to both countries, Chinese, Japanese, and South Asians also came across the Pacific, only to be confronted with white supremacist ideologies in both the United States and Canada that coveted their good, cheap labour, but denied them political rights through naturalization and citizenship because of their race. James Hill, the Canadian railroad tycoon who built the two borderlands systems—the Canadian Pacific and the Great Northern—relied on a multi-ethnic labour force that was heavily Asian. During 1882, the year the American Chinese Exclusion Act was enacted, over 4,000 Chinese men drifted across the border to do grading work, under the supervision of white foremen. As a contemporary journalist noted, ‘The financier recognizes no boundary lines, no colours or creeds or races when it comes to profitable investments.’ Similarly, the canneries imported Japanese workers from the United States. Industries on the American side, from Oregon to Alaska and Washington, reversed the recruitment process. At first, industrialists and developers turned to Asian labour when white immigrant contract workers too readily moved jobs for better wages at other seasonal sites. Asian workers soon followed suit with their own manoeuvres, facilitated by co-ethnic labour contractors acting as suppliers and brokers.

Labour contracting became a lucrative ethnic business on the border. Large firms opened offices in Seattle and Vancouver to sustain the circular networks they had helped to create to supply railroad construction sites, lumber mills, mines, and fisheries, with workers drawn from both sides of the border. When the labour pools along the border were insufficient to meet the demand, contractors imported workers directly from the Asian homelands as well as from across the Pacific from places like Hawaii. When necessary they arranged visas and supplied documents for the labour migrations they organized from overseas and across landed borders. They further maximized their own profits by provisioning their co-ethnic labour recruits with food and clothing from the shops they had set up, especially when sending men to remote work sites for the railroads, lumber, and mining companies. In addition, merchant-contractors in Vancouver deducted fees from the workers’ wages (which they controlled) for securing the jobs, transportation, accommodation, and providing food while workers waited for their assignments.\textsuperscript{35}

In good times, the transborder economies worked in favour of workers and their agents by allowing them to manipulate the two labour markets, encouraging them to move back and forth to maximize wages and labour conditions. A Vancouver mill owner explained the loss of a hundred of his Asian workers to various Washington cities in the following way: ‘The scarcity of workers and the wages paid in the Washington cities are responsible for the exodus.’\textsuperscript{36} Japanese fishermen creatively manipulated border space and mobility in still other ways to maximize family incomes: they worked the spring salmon season in Seattle before crossing the border for the summer season in Vancouver.

Advantages worked both ways, however. First of all, employers and industrialists had access to a cheap and highly mobile labour force which they could hire and dispatch to any site for seasonal work. They could hire workers in peak season and lay them off in low season. At the same time, they learned to exploit the cross-border labour pool to blunt the impact of activist workers on their payrolls.

With the passage of the Chinese Exclusion Act in 1882, the availability of Chinese workers began to shrink and they were gradually replaced by Japanese migrants, who were not denied access to the United States until later in the century. By the century’s end,

\textsuperscript{35} Chang, ‘Transpacific Borderlands’, pp. 35–44.
\textsuperscript{36} Chang, ‘Transpacific Borderlands’, p. 6.
Japanese labour contractors had supplanted Chinese contractors. The largest of these was the Seattle-based Oriental Trading Company. Whether Chinese or Japanese, these labour contractors shared common characteristics of English language facility and familiarity with the Anglo-American legal system and matters such as business contracts. Like its Chinese predecessors, the Oriental established branches in Japanese migrant-sending cities, such as Yokohama, Wakayama, Kobe, and Hiroshima. They also actively recruited all available Asians across the American West, in states such as Montana, Idaho, Utah, and Oregon, as well as across the border in British Columbia, and became the major supplier of railroad construction workers for the Great Northern from Seattle to St Paul, Minnesota.

