Chinese student circular migration and global city formation: a relational case study of Shanghai and Paris

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Chinese Student Circular Migration and Global City Formation:

A relational case study of Shanghai and Paris

by

Wei SHEN

A Doctoral Thesis

Submitted in partial fulfilment of the requirements

for the award of

Doctor of Philosophy of Loughborough University

1 October 2009

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Abstract

More than 1.2 million students have left China to study abroad during the past three decades of economic reform in China. In 2007 alone, China sent around 144,000 students abroad, 167 times of the number of students in 1978. This large scale of student migration has often raised debate on ‘brain drain’, because many of these student migrants do not return to China upon graduation. However, there has been a reverse trend in the past decade as China witnessed a growing wave of return migration. More and more Chinese students are coming back to China after their studies and work abroad due to the strong economic situation and promising career opportunities at home. These returnees are given the nick-name ‘Haigui’ or, in English, ‘sea-turtles’.

This doctoral research is therefore an academic inquiry to this emerging social phenomenon. While international migration is mainly researched on the national level, this innovative doctoral research seeks understand the relationship between migration and global city formation. To do so, it analyses inter-city migration flow by applying a relational case study of circular student migration between Shanghai and Paris and examines the rationale behind return migration and the role of management/business student returnees from French business schools on Shanghai’s pathway to become China’s premier global city.

This research reveals that global cities have become the strategic points for Chinese talents (students and skilled professionals) acting the role as sending, transiting and receiving sites, which are interconnected in the dynamic process of knowledge accumulation, contact making and network creation. Chinese student returnees contribute to the development of Shanghai by actively engaging in transnational activities including developing and maintaining cross-border organisation/corporate ties and personal networks, knowledge transfer, acting as global-local business and cultural interface, as well as enriching cosmopolitan and multicultural business and cultural spaces in Shanghai.

Keywords: Brain drain, Business Education, China, Circular Migration, Global/World Cities, Paris, Returnee, Shanghai, Student Migration, Talent
Acknowledgements

This doctoral thesis has been an unexpectedly long journey for me. It has been a very real privilege to be given this experience and it is entirely proper for me to thank family and many friends for their assistance, patience and trust.

I am the only and first from my family to graduate from university, the only one granted a masters degree. When I embarked my journey for PhD study at Loughborough University, this was my first encounter with a UK University. I was congratulated by relatives and friends from home, who had high hopes that I would achieve the best. These years have been the most rewarding part of my life. This is thanks above all to my supervisors, Peter Taylor and Michael Hoyler, who accepted me into Loughborough’s Geography Department. I hope my work does not disappoint them, as I owe them a profound debt of gratitude for their diligent supervision and support over my academic and professional development. Thanks too must go to colleagues in the Department, Phil Hubbard (my Director of Research), Morag Bell, Ian Reid, Heike Jöns (internal examiner for this thesis), Paul Wood, Diana Snaith, Sue Adcock, Mark Szegner, Rachel Breen, and my dear ‘postgraduate gang’ - Valeria, Julia and many others who made life less solitary.

Three institutions have been instrumental in completing this doctoral research. Firstly and pre-eminently, I am profoundly grateful for the academic and financial support as well as the Sir Robert Martin medal I received from Loughborough University. Secondly, thank you to Centre d’Étude et Recherches Internationales (CERI/CNRS) at Institut d’Études Politiques de Paris, particularly to Catherine de Wenden. She accepted me as a visiting researcher, opened the door for me to conduct my research, building my French contacts. Thirdly, to École Supérieure des Sciences Commerciales d'Angers (ESSCA), for appointing me to an academic post, and sustaining my research. Thanks go especially to Albrecht Sonntag, Françoise Bernugat, Carol Chaplais, Catherine Leblanc and Jacques Boulay who ensured I will have sufficient research time.
Hugely fortunate, I have had essential financial assistance from a number of bodies, with generous funding from the Foundation for Urban and Regional Research (FURS), University Association of Contemporary European Studies (UACES), the European Commission, the Universities China Committee in London (UCCL), Royal Society, Asia-Europe Foundation (ASEF) and ASEF University Alumni Network (ASEFUAN). Their vital support enabled me to complete my essential fieldwork which plays a crucial role in my research.

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Lewis and his wife Jean have become my parents in the UK, and made me part of their family. I am grateful too for the friendship of Suzanne Musiol - a true friend in the past six years, listening to worries, stresses and strain. Last, but not least, I must thank my friend, Pierre Weill-Tessier. Pierre helped me in the course of research, in discovering France, and become wiser culturally in all things French.

Finally, I dedicate this thesis to my mother as she now lives in her retirement in Shanghai. Although she will never be able to read, understand or even appreciate my research, I know how much this means to her. Raising me as a single parent is not easy. Nor is the geographical distance between Europe and China. She made huge sacrifices to allow me to achieve what I have done today, which I will never be able to repay. Therefore, this is a just a very small token of thanks from me to Mrs Gu Lingdi - a truly remarkable mother and friend.
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
</tr>
<tr>
<td>APEC</td>
<td>Asia-Pacific Economic Cooperation</td>
</tr>
<tr>
<td>APS</td>
<td>Advance Producer Services</td>
</tr>
<tr>
<td>BDE</td>
<td>Bureau des Élèves</td>
</tr>
<tr>
<td>BRIC</td>
<td>Brazil, Russia, India, China</td>
</tr>
<tr>
<td>CA</td>
<td>Charted Accountant</td>
</tr>
<tr>
<td>CAF</td>
<td>Caisse d'Allocations Familiales</td>
</tr>
<tr>
<td>CASS</td>
<td>Chinese Academy of Social Sciences</td>
</tr>
<tr>
<td>CBIE</td>
<td>Canadian Bureau for International Education</td>
</tr>
<tr>
<td>CEIBS</td>
<td>China-Europe International Business School</td>
</tr>
<tr>
<td>CIM</td>
<td>Chartered Institute of Marketing</td>
</tr>
<tr>
<td>CIPD</td>
<td>Chartered Institute of Personnel and Development</td>
</tr>
<tr>
<td>CPC</td>
<td>Communist Party of China</td>
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<tr>
<td>CSSA</td>
<td>Chinese Students and Scholars Associations</td>
</tr>
<tr>
<td>DAAD</td>
<td>Deutscher Akademischer Austauschdienst</td>
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<tr>
<td>DFID</td>
<td>UK Department for International Development</td>
</tr>
<tr>
<td>ESCP Europe</td>
<td>École Supérieure de Commerce de Paris</td>
</tr>
<tr>
<td>ESSEC</td>
<td>École Supérieure des Sciences Économiques et Commerciales</td>
</tr>
<tr>
<td>GaWC</td>
<td>Globalization and World Cities Study Group and Network</td>
</tr>
<tr>
<td>HBS</td>
<td>Harvard Business School</td>
</tr>
<tr>
<td>HE</td>
<td>Higher Education</td>
</tr>
<tr>
<td>HEC</td>
<td>Hautes Études Commerciales</td>
</tr>
<tr>
<td>HEI</td>
<td>Higher Education Institution</td>
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<tr>
<td>HQ</td>
<td>Headquarter</td>
</tr>
<tr>
<td>HQP</td>
<td>Highly Qualified People</td>
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<tr>
<td>IAA</td>
<td>INSEAD Alumni Association</td>
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<tr>
<td>IIE</td>
<td>Institute of International Education (USA)</td>
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<tr>
<td>ILO</td>
<td>International Labour Organization</td>
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<tr>
<td>IMD</td>
<td>International Institute for Management Development</td>
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<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
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<tr>
<td>Acronym</td>
<td>Full Form</td>
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<tr>
<td>IOM</td>
<td>International Organization for Migration</td>
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<tr>
<td>IPO</td>
<td>Initial Public Offering</td>
</tr>
<tr>
<td>KMT</td>
<td>Kuomintang</td>
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<tr>
<td>LBS</td>
<td>London Business School</td>
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<tr>
<td>MBA</td>
<td>Master of Business Administration</td>
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<tr>
<td>MNC</td>
<td>Multinational Company</td>
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<tr>
<td>MoE</td>
<td>Ministry of Education</td>
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<tr>
<td>NESO</td>
<td>Netherlands Education Support Office (China)</td>
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<tr>
<td>NUFFIC</td>
<td>Netherlands Organisation for Int’l’ Cooperation in Higher Education</td>
</tr>
<tr>
<td>NUS</td>
<td>National University of Singapore</td>
</tr>
<tr>
<td>OECD</td>
<td>Organization for Economic Cooperation and Development</td>
</tr>
<tr>
<td>PRC</td>
<td>People’s Republic of China</td>
</tr>
<tr>
<td>TNC</td>
<td>Transnational Corporations</td>
</tr>
<tr>
<td>UCECF</td>
<td>Union des Chercheurs et des Étudiants Chinois en France</td>
</tr>
<tr>
<td>UCL</td>
<td>University College London</td>
</tr>
<tr>
<td>UK</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
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<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
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<tr>
<td>UNESCO</td>
<td>United Nations Educational Scientific and Cultural Organization</td>
</tr>
<tr>
<td>UN-HABITAT</td>
<td>The United Nations Human Settlements Programme</td>
</tr>
<tr>
<td>US</td>
<td>United States</td>
</tr>
<tr>
<td>WEF</td>
<td>World Economic Forum</td>
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<tr>
<td>WTO</td>
<td>World Trade Organization</td>
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<td>Glossary of Chinese – English Equivalents</td>
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<td>------------------------------------------</td>
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<tr>
<td><strong>A-yi</strong></td>
<td>Domestic Helper</td>
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<tr>
<td><strong>Guanxi</strong></td>
<td>Connections, personal contacts/networks</td>
</tr>
<tr>
<td><strong>Guiqiao</strong></td>
<td>Chinese from abroad</td>
</tr>
<tr>
<td><strong>Haidai</strong></td>
<td>'Seaweed', meaning jobless returnees in China</td>
</tr>
<tr>
<td><strong>Haigui</strong></td>
<td>‘Sea-turtles’, meaning overseas returnees in China</td>
</tr>
<tr>
<td><strong>Huaqiao</strong></td>
<td>Overseas Chinese</td>
</tr>
<tr>
<td><strong>Huaren</strong></td>
<td>Naturalised Chinese</td>
</tr>
<tr>
<td><strong>Huayi</strong></td>
<td>Chinese descendant</td>
</tr>
<tr>
<td><strong>Hukou</strong></td>
<td>Household registration</td>
</tr>
<tr>
<td><strong>Jianmianli</strong></td>
<td>Golden Hello</td>
</tr>
<tr>
<td><strong>Min Yi Shi Wei Tian</strong></td>
<td>People regard food as heaven</td>
</tr>
<tr>
<td><strong>Qingong Jianxue</strong></td>
<td>Work-Study Movement</td>
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1 Introduction

1.1 War for Talents

‘The empires of the future will be empires of the mind.’
Winston Churchill, at Harvard University, US, 1943

This observation made by the former British statesman after World War II, prophesied that the new battlefield in the future would be a global hunt for talents and ‘brains’. A war that would be completely different from the war Churchill just fought, it is rather to be a silent war without weapons. The Economist\(^1\) magazine in 2006 recalled this message, and noted while the old battles for natural resources are still with us, the new global competition for talent is now at its fiercest - not just between companies but also increasingly among countries who seek a new global ‘balance of brains’, a defining criteria for the ‘balance of power’ in today’s world.