The Japanese owners of this company refined their labour contracting business further than the Chinese had ever done. For example, when they mobilized work teams for the railroads, they also managed the workers by placing loyal co-ethnic foremen among them, the better to maintain discipline and communicate company orders to the work crews, such as those working on railroads. The foreman was further responsible for protecting his work team from being poached by rival recruiters. However, just as the supply of Chinese labourers ran dry due to American state policies, Japanese labour migration came to a near standstill during the Russo-Japanese War of 1905, when the Meiji government conscripted all able-bodied men for the war. Shortly after that, the United States broadened exclusion to include Japanese, Koreans, and South Asians, which necessitated the Oriental Company adding smugglers and runners to its payroll to guide migrants across the international line. When labour shortages reached a critical point, the Great Northern connived with its Japanese partners to smuggle hundreds of workers from Canada. The response of both the American and Canadian governments was to install border patrols and become even more vigilant, effectively bringing an end to cross border recruiting and smuggling by 1908.37

According to historian Kornel Chang, on whose work this paper draws to provide this brief sketch of Asian interactions on the American-Canadian border at the turn of the last century, even under the harsh regime of the labour contractors, Asian workers continued to try to manipulate their cross-border mobility to leverage better wages and work conditions. They also paid a high price for their mobility:

The constant movement from place to place tended to hinder the development of class solidarity and consciousness, and discouraged the formation of more organized and systematic means of labour activism... Their perpetual movement was yet another factor, among others, explaining the lack of formal labour institutions and structures among Asian workers in the Pacific Northwest.\(^{38}\)

Although inter-Asian activities began to wind down on the northern border, they were still going strong on the southern border with Mexico, a much more violent and turbulent borderland that had experienced Indian wars, revolution, civil war, and the boom-and-bust cycles of a neocolonial economy. The story there unfolded along different lines, because Mexicans were available to meet most of the industrial (mining and railroad construction) labour needs on both sides, leaving the door wide open for Asian immigrants (Chinese, with some Japanese, Lebanese, and other Middle Easterners) to fill niches in a range of small manufacturing, commercial, and service activities that arose alongside industrialization, proletarianization, and urbanization.\(^{39}\) Chinese exclusion in the United States notwithstanding, immigrant businesses and families in Mexico took on transborder characteristics by negotiating the space in between, over and above the two sovereign entities, calling upon co-ethnic networks in California and New York to comparative advantage.

Mexico was ruled by an iron-fisted, pro-development dictator named Porfirio Díaz, who came to power in 1876 and immediately opened the doors of the country to foreign investment. His ascendance to power coincided with the passage of the Chinese Exclusion Act in 1882, which had the effect of directing Chinese migrants to Mexico’s northern border with the United States. At the same time, American and European investors poured massive capital into this region to develop mining and build railroads after the fiercely independent Apaches had been pacified. When Díaz was deposed by revolutionaries in 1911, an estimated 35,000 Chinese had entered Mexico. Only about half had settled there, with the rest finding their way illegally to the United States, returning to China, or moving elsewhere in the Americas. The Mexican Revolution (1910–1920) had seriously disrupted Mexican society, and the millions uprooted from villages and towns either joined up with the armies of several revolutionary

\(^{38}\) Chang, ‘Transpacific Borderlands’, p. 87.

\(^{39}\) T. Alfaro-Velcamp, So Far From Allah, So Close to Mexico. Middle Eastern Immigrants in Modern Mexico (Austin: University of Texas Press, 2007).
factions or crossed the border with the United States to work and avoid the violence. However, Chinese shopkeepers actually prospered during these years by remaining politically neutral while provisioning the towns and armies. During these years, their numbers actually grew, especially in the border state of Sonora (across from Arizona, then still a ‘wild West’ territory characterized by mining and related processing industries), whose landscape was dotted with American-owned mining and railroad towns, along with active armed revolutionary factions. These otherwise dangerous and chaotic conditions were actually quite conducive to the growth of the Chinese wholesale and retail trade which had already become entrenched in the local economy.

How the Chinese effectively made themselves into the petite bourgeoisie of this borderlands frontier is a story I have documented and recounted in detail.\textsuperscript{40} This began even before the United States enacted its Chinese exclusion act, when anti-Chinese agitation and violence was already visible in the American West. So it was not surprising to see Californian Chinese businessmen branch out, including across the border to Mexico. As early as 1873, shoe and clothing factories appeared in the port city of Guaymas and the capital city of Hermosillo, followed by well-stocked shops that functioned as both wholesale and retail outlets, in that they sold directly to customers while also supplying penniless co-ethnics with goods on credit so they could peddle or set up small shops in remote mining and railroad towns. One such firm was Quan, Gun, Lung y Compañía, established in 1894 with headquarters in the old mining town of Alamos. It sold a wide variety of goods, ranging from groceries and canned foods to clothing and potions, and dealt in imported as well as domestic products; it even had its own ‘well mounted factory’ to manufacture shoes. In addition, the company served as the agent for Pacific Beer, Pochutla and Pluma Hidalgo coffee (products of Oaxaca in south-central Mexico), ‘La Violeta’ cigars (from the Veracruz state on the Gulf of Mexico coast), and ‘El Dorado’ rum. The company traded directly with New York, Chicago, San Francisco, St Louis, and Hamburg, Germany. Within Mexico, its commercial sphere extended

beyond Sonora to adjacent states of Chihuahua to the east and Sinaloa to the south, where branches were opened.