McKinsey & Company (1998:2)\(^2\) divides American jobs into three categories: ‘transformational (extracting raw materials or converting them into finished goods); transactional (interactions that can easily be scripted or automated); and tacit (complex interactions requiring a high level of judgment).’ It is emphasised by McKinsey that the growth of American jobs will focus on the ‘tacit interactions’, which have grown two and half times as fast as the number of transactional jobs, and three times as fast as general employment on the whole. These knowledge intensive jobs now make up some 40 percent of employment in the labour market in the US, and account for 70 percent of the jobs created since 1998. The Asia-Pacific Economic Cooperation (APEC, 2004:11) has regarded highly-qualified people (HQP) as indispensable to an innovative economy in the region as the job market is now international, ‘with the industrialized economies in APEC competing to attract individuals with the most in-demand skills and experience’. This trend is also bound

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\(^1\) The Economist: The Battle for Brainpower (5 Oct 2006)
http://www.economist.com/surveys/displaystory.cfm?story_id=7961894

http://www.mckinseyquarterly.com/The_war_for_talent_305
to take place in the Global South, as the emerging powers of the so-called BRIC countries (namely Brazil, Russia, India and China) are playing a growing role in the global economy.

Developing and attracting talents has been a central goal for China, whose economy and future development depends on an ample supply of skilled labour. Although China has one of the largest university education systems in the world, these home grown talents alone cannot sustain China’s economic ascent and global ambitions, neither in terms of quality nor quantity, according to McKinsey (2005). It points out that China’s talent crunch of an internationally competitive workforce will have serious implications for both Chinese and multinational companies which have been fuelling China’s economic miracle in the past three decades. The World Economic Forum in its World Competitiveness Report (2008) also highlights the importance of ‘brain power’ in China’s transition from ‘Working Power’ to ‘Brain Power’, by comparing it to India’s competitive advantages in ‘brain power’ in terms of innovative capacity and effective corporate governance.

Because of this demand for highly qualified talents as well as the fierce competition for entering university education in China among other reasons, many Chinese students have gone overseas to acquire advanced education and training. Studying abroad was made possible after the launch of the ‘Open-Door Policy’ in 1978, when China started to liberalize Chinese nationals’ exit policy (outbound migration). In 1984, self-funded students were also allowed to leave China for overseas studies. This new phase of the liberalization process represented the starting point of an overseas study boom. Indeed, until the beginning of the 1990s, the student visa was one of the rare channels for crossing Chinese frontiers legally. When it started, only a small and very select student group, including highly qualified researchers and engineers (who were required to return to academic institutions) benefited from this liberalization. During the last thirty years of economic reform, more than 1.2 million students have left China to study. In 2007 alone, China sent around 144,000 students abroad, 167 times the 1978 figure (Ministry of Education, 5 April 2008). This makes China the largest source country of international students in the world. More than 85 percent of the students study in North America, Europe, and Asia, particularly the USA, UK, Germany, France, Australia, and Canada.
Though China wanted to develop academic exchanges with western countries, it maintained a degree of anxiety regarding a potential brain drain scenario (Le Bail and Shen 2008). Since the 1990s, the government has issued new measures to encourage the return of the most highly qualified individuals, and has promoted a discourse that tends to honour and praise the repatriated ‘brains’ in China and their involvement in homeland development. The strong economic situation and promising career opportunities at home as well as favourable government policies have promoted a wave of return migration, as more and more Chinese students are coming back to China after their studies and work abroad. These returnees are given the nick-name ‘Haigui’ or, in English, ‘sea-turtles’.

This phrase nicely sums up the characters of returnees that are similar to the biological behaviour of real sea-turtles: they are born on the sea-shore, leave the land and go out to sea when they are still young, but when they are grown up, they return to their original shore to fertilise and produce their young. There has been research examining this phenomenon as a form of educational exchange and human resource development (e.g. Chen 2002, Chen 2003), and it is often situated within the debate on brain drain and brain gain (Iredale et al. 2003, Cao 2004, Zweig et al. 2006, Chen 2008). But what is the impact of these returnees on Chinese cities, as ‘an indisputable component of global capital accumulation (thanks to China’s newly earned status as ‘the world factory’ for global commodity production)’ (Wu and Ma 2006:192), which host these returnees?

1.2 Talents and the City

The global race for talents does not stop at the national or company level. Global and world cities are now increasingly involved in the worldwide competition for a skilled labour force to differentiate themselves from each other and gain a competitive edge for luring investors and businesses. Professor Shih Choon Fong, President of the National University of Singapore (NUS) addressed the importance of cities in the global talents war³:

³ Presidents’ Colloquium, 19 May 2006, Tri-University Colloquium, Korea University
‘The emergence of global economic powers in Asia will propel the development of some of its great cities into even more dynamic global cities. These cities will draw diverse talents, becoming financial, culture and innovation hubs. Leveraging the dynamism of these cities, their universities will become talent magnets, thereby contributing to the city’s intellectual, social and cultural vibrancy. This natural synergy between global cities and great universities will power the vitality and vibrancy of both.’

Professor Shih pointed out two important issues, firstly the rise of Asia and its economies like China is reflected in a rapid urbanisation process and the economic transformation of Asian metropolises into global cities. Secondly he draws important links between global cities and the production and attraction of talents. Global cities together with other stakeholders such as business schools and public and private corporations are the producers of global talents, working hard to develop and retain talents to study, work, invest and live in the cities. The global trade in educational services has grown very fast in the past few years. Different from other trade, overseas education is traditionally supply driven, i.e. the clients (the students) are driven to the place where good and high quality education is available. With the increasing internationalisation in education, business education providers are setting up new campuses or starting joint programmes abroad to offer MBA and EMBA courses close to the students’ home-base.

In the past decade, we have witnessed new initiatives in business education similar to the coalition in the airline industry like Star Alliance, Skyteam and One World. With names like TRIUM MBA (which involves New York University, London School of Economics and HEC in Paris), One MBA (an alliance of premier business schools in Rotterdam, Hong Kong, São Paolo, North Carolina and Monterrey), business schools are building up strategic alliances with partners in global cities around the world to offer a streamlined education programme across geographical boundaries. Some leading business schools have even moved one step forward to set up overseas campuses, for example, INSEAD and Chicago’s Asia campuses in Singapore. Cities play an important role for business schools besides being the hosting site. They offer
cosmopolitan lifestyles and extensive working and networking opportunities for business students. Therefore it is not surprising to see that many top business schools are advertising their ‘urban advantages’, such as the ‘New York Edge’, ‘London Advantage’, ‘Downtown Advantage’ as well as more desirable and specific lifestyles like ‘Bay Experiences’. To conclude, just like advanced producer services, business schools are now also expanding their geographical coverage to increase their ‘globalness’ in today’s education market. At the same time, the exchange programmes and overseas campuses / courses they establish will enable better student mobility across the world’s major cities.

As our economic globalization is facilitated by rapid transformation of information and communication technology (ICT) and improved transportation links (Castells 2000), international migration and global cities are now two main features of contemporary globalization and network society. The transnational flow of students between global cities is facilitated by the aforesaid internationalisation of education, which creates new patterns of international migration and is an important constituent of the global economic system. Sassen (1988) has charted that growth and restructuring of the production and service functions of global cities like New York has seen a massive influx of migrant workers as a response to increasing job opportunities, especially in the lowly paid and skilled sectors. However, what is missing in this analysis is the full appreciation of the attractiveness of global cities to other forms of migration, particularly skilled migration by, for example, students and professionals.

In response, there has been an increase of academic inquiry in highly skilled professionals, such as the research on highly mobile and cross border transnational managerial elites (Doyler and Nathan 2001), British expatriates in New York and Singapore (Beaverstock 1996, 2002, 2005, Beaverstock and Boardwell 2000), inter-company transfers within and between transnational corporations (Findlay et al. 1996, Koser and Salt 1997, Peixoto 2001) just to name a few. Can we apply the case of circular student migration (students as well as highly skilled professionals upon graduation) to understand the role of international migration as a key mechanism enhancing the global control and coordination functions of global cities and their
global-local interconnectivity with other major nodal points across national boundaries?

1.3 Research Questions

With the two aforementioned questions, this doctoral research seeks to extend research on international migration and global cities by applying a relational case study of circular student migration between Shanghai and Paris to investigate global cities as strategic points for transnational elites, which are interconnected in the dynamic process of knowledge accumulation, contact making and network creation. It uses the empirical lens of interviews with Chinese returnees in Shanghai and student migrants in Paris to address student circular migration as a layer of flow in the ‘Network Society’ (Castells 2000). By doing so, the research explores the contribution of student migration to global city formation by actively engaging in transnational activities including developing and maintaining cross-border organisation/corporate ties and personal networks, knowledge transfer, acting as global-local business and cultural interface, as well as enriching cosmopolitan and multicultural business and cultural spaces.

This doctoral thesis addresses a total of two main research aims and one supplementary research aim for establishing contextual background for this research. The first research aim is to investigate China’s outbound student migration on a city level (as key strategic point – Paris) in the flow pattern of Chinese student migration. The basic research question asked here is: why do contemporary Chinese students choose Paris and France as their destination, how is this choice entailed in their career development, and how may it be related to the development and economy of China?

The second and the main research aim for this research project is the investigation of student return migration to Shanghai and its role in Shanghai’s global city formation process. The return of students is considered to be a potentially positive win-win student migration cycle. As the majority of Chinese students choose management and business subjects as their main courses of studies, this thesis examines the role of management/business student returnees from French business schools on Shanghai’s
pathway to become China’s premier global city through its integration into the world city network. The basic question this research asks is: how does student return migration impact on and contribute to the rise of Shanghai as a leading world/global city?

These two research aims are supplemented by a third subsidiary research aim which provides a contextual basis for background information and analysis. This is to provide extensive background (both historical and recent) information and engage with current debates on Chinese student migration and Chinese migration in the global migration order in general. Here is detailed summary of research aims and objectives:

- **To understand recent Chinese student migration and in-flow of Chinese students in Europe in the past decade:** Studying abroad is a popular phenomenon in China. Europe has seen a large influx of Chinese migrants in the past decade. The massive increase in student movement to Europe has led to a series of social, economic and political debates and requires adequate empirical research and policy reviews. This doctoral research has produced a holistic and systematic review of international migration from China, and provided a quantitative description of recent student migratory flows from China to France and Europe and at the same time conducted a review of current studies on international student migration, global city formation, so as to understand the causes, patterns of flows and destinations of Chinese student outbound and return migration.

- **To comprehend Chinese student migrants' aspirations in Europe at the city-level, through a study of Chinese business students in Paris:** Most current migration research is conducted on the national level due to the availability of statistical data. Paris is one of the birthplaces of the modern university and a major educational hub for France and Europe. It is also among the largest European hosting cities for Chinese student migrants. The inquiry into Chinese students in Paris helps us to comprehend the connections between cities through student migration as well as the importance of pre-acquisition of knowledge and capital on migration trajectories. In order to do
so, interviews were conducted with Chinese students in Paris and returnees in Shanghai to find out their motivation for studying in Paris and France. In addition, this study analyses the patterns of academic learning, employment experiences and social networks in Paris to understand how Chinese students accumulate transnational capital and how this relates to their career and migration process.

➢ To assess the return migration of Chinese students and evaluate their contribution to the emergence of Shanghai as a global city and its integration into the world city network: Although many Chinese students stay abroad after completing their overseas education, the number of students returning to China has grown rapidly. They will become an important part of the skilled labour force in China’s economic development. Most returnees choose Shanghai and other major cities in China as their destinations and it is of theoretical and policy interest to comprehend and trace their career developments. The interviews with returnees in Shanghai offer a follow-up on the post-graduation life of returned management / business students in Shanghai and give insights into their career developments. It also explores how this return migration may facilitate Shanghai’s growth into China’s premier global city, through an analysis of their contribution to the city’s economic growth by a number of factors such as expertise and networks.

1.4 Thesis Structure

This section outlines the structure of this thesis, which consists of nine chapters.

The first chapter, the Introduction, is used to provide background information on the ongoing global talent war and its implications for the internationalisation of education as well as for the migration of talents between global cities. It also specifies the key research questions of this thesis.

Chapter Two summarises key aspects of the global/world cities literature and migration theories and points out their limitations and critiques. Drawing on these two
well-developed academic fields, it shows the benefits of combining them to better study and understands the relationship between global city formation and migration. It also notes the lack of research on up-and-coming global cities in the emerging countries and hence the added academic value of choosing Shanghai as the research target.

Chapter Three explains the research methods employed in this research. It starts with a general discussion of the pros and cons of various research techniques and highlights the importance of having an interdisciplinary approach in this doctoral thesis to understand the dynamics and complexity of the international student migration process. It discusses the quantitative and qualitative methods used for data collection and the practical matters and lessons arising during the fieldwork. It also includes a self-reflection on the use of in-depth interviews as well as a consideration of the impact of cultural and language matters.

Chapter Four offers a general introduction to Chinese migration from both historical and contemporary perspectives. It shows the shifting patterns of international and internal migration in China. The special focus is on the phenomenon of student migration from China to France. This chapter provides a contextual basis of Chinese migration for the analysis in the following chapters.

Chapter Five reviews the pre-migration conditions of returnees in Shanghai and student migrants in Paris, including their academic and professional backgrounds. It shows Shanghai as an established centre for domestic talents, as many interviewees have either studied or worked in Shanghai before going to study in Paris. This chapter explores Shanghai’s role for sending talents and analyses how pre-acquired knowledge and capital contribute to the choice of Paris as study destination. The aim is also to understand the motivation of Chinese students studying abroad and ‘using’ Paris as the destination city to gain knowledge and expand their personal and professional networks.

Chapter Six portrays the life of Chinese student migrants in Paris, their studies, work, professional and social activities. By examining their sojourn in a global city, this chapter uses Bourdieu’s theory (1986) on various forms of capital to show how Paris
is being seen and used as the ‘capital accumulation point’ by the student migrants in terms of the patterns of learning, training and contact making and how their (transnational) experiences relate to their decision for returning or not returning.

Building on this, chapter Seven aims to comprehend the on-going trend of return migration of Chinese students and professionals the rationale behind this. By using the interviews with returnees in Shanghai and students / professionals in Paris, this chapter examines the various economic and non-economic factors for return migration.

Chapter Eight explores the work and life of returnees in Shanghai and offers a detailed analysis on the impact of return migration on the growth of Shanghai and the city’s integration into the world city network. It asks the question why Shanghai has been chosen as the preferred destination city rather than other cities in China and discusses a number of personal/family and professional factors. It then specifically draws on three major areas of interest on the impact of returnees in Shanghai’s growth: the transfer of expertise and knowledge; the enhancement of transnational links of Shanghai to other global cities, particularly with Paris; and the enrichment of the cosmopolitan and cultural diverse landscape of the city. Based on the analysis of employment patterns, work function, organisational and personal ties held by returnees, it argues that contemporary Chinese returnees (Haigui - Sea-turtles) contribute to the formation of Shanghai as China’s leading global city.

Finally, chapter Nine serves as the concluding chapter that summarises the main research findings of this doctoral project to understand the relationship between global city formation and circular student migration. While underlining the contribution of this thesis to the academic debates on global cities and migration studies, it also points out the limitations of this research. Furthermore, it discusses the relevance of this thesis to the understanding of contemporary Chinese society and policy making. Last not least, it also makes suggestions on the possible directions for further research on China as a net immigration receiving country and its lasting effects.
2 Theoretical Framework

‘Without theory, there is nothing to research.’
Silverman (2004:1)

2.1 Introduction

This doctoral research project touches upon two major domains of social sciences theories, namely the studies on global city and world city network formation as well as international migration theories. The interdisciplinary approach serves as a good contextual basis and theoretical framework for analysing and understanding contemporary circular migration of Chinese students and its impact on global city formation. This chapter will give a review on existing theories to understand these two intriguing phenomena of globalisation.

2.2 Globalisation and World Cities

For centuries and even millenniums, economy and development in sciences have shaped the development, rise and fall of cities in a changing world. Throughout the history, individual cities have been the centre of the human civilizations and world economy. This list of important cities includes Ur (in modern day Iraq) in 1500 B.C., Persepolis (Persia), in 500 B.C., Rome, around A.D. 500, Changan (China), in 1000; the cities in the Low Countries and in the Hanseatic League, Florence, Genoa and Venice just to name a few. Some of these cities have ceased existence, while some others have become popular tourist destination to admire the cultural and artistic achievements during their respective Golden Age. The following picture (Figure 1) is a capsule of one of the greatest cities in ancient China, Kaifeng. It was named as ‘by far the most important place in the world in 1000’ an American journalist Nicholas Kristof (2005)\(^4\).

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\(^4\) Nicolas Kristof: From Kaifeng to New York, glory is as ephemeral as smoke and clouds (22/05/2005): http://www.nytimes.com/2005/05/22/opinion/22kristof.html.
The painting by Zhang Zeduan, a Song dynastic artist vividly shows the good life and busy urban scenery in Kaifeng during the Qingming season in spring. Already densely populated with more than one million people, the largest on earth at that period, but still does not stop people from around the world coming to live and work there. The prosperity of Kaifeng and ancient China rely on two key factors, trade and technology. Being the most prosperous and advanced economies in the medieval world, the economic power of Song was heavily influenced by foreign trade, as loads of silk and porcelain were exported to different parts of the world (Shen 1996). Song Dynasty’s advancements in technology, especially in civil and mechanical engineering also contribute to the sustainability of its economy.

**Figure 1: Along the River during the Qingming Festival Painting, a painting by Zhang Zeduan (1084-1145) which captures the daily life of people from the Song period at the capital – Kaifeng.**

Today, the restructuring of world economy and new technological development continue to ‘shape the life of cities’ (Sassen 1991:3). The unprecedented speed of economic globalization has reduced trade barriers and facilitated greater flow of capital, help cross-country business interactions, intensify global competition and stimulate global city formation (Sassen 1991, Short and Kim 1999, Wei and Leung 2005). The concept of global and world cities has become an important subject of urban and geographical studies in the recent years, which links the growth of global/world cities with the process of globalisation in a critical area of research (Hall
Literature on global and world cities emphasises their ‘command and control’ role in the global economy and specific features such as high concentration of headquarters and global financial capitals, clustering of advanced producer services etc.

The broad concept of global/world cities is derived from early studies by social scientists like Geddes (1915), Hall (1966), Cohen (1981), Friedmann and Wolff (1982) and Friedmann (1986), among others, who have set the research agenda in global city research by placing emphasis on control power and the ‘functional reach’ in the changing organisation of the global economy. The research starting point lies particularly in the analysis of some major cities including London, New York, Tokyo, Paris, Moscow, Ramstad (the Netherlands), and Rhine-Ruhr (Germany) by Patrick Geddes (1915) and Hall (1966). These cities have been chosen because of their respective power and influence in: politics; trade; communications; finance; education; culture and technology (Beaverstock et al. 1999).

Later, according to Friedmann’s research (1986), certain cities are said to be the ‘key basing points’ for transnational corporate headquarters. Friedmann has formulated a world city hierarchy, which differentiated between primary and secondary cities in core and semi-peripheral countries. He emphasises that those primary cities are embedded in the ‘global circuits’ of capital (Friedmann 1986), both ‘reflecting and facilitation the material and symbolic power of global capital’ (Olds and Young 2004:494). Indeed these great cities are where international capital is concentrated and at the same time fulfils other key criteria including major international financial hub, global/regional headquarters for Tics (transnational corporations), a growing business service sector, concentration of international organisations, transportation and logistics centre, a good manufacturing base and last but not least a sizable population. Global capital and corporations use some key cities in advanced economies as the ‘control’ centres and assign them with functions in the re-structured spatial division of labour, production and market. Furthermore they are interconnected with each other through ‘decision-making and finance’ in a complex and hierarchical urban system, ranked by their functions, control and command power (Friedmann and Wolff 1982:310).
With the transformation of information technology and increasingly multilevel flows of information, knowledge and services, Saskia Sassen (1991, 2001) underlines another strand of research to contextualise the formation of global cities and their new strategic role for major cities in a highly connected society. In her book *The Global City*, Saskia Sassen made the following observation (2001:3-4):

‘A combination of spatial dispersal and global integration has created a new strategic role for major cities. Beyond their long history as centres for international trade and banking, these cities now function as centres in four new ways: first, as highly concentrated command points in the organization of the world economy; second, as key locations for finance and specialized service firms, which have replaced manufacturing as the leading economic sectors; third, as sites of production of innovations, in these leading industries; and fourth, as markets for the products and innovations produced. These changes in the functioning of cities have had a massive impact upon both international economic activity and urban form: cities concentrate control over vast resources, while finance and specialized service industries have restructured the urban social and economic order. Thus a new type of city has appeared. It is the global city.’

The key features of global cities can be reflected on the concentration of investment, high-proportion of (advanced) producer services and their strategic controlling power in the global economic and city network. Three cities, New York, London and Tokyo stand out as the global cities in her pioneering works (1994, 2001) because of three distinct features they share in common: firstly their commanding power in the organisation of global economy; secondly, they are key locations and marketplaces for leading industries (i.e. finance and other specialist service firms); thirdly, major production sites of innovation. Her analysis and concept of global city is developed through idea of globalization of economic activity and especially the organisational structure of producer service.

Sassen (1991, 2001) particularly points on the transformation and internationalization of financial industry as a factor for making global cities as the ‘management and coordination’ of global economic power. She suggested that since early 1980s, the
organization of the financial service industry has undertaken rapid transformation which led to the organizational change and demand for financial products and services across national markets through deregulation (Sassen 1991:65). With the growing participation of financial institutions including pension funds and trust banks, a massive influx of funds was poured into the markets. These banks require a ‘vast infrastructure of financial centres with high specialised services’ (1991:84). This partly contributes to the formation of global cities, as well as so called ‘Capitals of Capitals’ (The Economist 1998), and the ‘agglomeration and centralisation’ of management locations in global cities’ (Beaverstock et al. 1999).