In a bit of self-promotion perhaps, General Manager Guillermo Leytón (whose Spanish first name was complemented by a Spanish-inflected surname) was described in a company advertisement in glowing terms as ‘an excellent Chinese who enjoys general popularity in the locality’. It is what follows that is most revealing, because the advertisement makes clear that ‘in particular he is well loved by the working people, because he willingly and readily helps them out, especially when a poor harvest or some other cause raises the prices of basic necessities; at which time Leytón—making only a little profit or perhaps none at all—sells them these articles of primary needs at prices they could afford, thereby averting the spectre of hunger’.41

By 1903, Chinese owned at least ten more shoe factories in Sonora, producing over US$100,000 in goods each year.42 They were not yet prominent in the wholesale trade of foodstuffs and consumer goods, as Europeans (Germans, Spanish, and French), Anglo-Americans, and a few Mexicans dominated large commercial activities during the Diaz period. Imperceptibly but surely, however, as new towns rapidly appeared around mining and railroad operations, the Chinese moved into peddling and itinerant retail trades. They also opened up small shops selling groceries, foodstuffs, and other consumer goods, while service-type businesses provided sewing, ironing, laundry, lodging, and meals for Mexican workers. These peasants-turned-industrial-workers usually left behind women and children in their villages while they sought waged labour in the foreign-owned capitalist enterprises.

By 1907, Chinese merchants had become more visible in local commerce throughout Sonora, establishing a presence in 21 out of the state’s 87 municipalities. The Chinese population in the state had increased to well over 2,000 by that year; by the time the Mexican Revolution broke out in 1910, it had increased to 4,486. As noted above, far from hurting Chinese businesses, the Revolution actually stimulated the growth and spread of Chinese businesses throughout the northern border area, where the greatest revolutionary activities took place. At the same time, another factor further aided Chinese

commercial growth: the contemporaneous First World War cut off the suppliers of the European merchants in Mexico, thus creating more opportunities for Chinese firms to flourish. The latter tended to receive more goods from the United States, especially from co-ethnic merchant houses in California’s Chinatowns. In this way, Chinese wholesale business increased, gradually taking over from the European houses, giving them the capacity to become the major suppliers of the revolutionary armies.

By the early twentieth century, it was clear that a close relationship had developed between American entrepreneurs and Chinese immigrants on several levels. The experiences of Fong Lewis exemplified the closeness of this relationship. From 1905 to 1908, he cooked for the American Booker family of Casa Grande, Chihuahua (the Mexican state across from Texas). Later, he went to cook for the American-owned Madera Company. When the company mills closed down and the Americans fled to El Paso, Texas, shortly after the Mexican Revolution broke out, Fong found himself out of a job. In 1914, his former employer pressed the American Immigration Service to grant Fong temporary refuge in El Paso, so he could return to work for the Booker family.

Other Chinese circumvented Chinese exclusion by crossing the border as Mexicans, none more adept at leading a bi-national and cross-border life than Lee Sing. He first appears in the records in Tucson, Arizona, in 1879, where he operated a successful small business dealing in beef jerky, beans, and whisky, before expanding into shoe-making in the border boom town of Nogales. After becoming engaged to a Mexican women, he liquidated his assets in Arizona and moved to Sonora, where he became a Mexican citizen. Meanwhile, he continued to have a stake in his brother’s business back in Tucson. In 1893, on a routine trip to Tucson, Lee was detained at the border and questioned about his status as a merchant, whereupon he called upon Mexican and American friends and business partners to vouch for his Mexican citizenship, his 11-year residency in Sonora, his Mexican wife, and three Mexican children, not to mention his considerable annual income of between eight and 10,000 pesos as proprietor of a local general stores. From then on, Lee was able to cross the border without

44 Hu-DeHart, ‘Immigrants to a Developing Society’, p. 284, citing US Consular Reports.
further difficulty. Lee Sing was not unique, in that many other Chinese merchants owned and operated various businesses on both sides of the border while maintaining residence in one or the other, or both.  