Sassen’s triad of New York, London and Tokyo as the leading cities in the global urban hierarchy has been highly influential and yet at the same time problematic. King (2000:266) suggests that global cities studies tend to suggest if these cities are the ‘product of economic globalization: the outcome of an evolving world system of structural nature, or the outcome of the operation of producer services firms, or else the outcome of externalized (and hierarchical) relationships between transnational firms that are headquartered within a skein of cities’ (see also Olds and Young 2004:496). Another question relates to Sassen’s approach is focused on the exclusivity of global city. Taylor (2008) asks the question ‘which cities are global cities with the implication that the rest are in some sense ‘un-global’’. Since the process of globalization is a ‘bundle of processes that impinge upon the development of all cities in all globalization’ (Taylor et al., 2004), Sassen’s analysis on global cities needs to be developed to address the actual relations between global cities in order to ensure a more inclusive approach to understand them in contemporary context.

In order to understand the inter-city relations between global cities, we must study these cities as process rather than ‘product’ of globalization. This leads us to the scholarly works by a sociologist, Castells and an urbanist Jacobs. Castells (1996, 2000) asserts that the development in Information and Communication Technologies (ICT) have reshaped the material basis of society. He defines space in terms of social practise, ‘space facilitates social practices in the physical bringing together of interacting agents but it is precisely this physical requirement that is being overcome by ICT’ (Lai 2009). Castells’ focus is on flows in relation to place: in the network society, he points out that the dominant form is not space of places, but the space of
flows (Castells 1989, 1996, 2000). In his conceptualisation, cities are viewed as a continuous network process of ‘spatial interactions with place reduced to the role of node within the networks’ (Taylor 2008). Jacobs’ work on the rise and fall of American cities (1969) allows us to think that all cities at one stage of their life can be ‘dynamic or stagnant’ (Taylor 2008) which does not exclude them from being integrated within the Castells’ networked process.

This network perspective has shifted the focus on urban rankings and hierarchies to a more balanced study which explores the networks and flows between global cities. This relational approach to intercity connection and linkage encouraged scholarly research on the network of global/world cities led by a team of geographers at the Globalization and World Cities Study Group and Network (GaWC) based at Loughborough University (UK). The GaWC team aims to understand contemporary flows and connections – interactions between cities around the world by using relational data of office networks of major advance producer services (Beaverstock et al., 2000, Taylor 2002, 2008, Taylor et al. 2009, Taylor and Aranya 2008). This ‘interlocking’ network is explained by cross-sectional study (Taylor 2004) of advanced producers services firms and their global location strategies, where world cities are conceptualised as the nodal points of the network. The first network connectivity exercise was taken place in 2000 by Taylor, which assesses the office location networks of 100 firms (six advanced producer service sectors: accountancy, advertising, banking, insurance, law and management consultancy) spread over in 315 cities worldwide. The result is shown in Figure 2, from which, the dominance of cities in northern America, western Europe and Pacific Asia in the world city network are evident (Taylor et al. 2002). The same excise repeated in 2004 by Taylor and Aranya covered a slightly smaller group of firms, as 80 firms’ offices in 315 cities were included. The 2004 result (as shown in Figure 3) does not see major changes in the ranking of top 20 cities (no change at all for the top 6 cities), but the overall results see the decline of US and Sub-Sahara cities over the 4 year (2000-2004) period (Taylor and Aranya 2008).
In 2008, a collaboration among the researchers from the Chinese Academy of Social Sciences (CASS), Ghent University and GaWC have embarked on much larger and complete data collection of advanced producer service firms which included 175 firms (financial services, accountancy, advertising, law, management consultancy and media) in 526 cities. The latest result (shown in Figure 4) demonstrates the rise of cities in the emerging countries, led by Chinese cities (Derudder et al. 2009). There is a ‘rapid elevation’ of Asian cities Sydney, Shanghai and Beijing and decline of cities in North America (only two cities, New York and Toronto are left in the top 20 as compared to 5 in 2000). This change has indicated a shift in the world-system in the midst of a major geographical transformation from ‘West’ to ‘East’ (Taylor et al. 2009, Arrighi 2007).
Figure 3: World city network: changes in ranks among top 20 cities, 2000-2004

The research on intercity connectivity by the GaWC team is further complemented by the work on flight connections and airline flight flows between cities as a tool to analyse intercity linkage by Smith and Timberlake (2002), Derudder and Wiltox (2005), as well as Graham’s (2004) work on global infrastructure connection through advanced telecommunication networks. In fact, in the later work of Sassen’s second edition of the *The Global City* (2001), there has been reference to the issue of intercity relations and the idea of systematic linkages between cities as a ‘complementary forms and alliances alongside the notion of hierarchy’ (also see discussion in Lai 2009). She noticed the changing relations from ‘straight competition’ among New York, London and Tokyo to ‘an additional pattern of cooperation’ and the ‘division functions are somewhat institutionalised: strategic alliances not only between firms across borders but also between markets’, she continued by saying ‘there is competition, collaboration and hierarchy [among global cities]’ (Sassen, 2002:24).
Despite the proliferation of global cities, emergence of various well-established methodologies in academic research, and scholarly appreciation (Brenner and Keil 2006), the multidisciplinary literature has been critically examined by a number of researches (Hamnett 1996, King 2000, Smith, 2001, Young and Olds 2001, Robinson 2002, Shatkin 2007, Smith and Doel 2010). The main critiques lie in the biased geographical limitations of global cities research, questions over the theoretical basis and evidential crisis of the data. The first critique points out that only few large (mostly western) metropolitan centres are in the global cities literature (Robinson 2002). This bias in geographical mapping on global cities has led to the neglect of ordinary and non-western cities in the Global South (Young and Olds 2001, Robinson 2002, Shatkin 2007). Robinson explicitly complains that ‘millions of people and hundreds of cities are dropped off the map of much research in urban studies’ (2002:536). This contradiction in urban theory is now being addressed by the later network analysis of global cities, for instance, the latest GaWC intercity connectivity analysis now consists of over 526 cities, a broader geographical coverage which is recognized by Robinson (2005).

Another reason for putting certain large urban centres off the ‘conceptual map’ of global cities is the over emphasis on the global economic processes as the determining factor in global cities research. Critiques by Smith and Doel (2010) argue that global cities researchers have focused on the ‘superficiality, unevenness and patchiness’ of ‘envisioning capitalism as the supposedly single and unified world economy’ controlled by a small number of global cities / common centres. Robinson also points out that the ‘category of global city’ is only ‘identified through analysis upon a minor set of economic activities based only in small part of ‘these global’ cities’ (Robinson 2002:536). This over emphasis on global economy has led to the omission of alternative connections between cities and other aspects of developments, especially in the context of urban environment in the emerging countries. Therefore, other characteristics of urban development should also be taken into consideration, which include local communities, migration and migrants, urban governance, transnational networks and social movements, infrastructure and housing etc. In the book Transnational Urbanism, Smith (2001:58) notes this theoretical limitation as ‘globalist in nature’ (also Robinson 2002:538) and says:
‘The global cities thesis centrally depends on the assumption that global economic restructuring precedes and determines urban spatial and socio-cultural restructuring, inexorably transforming localities by disconnecting them from their ties to nation states, national legal systems, local political cultures, and everyday place-making practices.’

This has called for a revision of global cities research which takes both local and global environments into the analysis, as well as the varieties of global cities (which also includes global city-states, i.e. the case of Singapore). Particularly in the case of cities in developing countries, the relationship and urban politics between city and nation state is important in the formation of global cities. The impact of local forces and role of local contingency and agency in urban development has been shown in the Asian context has by number of studies (Yeoh 1999, Douglas 2000, Olds and Young 2002, Marcuse 2003, Wu 2003). Among them for example, the emergence of Shanghai as a China’s global city has been viewed as of national strategic importance (Wu 2003). Therefore it is important to recognize the role of the state and local cultural factors in ‘scripting urban transformations’ (Olds and Young 2002:496).

Despite the well-developed theories in global city hypothesis, one long-existing problem still lies in the relative lack of empirical evidence, which is the third major critique on global cities studies. The lack of data has created an evidential crisis that almost casted doubt on whether world cities actually existed (Cox 1997). Past researches have predominantly focused on the simple attributes of cities, such as number of companies and corporations headquarters (O’Connor 2005). Size, power and control functions are the major factors in measuring cities in a hierarchical model. Attempts are nevertheless made by GaWC research team led by Taylor (summarised in Taylor 2004) as shown above to identify the relations and interconnectedness of cities, where six advance producer services office networks are consulted. Using firms’ information and data on the website as well as other sources like industry reports, this approach is one attempt to challenge the dearth of relevant data on world cities, which has been labelled as the ‘the little dirty secret’ by John Short et al. (1996).
In summary, we can observe an ‘up-scaling’ of urban and geographical studies in the fields of global/world cities. The analysis on major cities worldwide has shifted from the local to the global level, and from hierarchical perspective to network approach. However, the analytical framework remains focusing on the measurements of economic activities. Business corporations and advance producer services and their spatial organisation are treated as central criteria to map out global/world cities. As a consequence, the social-cultural factors (the human side) are largely neglected (Benton-Short et al. 2005) and even their rectification is still attribute based. The top down approach of global/world cities research mostly associates with economic globalization and privilege economic measurements which ignore other processes and component of world city formation. International migration is one powerful example of ‘globalization from below’ (Benton-Short et al. 2005:945).

This research therefore adds new dimension to the existing (in fact extensively studied) debates on global cities and their network through the incorporation of a new focus on human mobility using data on student circular migration to understand the dramatic economic and socio-cultural change of international migration on cities. It uses both quantitative and qualitative methods, attributional and relational/network analysis to develop a network with hierarchy tendencies (Taylor 2004) as constituted by student migration. This is because the stock of international (student) migrants is the attributional measurement of a city (the size and capacity of international migration) and the return migration reflects the inter-city flow and connectivity in global city network hierarchy.

2.3 International Migration

‘Migration is a multifaceted and complex global issue, which today touches every country in the world.’

World Migration 2005, IOM, Geneva, Switzerland

Migration can be the movements of people within a nation state, namely internal migration such as rural urban migration. It can also be the population movements between nation states. This research mainly deals with the latter case, international
migration. According to the International Organization for Migration (IOM)\textsuperscript{5}, about 192 million people are living outside their country of birth, which is about three percent of the world's population. In fact this means that roughly one of every thirty-five persons in the world is a migrant. Between 1965 and 1990, the number of international migrants increased by 45 million – an annual growth rate of about 2.1 per cent. The current annual growth rate for international migration is about 2.9 per cent.

The physical movement of persons is considered as the human face and key aspect of globalisation and global mobility in our contemporary world (Smith and Favell 2006). In the ‘age of migration’ as called by Castles and Miller (2003), migratory flows have affected more and more countries on a global scale in tune with the accelerating trade liberalisation. Without doubt, international migration has become one defining factor in shaping our world politics and societies. In the new Millennium, the ever accelerating globalization process has transformed our economies and societies through the rapid exchange of information, trade of goods, and flow of financial capitals and lastly the movement of human beings. However, even with the improvement of transportation links and better information technologies, the physical mobility of people is still the most restrictive globalization stream. Scholars have thus called international migration as the most regulated, complex and even controversial mobility (Meissner et al. 2006, Neumayer 2006).

Due to the complexity of the migratory process, Brettell and Hollifield (2000) have concluded that past and current migration research is intrinsically interdisciplinary, involving theories and studies from sociology, political science, history, economics to geography, demography, psychology and law. Consequently it has been proved to be impossible to have a detailed survey of migratory theory (Massey et al. 1993) given the many different approaches and research methods. Nevertheless, Castles and Miller (2003:23) have summarised three main types of approaches in dealing with contemporary migration:

1. Economic theories: migration is an economic behaviour and driven by the aim of utility maximisation (Borjas 1989). That explains the South-North migration because of economic disparities, i.e. people from the poorer countries migrate to rich countries hoping to have a better career and life.

2. Historical-structural approach: This approach is rooted from political economy and the inequality in world system theory. It stresses the unequal distribution of economic and political power in the world economy. Labour migration was seen as the ‘legacy of colonialism and the result of war and regional inequality’ (Castles and Miller 2003:25).

3. Migration systems theory: Based on the critiques of the two previous approaches (both of which are studied in a ‘simplistic way’ and remain one-sided (Castles and Miller 2003:27), a migration systems theory adds new dimensions and interdisciplinary approach to migration research, incorporating the sending as well as receiving contexts and focus on the links between the two sides (states) of the migratory flow. Fawcett and Arnold (1987:456-457) categorise these linkages as ‘state-to-state relations and comparisons, mass culture connections and family and social networks’.

Despite the proliferation of migration research and theories, studies on international migration also suffer from the data problem as we have seen in the case of the global city hypothesis. International statistical evidence on migration research is very difficult to assess (Zlotnick 1999). The information available on illegal migration is very scarce and even legal migration statistics still have serious shortcomings (this will be discussed in the methodology chapter in details). Also the aforementioned approaches on migration research are not applicable to all types of migration. For example, the economic theories cannot be used to explain student migration in general as in fact many student migrations are North-North migration rather than South-North migration. Migration research has been largely polarized with a disproportional focus on low-come/low skilled labour migration (Samers 2002). Comparing with the well-developed research on low-skilled migration, the studies on (highly) skilled migration are still under-developed despite the fact that international migration of skilled
persons has assumed increased importance in recent years reflecting the impact of
globalisation, revival of growth in the world economy and the explosive growth in the
information and communication technology (Abella of ILO, in Findlay and Stewart
2002).

However, with the deepening of globalization process, the debates on the optimal
formulation of policies for the regulation of economic migration have stirred new
waves of research on higher end of international migration, on the rising patterns of
highly skilled migration and qualified migrants (OECD 2005, UN 2005). The flow of
mobility of professionals, students, IT technicians, doctors, lawyers and other highly
skilled labour/personnel has regained great prominence both from the receiving and
sending side perspectives. The following section will draw studies one of the
emerging trends of international migration, the case of student migration.

2.4 Globalization of Education and Circular Student Migration

Education is the key factor and breeding ground for developing competent and skilled
human resources in the knowledge-based society. University education is one of the
key components for developing advanced studies and training within the higher
education system. The globalisation process and its consequent demand for skilled
labour have created both challenges and opportunities for universities and other
higher education institutions (Ortiz 2004, Edwards and Edwards 2001). Education,
through the internationalisation process, can be seen as ‘tradable activity’. Educational
institutions are seen as the specialist producers who trade academic
learning and training into a global market, are becoming progressively more involved
in recruiting and attracting overseas students and scholars both for the financial
benefits on offer as well as scientific research and cooperation.

Therefore, one emerging trend of migration is student migration, those migrants who
left their home countries of origin to pursue education in another country. In the past
two decades, we have witnessed the growing international/transnational mobility of
students: the number of foreign (tertiary) students within OECD countries has
doubled over the past 20 years (OECD, 2002). Today there are more than 2.7 million
foreign students in tertiary education worldwide (OECD, 2007). Globalization of education, especially of the higher education sector has transformed greatly within and outside the campuses. Student exchanges and faculty exchanges, joint bachelor, master and PhD programme, overseas expansions of universities, and recruitment of international students, are just a few features of this new global education.

A high level of private investments in tertiary education is arguably a common phenomenon across East Asia. According to the UNESCO report *Learning without Borders* (2006), four out of every ten tertiary students studying abroad are from Asia. There are external and internal reasons for education sectors to attract them, such as lack of students in the domestic market and financial resources (like limited university budget, demographic change) in the receiving countries and lack of education resources or fierce competition for high education in the sending countries. Waters (2006) uses the case of students from Hong Kong schooling in Canada to explain the high volume of outgoing students from Asia:

‘Recent developments in the internationalisation of education, which includes the growth in numbers of foreign students and the establishment of offshore schools (have demonstrated) the relationship between emergent geographies of international education in the ‘West’ and social reproduction in both student ‘sending’ and ‘receiving’ societies. Drawing on fieldwork in Hong Kong and Canada, it argues that international education is transforming the spatial scales over which social reproduction is achieved: on the one hand, upper-middle-class populations in East Asia are able to secure their social status through the acquisition of a ‘Western education’, thereby creating new geographies of social exclusion within ‘student-sending’ societies. On the other hand, primary and secondary schools in Canada are able to harness the benefits of internationalisation in order to offset the negative effects of neoliberal educational reform, thereby facilitating local social reproduction.’

(Waters 2006:1046)

Many European countries need fee-paying students not only for filling the extra places but are also keen to have them as ‘cash-cows’ for gaining funding (Shen 2005, 2008). Governments in the United Kingdom, Canada, Australia and most European
countries as well as some other Asian and Pacifica are now considering ‘education export’ a service sector and promote it worldwide. For example BBC\textsuperscript{6} suggested that the lucrative international education export economy in the UK is said to overtake the total revenues in the country’s export in weapons. In the case of Europe, since its foundation in 1987, the Erasmus programme (formerly the Socrates programme), an university student exchange initiative, has become one of the most successful student mobility programmes in the world, and one notable as well as tangible achievement of the European project.

Despite this evolution, research on student migration is still limited in the academic literature. On the conceptualisation of student migration, Findlay et al. (2006) differentiate between mobility and migration. The Erasmus programme is widely considered as a mobility programme, as the exchange is pre-arranged by other actors rather than the migrants, although they do have a say in the choice of country and university. The students will need to go back to home university to complete the degree after their studies and sojourn with the exchange partners. Student migration however traditionally refers to longer type of migration, in length and travel distance. Comparing to the former type, student migration is more or less an open-end migration, the outcome of the sojourn is usually not predictable.

King and Ruiz-Gelices (2003) summarised three possible ways in the conceptualisation of student migration: as product of globalization (such as the globalization of the higher education sector, and development of export-oriented education economies of standardised training programmes). International and institutional processes like European integration also led to the creation of Erasmus/Socrates programme; secondly viewing the student mobility as part of wider youth mobility cultures and geographies of consumption (Mansvelt 2005); lastly and more relevant for this research, student migration as a subset of highly skilled migration.

\textsuperscript{6} BBC: Chinese students drawn to Britain (7 September 2005)
http://news.bbc.co.uk/2/hi/uk_news/education/4219026.stm
Indeed, student migration is often argued to be the precursor of highly skilled migration (Skeldon 1992) based on case studies from Australia, USA, and Canada. Those so-called traditional migration countries have seen a great number of foreign students particularly from Asia changing status to economic migrants, right after studies or at a later stage (Graeme 1996). According to the OECD – the Organisation for Economic Cooperation and Development - student migration has been considered as one of the dominating sources for skilled migration between OECD countries (SOPEMI 2002). The outcome of this movement is not predictable and often unexpected. Therefore in traditional migration and development studies, this is viewed as potential brain drain for developing countries suffering from the loss of their talents (Zweig et al. 1995, Lowell and Findlay 2002, Solimano 2002, 2004), although there also existed smaller scales of academic staff exchange and student migration between the global core economies (Findlay 2001). One of the negative effects for the country of origin in migration process is the problem of ‘brain drain’. It refers to the loss of human capital, skilled/trained and professional workforce for migrants sending countries. To the contrary, it gives ‘brain gain’ to the receiving countries. In fact this idea was not raised from a developing country, but from the UK in the 1950s, when the Royal Society was worried about the outflows of British scientists to the United States. Since then the topic has been put on the discussion tables of the United Nations and governments around the world. Thus for a while, (labour) migration was not seen as a development tool for many countries because of the possibility of ‘brain drain’. For instance, student movements to developed countries are still often viewed as part of the brain drain because of the fact that many students choose to overstay or look for jobs in developed countries after their graduation.

On the one hand, remittances that migration has brought to home countries are now considered as very important sources of income and development resources. Remittances - money sent home by migrants from overseas diasporas (who usually migrated permanently) have grown greatly in volume and now constitutes the second largest financial inflow to many developing countries, exceeding international aid (or ODA - Official Development Aid). The latest statistics by the World Bank (2009) show that remittance flows to developing countries reached $305 billion in 2008 compared to a revised $281 billion in 2007. This development resource has
contributed to the economic growth and to the livelihoods of needy people worldwide and have gained substantial praise in helping the economic development of sending countries, even though this economic impact of remittances is shown largely to be dissipated in the housing sector or used for immediate consumptions (Jacobs 1984, King 1986).

On the other hand, recent migration studies have shown many positive sides of (labour) migration. The research on the nexus of migration and development has suggested both permanent and temporary migration be viewed as development tools (IOM 2003, 2005, UNDP 2003). In today’s knowledge society, although one way traffic of ‘brain drain’ still exists, in the past two decades, we have witnessed a reversed ‘brain drain’ as large number of highly skilled emigrants return to their home countries. There has been increasing academic debate on this phenomenon raising the notion of return migration\(^7\) of temporary migrants and circular migration since the start of discussion in the 1980s. The best cases for this return migration can be founded in Asia (cases of China, India and Taiwan for examples), globalization and its defining features (rapid transformation in ICT and transportation links) have eased the circular movements of skilled labour, as we saw highly qualified workers, scholars and students are promoting brain exchange between sending and receiving countries (Saxenian 2002, Teffera 2005, Xiang 2005, Zweig 2006, Vertovec 2007, Chen 2008). Return and circular migration are said to be both sustainable and attractive (Ghosh 2000) and contribute to a potential win-win situation for both sending and receiving countries through the transfer of knowledge, financial and human capital of returning students and diasporas as well as benefiting from transnational migration networks (Xiang 2005, Vertovec 2004, Nyberg-Sørensen et al. 2002).

Cassarino (2004) recalls that these scientific debates contributed to the ‘development of the literature on return migration, together with the growing concern over ‘co-development’, the ‘voluntary repatriation of third-country nationals’, the emergence and implementation of bilateral readmission agreements between sending and receiving countries, and the link between international migration and economic

\(^7\) Officially refers to the movement of a person returning to his/her country of origin after one year or more, this may or may not be voluntary (IOM 2005).
development in migrants’ origin countries’ (2004:253). Furthermore, he summarised five academic schools of thoughts on theorising return migration, as shown in Table 1.