Another relationship between Americans and Chinese is represented in the case of Fong Sing of Saltillo, Coahuila. He owned a restaurant within the confines of the Mazapil Copper Company in Concepción del Oro. In fact, Fong owned only half of the restaurant, with the American company controlling the rest of the inventory. Here the upstart Chinese businessman and the wealthy American company, whose workers the restaurant served, formed a partnership.

Railroad- and especially mining towns became prototypical company towns, where foreign employers set up shops to recapture wages paid to workers. There they developed a modified version of the company town; instead of operating the small businesses such as canteens and boarding houses, butchers and corner grocers, laundry, tailoring, and shoe repair themselves, they allowed Chinese merchants to set them up to take care of the daily minimum needs of their Mexican workers. No Mexican town attracted disproportionately more Chinese immigrants than Cananea, Sonora, home of the American-owned Greene Consolidated Copper Mining Company. In 1903, 800 of the 3,000 Chinese counted in the Sonora census lived in Cananea; or, viewed in another way, these 800 Chinese comprised a good percentage of the 4,000 people living and working in Cananea that year. Most of them, like Fong Lewis cited above, worked as servants for American families; others, like Fong Sing, operated restaurants in partnership with the mining company. Most of them owned small fruit and vegetable stands, laundries, clothing and shoe shops (where they also manufactured these items). In a detailed 1925 census undertaken by the state government to assess precisely how much of the retail trade had been cornered by the Chinese, 410 individuals were counted in Cananea, making it the largest Chinese community in the state. Of them, 204 owned groceries; 22 had chicken farms; 21 were cooks; 23 had laundries; 17 were shoe-makers; 11 were tailors; seven owned factories; and only 56 were day labourers. Collectively, the Chinese business investment totalled 172,323 pesos, which was puny compared


to the millions of dollars of American investment, but many times the paltry 42,200 pesos of Mexican capital.47

Separately, the Chinese small businessman and the American large capitalist might have provoked Mexican resentment, but when the two were linked together in popular perception, as was the case in Cananea, the consequences could be dire, especially for the vulnerable Chinese. With such a large concentration of foreigners in Cananea—wealthy, privileged, powerful Americans surrounded by the alien but thriving Orientals—it is no wonder that anti-foreign feelings ran high in this mining company town. Before the Revolution, Mexican workers directed their hostility primarily toward the American owners and managers, but during the Revolution, they also turned on the growing Chinese colony with a vengeance, a sort of ‘guilt by association’, given their perceived proximity to the American owners. Anti-foreign demonstrations often degenerated into anti-Chinese mob actions.

One such incident took place on 14 February 1914. Following an ‘open letter’ in which two Mexican labour leaders accused managers of the copper company of thievery, a band of Mexican women (wives of workers) gathered to make speeches against all foreigners. The group grew into an angry mob of almost 500 men and women, who then marched to a Chinese laundry, ransacked the premises and beat up the three Chinese owner-workers trapped inside. The police arrived late and did nothing, perhaps because there were only eight of them; finally, 30 mounted soldiers managed to disperse the crowd. The gravity of this incident prompted the American State Department to order an investigation and report by Consul Frederick Simpich, an astute observer, who was based in the border town of Nogales. Significantly, he was instructed to protect Chinese under attack, so he made provisions to evacuate them in the event of a real threat to the copper company’s ‘meat packing building... an extensive steel and concrete structure’. Upon receiving a long list of grievances and abuses from the Chinese—such as seizure of property and excess taxes imposed by revolutionary factions—Simpich urged them to stay open for business rather than close down. He also noted that should the American company cease to operate—the managers threatened to do this should Mexican unions became more demanding—the situation in Cananea would become ‘most perilous’. In his report to the State Department, Simpich offered this final observation:

47 Hu-DeHart, ‘México’, see Table 3.3, pp. 64–67.
... the feeling against all foreigners and against Chinese in particular is very
strong; the continued depreciation of money, and the subsequent rise in the
cost of food... and the mistaken idea of the ignorant miners that American
capitalists and Chinese merchants are in some way very responsible for this
condition, is driving the people to increasing unrest.\(^{48}\)