### Table 1: School of Thought on Return Migration

<table>
<thead>
<tr>
<th>Return migration</th>
<th>Neo-classical economics</th>
<th>New Economics of Labour Migration</th>
<th>Structuralism</th>
<th>Transnationalism</th>
<th>Cross-border Social and Economic Networks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Return</strong></td>
<td>Those who stay in receiving countries are those who have succeeded. Return is an anomaly, if not the failure of a migration experience.</td>
<td>Return is part and parcel of the migration project (seen as a ‘calculated strategy’). It occurs once the migrant’s objectives are met in destination countries.</td>
<td>Core/periphery dichotomy. Return to home countries occurs without changing or compensating for the structural constraints inherent in peripheral origin countries. Return is also based on incomplete information about the origin country.</td>
<td>Return is not necessarily permanent. It occurs once enough financial resources and benefits are gathered to sustain the household and when ‘conditions’ in home country are favourable. It is prepared. Return has a social and historical background.</td>
<td>Return is secured and sustained by cross-border networks of social and economic relationships which convey information. Return only constitutes a first step towards the completion of the migration project.</td>
</tr>
<tr>
<td><strong>The returnee</strong></td>
<td>Embodies the unsuccessful migrant who could not maximize the experience abroad.</td>
<td>Embodies the successful migrant whose goals were met in destination countries. The returnee is a financial intermediary and a target earner.</td>
<td>The returnee (neither a successful nor a failed migrant) brings back savings to home country. Return expectations are readjusted and adapted to the structural context at home. ‘Behavioural divergence’ occurs on return. Only, the ill, old, retired and untalented return, i.e., the cost of return is</td>
<td>Belongs to a globally dispersed ethnic group (i.e., a Diaspora consciousness). Succeeded migration experience before returning. The returnee defines strategies aimed at maintaining cross-border mobility and linkages embedded in global systems of ethnic and kin relationships.</td>
<td>A social actor who has values, projects, and his/her own perception of the return environment. Gathers information about context and opportunities in origin countries. Resources are mobilized before return. Belongs to cross-border networks which involve</td>
</tr>
</tbody>
</table>
Vertovec asserts that ‘Circular migration patterns themselves are based on, and create further, transnational networks’ (2007:2). This has led us to a growing form of migration theory has been developed on ‘transnationalism’ and ‘transnational communities’. This strand of literature was first stimulated by Basch et al. (1994) which pointed that a new form of space was emerging, what he called as ‘determinational nation-states’, which poses serious consequences for international

<table>
<thead>
<tr>
<th>The returnee’s motivation s</th>
<th>The returnee's financial capital</th>
<th>The returnee's human capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>The migration experience failed. Need to return home.</td>
<td>No income or savings are repatriated from abroad.</td>
<td>The skills acquired abroad can hardly be transferred in origin countries because they do not match local needs. Human capital is wasted.</td>
</tr>
<tr>
<td>Attachment to home and the household. Goals are met.</td>
<td>Remittances constitute an insurance against bad events. Assist the household members.</td>
<td>The acquisition of skills varies with the probability of return.</td>
</tr>
<tr>
<td>Attachment to home and the household, nostalgia. Motivations are readjusted to the realities of the home market and power relations.</td>
<td>Savings and remittances have no real impact on development in origin countries. The household members monopolize financial resources. No multiplier effect.</td>
<td>Skills acquired abroad are wasted owing to structural constraints inherent in origin countries. Social status does not change.</td>
</tr>
<tr>
<td>Attachment to home and the household. Family ties are crucial. Social and economic conditions of return are perceived sufficiently favourable to motivate return.</td>
<td>Pensions and social benefits are part of remittances. Financial resources are used according to institutional conditions at home. Transform the economic and political structure of sending areas.</td>
<td>Improved skills and educational background gained abroad allow upward mobility.</td>
</tr>
<tr>
<td>Embedded and shaped by social, economic and institutional opportunities at home as well as by the relevance of one’s own resources.</td>
<td>Remittances and savings constitute just one type of resources. May be invested in productive projects aimed at securing return.</td>
<td>Skills acquired abroad, knowledge, experiences, acquaintances, values, are contributory factors to secure successful return.</td>
</tr>
</tbody>
</table>

(Source: http://www.mirem.eu/research/schools)
politics and national identity. In earlier migration researches, migration flows are often studied as a directed movement with a point of departure and a point of arrival. However, thanks to two important aspects of contemporary globalization, i.e. the swift development in information and communication technology (Castells 1996) and fast improvement of transportation links, it is much easier nowadays for migrants to maintain close social ties and develop networks with their places of origin and with other family and friends in different parts of the world. Migration scholars have increasingly studied migrant transnationalism over the past fifteen years or more ‘on the multiple belonging of migrants redefines their social spaces, from a single space to movements between two or more social spaces, blurring the congruence of social space and geographic space’ (Glick-Schiller 1999, Porter et al. 1999, Smith and Guarnizo 1998, Faist 2000, Vertovec 2004).

The migrants engaged in transnational business, political and cultural communities are regarded as ‘transmigrants’ (Glick-Schiller 1999:203). These communities are not new, since features of ‘transmigrants’ can be seen in the diasporic studies of Chinese, Jews and Greeks (Cohen 1997), the term transnationalism is new (Castles and Miller 1996). Transnational community is said grow, as more migrants are in procession of two or more affiliations in different countries under the conditions of globalization (Vertovec 2002). The research on transnationalism has undertaken a new approach to migration, which ‘accents the attachments migrants maintain to people, traditions and causes outside the boundaries of nation state to which they have moved’ (Vertovec 2002:12). In addition to migration research, the issue of ‘transnationalism’ has also become a paradigm shift for research on urbanism (Glick-Schiller 2006). Ethnic diaspora is considered as one of the key landmarks of transnationalism, embodying a variety of historical and contemporary conditions, characteristics, trajectories and experiences (Tololyan 1996, Cohen 1997, Van Hear 1998) and its ‘triadic relationships’ (Sheffer 1986:1).

Recently policy-makers too have come to recognize the ways that ‘transnational ties condition migration processes’ (Vertovec 2007:1). Circular migration appears to have become a major topic in the migration research and policy papers (Vertovec 2007). The knowledge transfer and brain gain (Solimano 2004) through return migration is far more productive than the increase in consumitional financial capital. This is
particularly the case with return student migration, because of their huge embedded intellectual assets and knowledge, i.e. human talent, socio and cultural capitals.

### 2.5 Bridging International Student Migration and Global City Formation

In today’s world, most societies are characterised by rapid urbanisation. In the ‘age of migration’, cities across the world are the main destinations for this human movement (Castles and Miller 2003). But urbanisation is not a new phenomenon. Until the mid-1800’s, cities were often overcrowded and unhealthy places, the number of deaths exceeded births in many large European cities. During this period, migration was one of the vital factors for city growth as it accounted for as much as 90 percent of the city population. Today the emergence of mega-cities (cities with a population of over 5 millions) has accelerated: while in 1950 there were only eight of them, only half a century later there were already 41, and their number is predicted to rise to 59 in 2015, among which 23 are expected to have over 10 million inhabitants). This rapid growth is not only attributed to demographic gains but also to the contribution of both domestic (rural-urban) and international migration to urban areas.

The UN-HABITAT report on ‘The State of the World’s Cities 2004’ has highlighted the importance of migrants and their impact on multiculturalism in cities. While praising the need for ‘cities of difference’, it also noted the growing urban poverty and inequality in many cities. Nevertheless, it clearly showed migrants’ contribution to urban cosmopolitan culture, in terms of arts, languages, gastronomy, among others. Cities are the economic centres of all nation states, and they have attracted a large influx of immigrants in order to fuel their growing economic activities. In return, international migration has facilitated the increasing incorporation of cities into the global economic system (Skeldon 2003).

Also international migration is researched mainly on the nation state levels. Because of the rapid economic globalisation, migration research may require a new field of analysis, maybe a more decentralised approach. This is shown on the research on elite migration and inter-company transfer of skilled personnel. In the research on
transnational service firms professionals carried out by Beaverstock and Boardwell (2000), transient migration circulates between global cities. For instance, the mobility of bankers and financial professionals are constituted in the flow between international financial centres such as London, New York, Tokyo, Singapore, and Frankfurt. Similarly, elite (business) student migration is also articulated in the spaces and flow between the hosting cities of their institutes. Thus research on the inter-city flow of migration will play a complementary role in understanding the flows and spaces of contemporary international migration.

One recent research by Price and Benton-Short (2007) illustrated the connections between global cities through empirical data on international migration and number of foreign-born persons in major cities across the world. Their findings showed that there are 20 cities with a population of over one million foreign-born. Some of them are highly placed in the world city connectivity of Taylor (2004), while some other cities especially those in the Middle East (like Riyadh, Dubai and Jeddah) which topped the list of foreign-born population do not figure so well in terms of interconnectedness with other cities. On the other hand, places like New York, London, Toronto, and Hong Kong are all featured in the top 20 immigration cities and recognized as both global cities and migration gateways.

The coming of the Information Society and the improvement in communication tools help to strengthen the existing diasporas network. Many of the world’s diasporas live in major cities across the world, and there are various networks (economic, social, personal and cultural links) connecting them and interacting with one another. Their transnationalism is not limited to the strong ties between the diasporas and their country of origin, but also builds ties among them, through common cultural heritages and group solidarity. There are diverse forms of diasporas networks, from cultural groups to homeland associations and advocacy groups. Even criminal networks such as global terrorist organisations and organised crime structures can be counted among them. The study of these networks has added a new (social) networks perspective for researching international migration (Kearney 1986, Portes 1995, Massey et al. 1999, Vertovec 2002).
These networks provide the platform for information sharing (such as recruitment advertisement for labour migration, school information for student migration), personal and group support (psychological and emotional), financial assistance (remittances and aid), and other cultural, economic and social information. In view of Samers (2002), the global city hypothesis needs ‘significant revision’ and should be incorporated with transnationalism. The notions of transnationalism and transnational communities have emerged in recent years defining the new linkages between societies based on migration. Human agency is central to this notion. Immigrants are able to build up real life and virtual networks and communities thanks to the development of information technology. In the view of Samers (2002), global cities are the ‘locus’ of trans-national political mobilisation and are connected in ‘inter-urban’ networks formed by migrants.

The globalisation of production has important implications for international migration and eventually resulted in the so-called ‘new international division of labour’ (Friedmann 1986). On the one hand, according to the theory of Sassen (1991), this migration flow is demand driven, where massive migrants from Third-World Countries were pulled into the expanding but low-service sectors in mega-cities. This also explained the informalisation of economies and social polarisation in these cities. On the other hand, a different level (higher value-added) of labour supply, skilled migration, managerial transfers and expatriation also played an important role in the development of global cities and are strongly associated with the formation of a world city network (Beaverstock 2002). In a knowledge-based economy, contacts, especially face-to-face contacts are essential for exchanging information and building mutual trust. Thus in a ‘network society’ (Castells 2000) elite migrant workers (Doyle 2001) are circulated through inter- and intra-company transfers (ICTs) to maintain contact and accumulate knowledge (Moore 2004). This has formed a new pattern of international migration (Koser and Salt 1997, King 2002).

Research on this pool of highly skilled talents’ movement is, however, still relatively limited, especially considering their significant economic contribution to urban growth (Findlay et al. 1996). What’s more, the impact of immigration is still not recognised as criteria in hierarchical global urban rankings (Short et al. 2004), despite the fact that it was identified as an important factor in the original formulation of the
world city hypothesis by Friedmann (1986), and is also recalled in Beaverstock et al. (2000) and Short et al. (2004). Moreover, human capital, knowledge and financial capital embedded in migrants are created and articulated in their local and transnational relationships (Williams et al. 2004), their spaces of origin and destination. These local and spatially stretched relationships (Massey 1994, Allen et al. 1998) are constituted in the networks of social relations and are temporally locked into particular places. These aspects of human mobility can be said to be neglected by human geographers (Wallace 2004).

The study of international student migration, as a subset and emerging trend of international migration provides such a research angle to understand the relationship between global city and migration. Leading scholars like Peter Hall (1977) have shown that universities (students) are strongly associated with urban communities and contribute greatly to regional growth. As a result, the flow and movement of students have now brought ‘an alternative stream of global connections’ (O’Connor 2005) to global cities and even smaller cities with concentration of educational organisations. Advanced level students working at research level often engage in lab work and academic projects as highly skilled labour. At the same time, the high costs of studying abroad have led them to seek part-time jobs to defray tuition burdens. Due to the nature of their work and low pay, they could thus still be considered as a form of the low-skilled migrant labour in the global cities as defined by Saskia Sassen (1992).

### 2.6 Conclusion

As seen above, there exists a considerable academic literature on the subjects of international migration and the global or world city. However the migration literature tends to study international migration in a national context while the study of global cities lacks relational data and empirical analysis. What is the role of cities in this escalating student migration process? Geographic selectivity in the movement of students is said to be associated with the differences in urban development (O’Connor 2005). At the frontier of national economy, cities and urban area also now join the battlefield for brains. Global cities are now not only home to financial capital and merchandises but also favourable hotspots and market places for talents and ideas.
According to Findlay et al. (1996), migration appears to be both the consequence and part cause of global city formation. International student migration is said to provide a new research agenda for understanding the global city hierarchy in O’Connor’s (2005) recent studies on international students and global cities.

The example of the rise and fall of the city Kaifeng in the past one millennium vividly illustrates the importance of a city’s external connection with the outside world. Kaifeng’s success not only builds on the scientific and technological development of the Song Dynasty, but also on the influx of talented craftsmen and daring businessmen who travelled far away to Kaifeng via the famous Silk Road, the first interconnected network that linked ancient China and other nations through cultural, commercial and technological exchange. Shanghai is today China’s Kaifeng, with a strong government mandate to become China’s leading global city. The niche of this research attempts to integrate the international migration theory with the current studies on global cities, through the relational case study on student and talent migration between Shanghai and Paris with the aim to analyse how student migration is contributing to Shanghai’s progress in its formation and pathway to a global city, by mediating the relationships between ‘local and global spaces’ through networks, contacts and other social factors.

By studying the global city formation of Shanghai, this research draws another addition to the existing global/world cities literature. As criticised earlier by a number of researchers, the bourgeoning global city literature concentrates on established world/global cities and their formation in the west. The research on new emerging cities must not rely alone on economic measures but should be also incorporated with other factors, such as the issue of governance, one example being place promotion by the central state (Tickell 1998, Wu 2000). Therefore, in this research, to study an up-and-coming global city formation in an emerging world city like Shanghai (Olds 1997, Gu and Tang 2002, Wu 2000a, Wu 2000b, Yusuf and Wu 2002, Green 2004, Wei and Leung 2005, Li and Wu 2006, Taylor 2008, Lai 2009) requires bringing in a further theoretical approach.

Shanghai needs a city mechanism that expands its economic life (Jacobs 1970, 1984 and Taylor 2004) to be in tune with current economic globalisation. This mechanism
needs to be developed both internally and externally. Shanghai’s attributional gains in office space, infrastructure improvements can be viewed as the internal growth. This research, however, furthermore demonstrates the importance as well as impact of its external growth, through intercity connection and integration into world economy, based on the mobility and network of student migration. During the fieldwork and analysis of interviews data, the added value of application of Bourdieu’s capital theory (1986) imposed itself and will be integrated in the detailed analysis in the later chapters.
3 Research Methodology and Approach

3.1 Introduction

The aim of this chapter is to explain the selection of method and research approach. Given the nature of the migration process, an interdisciplinary approach is applied in this research in order to understand the complex relations between international migration flows and global city network formation. This chapter provides details on the various research techniques and key methods used in this doctoral research, which is based on a combination of qualitative and quantitative methods to gather and analyse both primary and secondary data respectively. This combined use of methods and data is commonly used by academic scholars, who found this ‘triangulation approach’ useful in geographical research (Valentine 1997). While there are considerable constraints of data availability as well as problems with their reliability (Salt et al. 1994), however, combining quantitative and qualitative research methods in the study of international migration can help to overcome limitations in migration studies imposed by the above mentioned constraints.

This research primarily targets students who returned to Shanghai and those who are still studying or working abroad. It was therefore necessary to obtain first of all a good overview on China’s outbound migration in general, by reviewing the changing outbound migration patterns from China. Therefore, this research firstly gathers and examines the empirical statistical resources and existing studies in this field. A variety of secondary materials, existing research, journal publications and policy documents in migration, urban and international relations studies as well as media resources such as newspaper and magazines were also consulted. Primary data was collected through face-to-face interviews during the fieldwork in Paris and Shanghai. Questionnaires were used during the interviews to record basic information regarding student’s study abroad experience, career plans for students who were still abroad; and for students who returned to China, more attention was given to their career developments, professional and personal contacts, social activities etc. Moreover, interviews were conducted with research students’ alumni organisations, students associations
The relational study of Chinese students in Paris and returnees in Shanghai helped to analyse Chinese student migration in a sending and receiving context. This approach reflects how the various economic and non-economic factors as well as local knowledge and experience (language, study formats, and contacts) of the sending / hosting sites have an influence on the students’ migration trajectories and their future careers. The discussions in this chapter will explicate on the methodological techniques including data collection method and general research approach in migration and geographical researches, the analytical framework for collected data and personal reflection on the use of these research methods. In addition, it will discuss briefly research related ethical considerations.

### 3.2 Quantitative Data Collection and Method

Quantitative data are generally structured data and consist of empirical facts, historical as well as current figures. Both migration research and studies on global cities rely on accuracy and availability of data resources. The workshop on ‘Data Collection and Management’ by the International Organisation for Migration (IOM) in 2003 demonstrated the importance of reliable information and statistics for policy makers throughout the continuum of the migration process, and the range of uses of this data by all levels of government, as well as other institutions (IOM 2003). Indeed, migration data is limited and its reliability varies from one source to another, due to the complexity and nature of migration flows and technical problems with the collection of migration data; this is particularly true for temporary migration such as student migration.

#### 3.2.1 General Migration Statistics and Student Data

The lack of reliable data poses key challenges for migration research. There are a few widely recognised agencies supplying migration related data and statistics on an international level. Among them, the Organisation for Economic Cooperation and
Development (OECD) has extensive statistical recordings of intra-OECD member states migration flows and data between OECD members and other countries. Eurostat is the official statistical supplier for the European Union and its database is used by European bodies and international institutions. United Nations System agencies and other international organisations also provide specific categories of migration data, for example the International Labour Migration Statistics of the International Labour Organisation (ILO). National governments and statistical bureaus are good sources for searching national migration data, in terms of the entry and exit records, work permits and visas statistics etc.

As in most cases, migration statistics are generated on the national level. There have been well-documented problems in the literature with using cross-national datasets on international migration (Salt et al. 1994, Singleton 1999). Singleton (1999) points on the issue of ‘harmonised (data) tabulations’ in European migration statistics, resulting from the fact which Eurostat’s migration database consists of national data supplied by the member states (national statistical institutes and ministries), with more than 60 different legislative, administrative and data collection systems across the European Union. The core problem lies within the very definition of migrants. According to the United Nations, a migrant is a person who lives in a country other than his or her origin for one year or more, thus most international students will qualify if they are in a degree programme (usually lasting more than a year) except exchange programmes or other shorter studies. However, many governments give little consideration to international standards. For example, and Salt et al. (1994) and Singleton (1999) have repeatedly pointed out the problems with terminology in statistical data collection and recording, i.e. different countries have different definitions for different types of legal and illegal migrants. On the international level, the United Nations Educational, Scientific and Cultural Organisation (UNESCO)’s World Education Report is considered as the main source for higher education and migration of students. The OECD also publishes important student movement data in their annual SOPEMI report – Trends in International Migration as well as their education statistics.

Careful and appropriate selection of general and student specific migration data is therefore essential in recognition of the limitation and reliability problems of migration data as discussed above. Only carefully selected available data are said to
permit the identification of indicators of change that may be used to inform research aims (Singleton 1999). Taking this recommendation into account, this doctoral research has undertaken thorough and extensive data review and processing which includes combining, comparing and evaluating different secondary statistical sources while attempting to make aware raise awareness of their differences and incompatibility in defining and collecting data as different sources have their advantages and disadvantages. In the context of this research, the following secondary data sources were consulted:

Major sources of references on the international level on student migration in the global context:

- OECD: *SOPEMI*, Statistical Database (Education section)
- IOM: *World Migration Report*
- Eurostat: Database
- World Bank, ILO and other international organisations

On the National Level:

- China: Ministry of Education (*Annual Education Report*), National Statistical Bureau (*China Statistical Year Report*), Ministry of Foreign Affairs (return migration and students abroad)
- France: Ministère de l’Éducation Nationale, de l’Enseignement Supérieur et de la Recherche (*Les étudiants étrangers en France*), Office de migrations internationalises (OMI), Ministère des Affaires Étrangères, Edu France (Campus France)

For comparative purpose, other national (international) statistical sources are accessed from various governmental or/educational agencies for research background:

- Australia: IDP Education, Australian Education International
- Canada: Canadian Bureau for International Education (CBIE)
- Germany: Deutscher Akademischer Austauschdienst (DAAD)
Nowadays it is almost impossible to miss migration related news on TV, radio, internet and in printed media. At the same time the media discourse plays a role in shaping perception and self-perception of migrants and host societies alike. For that reason, the author also investigated varies different media coverage on Chinese student migration and general migration to Europe, the politics and analysis on return migration, as well as topics related to urban development and to the cities of Shanghai and Paris.

Data collection and analysis in this section addresses the contextual research aims and gives a picture of today’s student migration in general and a holistic picture of Chinese student migration to Europe and particularly to France. And at the same time data and news are assessed through cross-comparison for their reliability and take considerations of their political viewpoint is taken into consideration to avoid bias in reporting. In the data collection period for this research project, data from the OECD and national governments of France and China the main secondary resources provider. However, during the course of gathering data, there was only very limited information on international student migration available. To make it even more complicated, the available statistics vary from one source to another. For instance, there is only very limited statistics on foreign students in France. Only two annual data on Chinese students who are enrolled in tertiary education in France can be found in the period 2003-2004. The data of the French Ministry of Education is higher than the OECD figure for the year 2003 (as shown in Table 2), while the data for 2004 is similar.
Table 2: Comparison between the databases of the OECD and the French Ministry of Education on the Number of Chinese Students in Tertiary Education in France

<table>
<thead>
<tr>
<th>Year / Organisation</th>
<th>OECD</th>
<th>French Ministry of Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>10665</td>
<td>8773</td>
</tr>
<tr>
<td>2004</td>
<td>11514</td>
<td>11499</td>
</tr>
</tbody>
</table>

(Sources: website databases of OECD (2007), French Ministry of Education (2007))

Unfortunately it was not possible to cross check with Chinese statistics, because there is no available data on the destination country of student migration. There are two Chinese sources on outgoing student migration, one from the Chinese Ministry of Education and one from the Chinese National Statistical Bureau. Comparing to European data, the Chinese data from both agencies are almost identical, suggesting that they may come from the same source.