For another 15 years, the Chinese in northern Mexico survived
many bouts of nativist outbursts in the northern borderlands. Mexican
nationalists finally succeeded in driving out the Chinese from Sonora
at the onset of the Great Depression of 1929–33, forcing them to
liquidate their businesses for a pittance and to repatriate to China
with their Mexican wives and Mexican-born children, all of whom
were stripped of their Mexican citizenship.\(^{49}\)

Americans and Chinese on both sides of the border comprised
another variation on the partnership theme in the then-Mexican
territory of Baja California on the Pacific coast, south of California.
The early development of Baja California’s Mexicali Valley was
closely tied to the California-Mexico Land and Cattle Company
and its parent company, the Colorado River Land Company. Its
owners were the southern California tycoons and \textit{Los Angeles Times}
publishers Harrison Otis and his son-in-law Harry Chandler. Already
large landowners in California’s Imperial Valley, heart of the state’s
burgeoning agricultural economy, in 1902 they acquired the vast
Andrade tract in Baja’s Mexicali Valley, the natural extension of
the Imperial. In both cases, agricultural development depended on
harnessing the waters of the powerful Colorado River. When in 1910
they decided to put their Mexicali Valley land under extensive cotton
cultivation, Otis and Chandler chose as partners not local Mexicans
or fellow Americans, but Chinese entrepreneurs from California who
would bring Chinese contract workers across the Pacific directly to
Mexico. Thus, the history of the Colorado River Land Company added
another intriguing chapter to the history of the Chinese diaspora on
this trans-Pacific, transborder region.\(^{50}\)

Landowners Otis and Chandler did not actually plant the cotton
themselves; rather, they leased the land to others to plant, in tracts
of 50 to 1,000 acres, at rates varying from $1 per acre to $10,

\(^{49}\) J. M. S. Camacho, ‘Traversing Boundaries: Chinese, Mexicans, and Chinese
Mexicans in the Formation of Gender, Race and Nation in the Twentieth-Century
\(^{50}\) Hu-DeHart, ‘The Chinese’.
depending on the condition of the land (cleared or uncleared). With taxes and other assessments added on, the cost to the lessee for a 50-acre lot ranged from $115 to $565. Significantly for our discussion, most of the lessees were Chinese, from both California and China. By 1920, they were raising 80 per cent of the Mexicali cotton crop. It is interesting, though not entirely surprising, that the Californian Chinese should have presented themselves to the Americans as partners in this enterprise, because it was well known among them that fellow immigrant entrepreneurs in Southeast Asia had established similar relationships with the British in the cultivation of rubber. To the American landowners, the Chinese partnership proved efficient, economical, and, thus, profitable. First, since the land had never been cultivated before, much work was required to clear and prepare the soil, arduous backbreaking tasks that the Chinese were adept at doing under the scorching sun in this semi-arid zone. Second, in this sparsely populated outpost of Mexico, the Chinese easily solved an obvious labour problem by contracting and importing co-ethnic workers directly from China, bypassing the United States and its exclusion laws.

After leasing the land, the Chinese lessee assumed all costs involved with cotton cultivation. A few rich Californian Chinese had their own capital to invest in this enterprise; others borrowed from Americans in southern California. They also raised some measure of capital from their own contracted workers, whom they organized into cooperatives. Each man contributed whatever he could towards the collective enterprise, working for a share of the crops rather than straight wages. During the working season, each individual received only clothing and food. In this way, the workers had a stake in the business, and were in effect partners with the lessee who had brought them to Baja California. They were thus highly motivated to make the venture a success. (These cooperatives appeared to be American adaptations of the kongsi system that the Chinese had perfected under the British in Southeast Asia.) For the American landowners, it was a good deal indeed, for they received money at the outset for leasing out the land, then—for no investment at all on their part—they saw the land cleared


and planted by the industrious, skilled, and well-disciplined Chinese work teams. Best of all, they received 50 per cent of the harvested cotton.

In addition to landowners in Mexicali and moneylenders in California, cotton in Baja generated good business for yet another group of American businessmen—the cotton ginners—who invariably set up their operations on the American side of the border. The refined cotton would then be marketed in the United States and shipped throughout the world, with Japan a major buyer. All equipment and the bulk of supplies were also purchased in the United States. The major ginners also became leading moneylenders to Chinese planters. W. J. Hartman was a member of the ginning firm Coree and Hartman. T. J. West represented the Chinese-Mexican Ginning Company, which, despite its name, was owned by neither Chinese nor Mexicans, but by an Anglo-American family in Los Angeles. W. C. Allen headed the local branch of the Globe Milling Company of Calexico, the mirror image in name and location from Mexicali, Mexico. Globe’s subsidiary in Mexico was appropriately named the Compañía Algodonera de Baja California (Cotton Company of Baja California). Unlike Messrs Otis and Chandler, these Americans who invested heavily in Baja California cotton were not landowners; instead, they bankrolled the Chinese growers and ginned their cotton. Their loans were not cheap. According to American Consul Walter Boyle of Mexicali, these ginners charged 12 per cent interest for the period from March to September, and 24 per cent for the rest of the year, ‘with the additional stipulation that the borrower donates a bonus of one-fourth of his cotton seed, and have the cotton ginned at the lender’s gin’.

Not surprisingly, all sorts of Americans waxed enthusiastically about the Chinese, both as business partners and as workers. Consul Boyle described them in starkly straightforward language:

[They are] supplying an uncomplaining, hardworking, wealth-producing subject of exploitation. The favorable condition being that the Chinaman expects to be exploited and will stand for any degree of exploitation just so long as it does not exceed a fifty-fifty of sharing his profits with the exploiters.

Boyle continued that the ‘Chinaman’ was moreover regarded as ‘quite honest in meeting his commercial obligations’. This Baja California commercial cotton production enterprise came to a natural demise during the Depression of the 1930s, whereupon most Chinese

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drifted closer to towns on the international line dividing the two countries to start restaurants and other small businesses or, like so many co-ethnics before, crossed the border as Mexicans to resume life and work on the other side, calling upon familiar Chinese, Mexican, and Anglo-American networks. Like other American consuls on the border, such as Simpich of Nogales cited above, Boyle was instructed to look after Chinese interests and protect them when necessary.

But the Chinese were not without resources of their own to call upon. As practised long-distance travellers and sojourners, diasporic Chinese carried adaptive mechanisms for mutual aid and support, and to defend themselves against hostile outsiders. Within China itself, when merchants, students, and others left their home village, county or province to work in another part of the country, they learned to depend on others from the same clan or lineage and from the same place and region. The restricted membership associations created on this basis came to be known commonly as *huiguan*. Later, as the need to mobilize displaced individuals who were not necessarily connected by primordial ties or mutual aid and protection, less exclusive associations were created. These sworn brotherhoods were built less on bonds of blood and place than on rituals that sealed underlying fraternal loyalty and trust. Variously termed ‘secret societies’, ‘triads’, and most ominously, ‘tongs’, these types of associations, along with various kinds of *huiguan*, made their way overseas throughout the diaspora. These immigrant associations were not so much re-enacted as persistent traditional organizations as they were adaptive responses to the changes that the migrants encountered and dealt with. For much of the diaspora, the changes that migrating Chinese encountered abroad were inevitably associated with capitalism, colonialism, and imperialism, typically the forces that beckoned the Chinese to move.  

In California’s Chinatowns, the first *huiguan*, which were surname associations, appeared as early as 1854. By 1877, seven such associations or ‘companies’ had formed, with a combined membership of over 150,000. They federated to become the Consolidated Chinese Benevolent Association, known colloquially as the Chinese Six Companies. Besides the large San Francisco Chinatown, smaller ones

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in North America had versions or chapters of the Consolidated Chinese Benevolent Association. They became the de facto governments for the Chinese immigrants, as local American governmental authorities were disinclined to expend time and energy to maintain order in these ethnic enclaves, to which the Chinese were confined by local ordinances.\(^5^5\)

The Consolidated Chinese Benevolent Association was not a commercial agency, nor a secret society, nor a labour contractor. Its main functions were to arbitrate disputes among the member associations; to keep track of the size and comings-and-goings of the Chinese immigrants through a close registration system; and to hire American legal counsel to fight anti-Chinese legislation and persecution by local, state, and federal governments, as well as harassment by private individuals. Later, it also took on the difficult task of breaking the powerful anti-social influence of the ‘fighting tongs’, especially when violent conflicts arose between them over drugs, gambling, prostitution, and other illegal but profitable activities. Funds for Consolidated Chinese Benevolent Association operations came from contributions from member associations, registration fees collected from every Chinese immigrant it registered, and other fees.\(^5^6\)

Mexico’s version of the Consolidated Chinese Benevolent Association was the Unión Fraternal, an open brotherhood association. As early as 1904, in the absence of any Chinese consular representation in Mexico, it began intervening with Mexican political authorities on behalf of Chinese immigrants, in particular the merchants who tried to do business in hostile environments. One incident that year concerned merchant Arturo Fong Chong of Cananea, whose shop was broken into and pillaged, causing him to lose $3,316 in cash and merchandise. By 1919, the Unión Fraternal claimed 5,000 members, with an income the previous year of $20,402 derived from admission fees, monthly dues, and donations. Unlike the Californian Consolidated Chinese Benevolent Association, which offered considerable social welfare to its members (schools, hospitals, and burial), the Unión’s focus was almost entirely on organizing immediate, deliberate, forceful, and collective responses


to harassment and discrimination emanating from any governmental or political source.\textsuperscript{57}

During the difficult but prosperous years of the Mexican Revolution, another brotherhood organization was introduced to northern Mexico from California, the often controversial Chee Kung Tong (Zhigongtang), commonly called a Masonic lodge (sociedad masónica) in the Americas. Its name meant ‘Justice Society’, and it had a long history in China, Hawaii (where Sun Yat-sen was an ardent member), and California before appearing in Baja California, Sonora, and other Mexican states.\textsuperscript{58} On the Mexican border, it positioned itself as a serious rival to the Unión for the hearts, money, allegiance, and trust of the Chinese community, its founders alleging that the Unión had grown too elite and removed from ordinary, poor working class Chinese. Like other \textit{huiguan}, Chee Kung Tong chapters in Mexico maintained hostels and secured employment for new arrivals, and otherwise substituted for the missing families of single male migrants in the United States. They solved arguments and arbitrated conflicts between members, and were also known for smuggling Chinese labourers across the Canadian and Mexican borders to the United States, a lucrative business, as well as for prostitution, gambling, and opium dens.\textsuperscript{59}

\textbf{Conclusion}

American Chinatowns and borderlands have been among the preferred destinations for Chinese migrants, prominent nodes on the diaspora circuit and prime examples of contact and exchange zones. Using a number of case studies and narratives, this paper explores co-ethnic relationships in these spaces that have sustained the immigrant communities, as well as the Chinese relationships with non-Chinese eager to profit from their availability as cheap labour and petty entrepreneurs. One, a bounded and contained ethnic enclave;


\textsuperscript{59} E. Lee, \textit{At America’s Gate: Chinese Immigration During the Exclusion Era, 1882–1943} (North Carolina: University of North Carolina, 2003).
the other, a wide-open range between and bestride two sovereign
national entities, they indeed offer different opportunities. At the
same time, what they had in common were the Chinese immigrants,
historically a largely homogenous group of young to middle-aged men
from the overcrowded villages and towns of southern China, leaving
home as single men, whether married or not, but usually in the
company of others like them. They came to the United States to work
and to trade, with the intention of returning with savings to their
villages and families left behind. When abroad, they adapted habits
of mind, traditional social organizations, and hometown practices to
help them deal with the conditions they encountered, and eagerly
sought interactions with others for support, protection, mutual aid,
and benefit. Two patterns especially stand out.

One is co-ethnic exploitation, an inevitable consequence of co-
ethnic interaction and cooperation. This is especially evident when
a subcontracting system is in play. On the one hand, ethnic
subcontractors, whether in a Chinatown sweatshops or on the border
labour gangs, create or mobilize jobs for their co-ethnics who otherwise
could not have accessed them on their own. Thus the immigrant
workers who arrive with little financial or social capital are beholden
to subcontractors for their livelihood. At the same time, these are by
definition asymmetrical relationships that rely on intense exploitation
of already poorly paid labour to squeeze out profits for the Chinese
subcontractor and the non-Chinese owners of the larger enterprise. It
can also be argued (as Consul Boyle did) that the entire subcontracting
system is intensely exploited by powerful forces for gain, which leads
to the second observation.

Co-ethnic relations among Chinese in Chinatowns or borderlands
cannot be understood without a larger colonial or neocolonial
context—forces of globalization, in other words—which engenders
and nurtures them. The Chinese diaspora, which has followed the
trajectory of Western capital back and forth across the Pacific, can
often be detected in its shadows playing a supporting and enabling
role, and as such also benefiting from it.