On the website of the Ministry of Education\(^8\), it regards is said that the statistics collection of Chinese students abroad is a ‘key element of the Ministry’s work and management on Chinese students going abroad’. It also specifies its data collection method:

> ‘The data is based on the statistics from the Chinese Embassies and Consulates in 109 countries, and (information) from the main destination countries’ diplomatic missions in China, the embarkation card\(^9\) statistics from the Bureau of Entry and Exit - Ministry of Public Security, the Departments of Education and Human Resources of key provinces, Chinese organisations on overseas education, relevant Ministries, data from centrally managed Higher Education Institutes in China as well as from statistical resources from both other domestic and foreign organisations.’

(MoE 2008)

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\(^8\) Ministry of Educations: http://www.moe.edu.cn/english/

\(^9\) The Embarkation Card is an immigration exit card that Chinese citizens should fill in when he/she goes abroad.
Since the number of Chinese students abroad is only divided by continents, and it does not differentiate the educational level of the students (but only by the financial situations – self, government, public, private financed) there is no data for each individual country. With regards to return migration, there is no data available at all on Chinese students except for some media survey based on intention of return by Chinese students abroad. It seems data are only recorded for incoming migration in Europe; there is no country or (migration) category specific statistics for return migration. Therefore the only data available are from the Chinese Ministry of Education, unfortunately it does disclose details where (which country) is the student return migration coming from.

3.2.2 Data on Inter-City Migration and Student Mobility

The inquiry into the migration flows between distinguishing skilled and low-waged labour between world cities is considered as an extremely pertinent measurement for generating relational data (Beaverstock and Boardwell 2000). However, as we have seen earlier, official migration statistics are usually collected on a national-level, the available data reflects inter-nation migratory flows rather than inter-city flows (Findlay 1988, Beaverstock 1990). However it is still possible to detect the number of foreign migrants (residents, students and workers etc) in a major city by checking municipal statistics; such data was found on the websites of the Municipalities of Shanghai and Paris. Here are a number of ways sources the author used (in addition to those national bodies mentioned above) to identify the numbers of students in:

**Student Migration Data on the City Level**

Shanghai: Shanghai Municipality (www.shanghai.gov.cn)
Municipal Statistics Bureau (www.stats-sh.gov.cn)

Paris: Mairie de Paris (www.paris.fr)
Etudiant de Paris (www.etudiantdeparis.fr)
IASTAR France (International Association for Student TVs and Radios) / www.eduparis.net Project
(Source: Author’s Field research work)
Without surprise, data on inter-city student migration or migration in general are very scarce. Once migrants enter a country, they usually have freedom to travel domestically. The temporary and mobile character of student migrants remains great challenges for statistical recording. Nevertheless, in some countries, for example, in the case of France, foreign residents are required to register at the local police ‘prefecture’ to apply for a residence permit and in this way, migration data can be collected on the local level. But this information is usually kept in confidentiality and is not for public use. Luo (2006)\(^\text{10}\) commented on that:

‘There is data for incoming and outgoing (international) migration to Shanghai, recorded by the Public Security Bureau who is in charge of the border entry and exit. But the information is highly confidential and can only be accessed by special permission. Even for the purposes of academic research, permissions are usually only granted for key Chinese institutions and think-tanks because the policies derived from the research are concerning the border management, combating for illegal migration and prosperity of the country.’

(Luo 2006, interview)

There is a rough estimation of student migration from Shanghai, the outbound number is said to be around 100,000 in the past 20 years, and around 32,000 students returned to work and or start their own businesses in Shanghai (Luo 2005). But there is no data on where they are returning from. The Municipal Government and media occasionally publish press releases or articles on return migration, but they are often linked to the specific return programmes by the Shanghai Government, or focus on the number of new enterprises set up by returnees. These numbers are ‘official figures’ which only record those who officially returned and registered with the governments or trading office to acquire a business license. The majority of returnees is not coming to Shanghai via the official recruitment channel but on a private basis, therefore will most likely be overlooked in the official data.

\(^{10}\) Professor LUO Keren, East China Normal University, through private interview in Shanghai in summer, 2006.
On the French side, the only information on foreign students in Paris can be found on the student website of the City Hall (Mairie de Paris). Here is the abstract from the website, which claims that there are 40,000 foreign students in Paris and every year there are 14,000 new arrivals:

‘You have decided to pursue your studies in Paris? You have just arrived here? Therefore you are about to discover a cosmopolitan city which hosts 40,000 foreign students – among them 14,000 arriving every year. However, before enjoying this city, you will have to go through several administrations that we will help you to understand.’

http://www.etudiantdeparis.fr/

The website promotes Paris as a cosmopolitan place to study, a home for international students. However, it only indicates how many foreign students are in Paris without any information on their nationalities not to mention which city they were previously based. There is no data on return migration neither from Paris nor from France.

As shown above, there are far fewer secondary data on international migration on the city level to allow the conduct of in-depth quantitative analysis or comparison. Thus, quantitative data alone cannot fully show the flows between originating and host cities or countries. In order to solve this problem, a number of social scientists have suggested to gather relational data through the combination of quantitative and qualitative research methods which are focused at either firm level (Johnson and Salt 1990, Beaverstock 1996) or at the level of the migrants themselves (Beaverstock 1996). This combination has been used in studying the elite migration within the advanced producer services within the world city network (Beaverstock et al. 2000). Therefore the data collection of migration statistics was enriched through fieldwork in Shanghai and Paris, on the personal contact level of migrants and relevant stakeholders.
3.2.3 Quantitative Reasons for the Relational Case Study of Shanghai and Paris

As an attempt to understand the inter-city student migration flows, a pilot research was conducted on the linkages between cities through business education network (mainly MBA schools). Global city research has been identified as theoretically rich but poverty poor in empirical data, as suggested pointed out by Peter Taylor (1997). It proves to be difficult to quantify the changing positions of cities in the world city system and hierarchy (Beaverstock and Boardwell 2000). In response to this problem, researchers have attempted to collect relational data between cities, such as telecommunication (Marek 1992), air traffic and airline passengers (Timberlake 1998, Witlox et al. 2004, Derudder and Wiltox 2005) in addition to the extensive research on attribute data of city.

In order to enrich the existing data on intercity linkage, following the quantitative data collection system of a similar but larger project on world city network formation funded by the UK’s Economic and Social Research Council (www.lboro.ac.uk/gawc/projects/projec19.html), a pilot project was launched to collect relational data and demonstrate the connectivity between cities through the network of business education.

Ten top MBA business schools\textsuperscript{11} and twenty-two cities are included in this study. Cities were given scores from 0-3 according to their status in relation to the business schools (3 as the being the location for Headquarters, 2 as the location for joint programme and strategic alliances schools, 1 as the location for regular executive forum and established partner schools, 0 as no presence of activities by chosen business schools). After the data were collected from the websites and brochures of the top 10 business schools, they were analysed by the connectivities macro developed by Rossi and Rossi.\textsuperscript{12}

\textsuperscript{11} The selection of business schools were based on the rankings of Financial Times, see more detailed information on: http://rankings.ft.com/rankings/mba/rankings.html .
\textsuperscript{12} Macro for Calculating Connectivities, http://www.lboro.ac.uk/gawc/datasets/dt1.html .
The early data exploitation showed great similarity to the results of the ESRC project, putting Paris again among the top five of the world cities league; and most of the top cities in both projects are the same, despite the different industries sampled (GaWC project used six advance producer services, law, accountancy, finance/banking, consultancy, advertising).

**Table 3: Top Twenty-one GaWC Cities compared with result of MBA schools city rankings**

<table>
<thead>
<tr>
<th>MBA School Cities</th>
<th>GaWC World Cities</th>
</tr>
</thead>
<tbody>
<tr>
<td>London</td>
<td>London</td>
</tr>
<tr>
<td>Singapore</td>
<td>New York</td>
</tr>
<tr>
<td>San Francisco</td>
<td>Hong Kong</td>
</tr>
<tr>
<td>New York</td>
<td>Paris</td>
</tr>
<tr>
<td>Paris</td>
<td>Tokyo</td>
</tr>
<tr>
<td>Boston</td>
<td>Singapore</td>
</tr>
<tr>
<td>Philadelphia</td>
<td>Toronto</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>Madrid</td>
</tr>
<tr>
<td>Chicago</td>
<td>Brussels</td>
</tr>
<tr>
<td>Toronto</td>
<td>Frankfurt</td>
</tr>
<tr>
<td>Tel Aviv</td>
<td>Amsterdam</td>
</tr>
<tr>
<td>Koblenz</td>
<td>Chicago</td>
</tr>
<tr>
<td>Beijing</td>
<td>Milan</td>
</tr>
<tr>
<td>Shanghai</td>
<td>Sydney</td>
</tr>
<tr>
<td>Washington</td>
<td>San Paolo</td>
</tr>
<tr>
<td>Vermont</td>
<td>Los Angeles</td>
</tr>
<tr>
<td>Cambridge (USA)</td>
<td>Zurich</td>
</tr>
<tr>
<td>San Paolo</td>
<td>Buenos Aires</td>
</tr>
<tr>
<td>Buenos Aires</td>
<td>San Francisco</td>
</tr>
<tr>
<td>Hyderabad</td>
<td>Beijing</td>
</tr>
<tr>
<td>New Haven</td>
<td>Seoul</td>
</tr>
</tbody>
</table>

(Sources: Taylor 2004 and own analysis)
This quantitative exercise showed the relative high position of Paris and Shanghai in the MBA schools rankings also confirmed the appropriateness of the choice of these two cities as the target location for this research. The selection of Paris is on the basis of its leading status in the global city network and European cities hierarchy. Paris is arguably the second largest city in Europe, the political, economic, financial and cultural heart of France and radiates far beyond in Europe. Also worth noting is also the heavy presence of US cities in the MBA school world city network (9 cities) compared with 4 in the GaWC list, which is an indication of the importance of the US in global knowledge network.

Although Germany has the second largest population of Chinese students in Europe, there are no comparable cities to the level of Paris. This is due to the federal structure of Germany, whose economy is significantly more decentralised than in the UK or France. Major cities in different regions have developed different activities: while Berlin and Bonn are considered the country’s political capitals, the financial hub is Frankfurt, Hamburg is a centre for media and international trade, Munich the ‘cultural’ and hi-tech capital, etc. In terms of higher education, many of the most reputed German universities are located in smaller cities such as Tübingen, Heidelberg, Mannheim, Göttingen or Koblenz (the latter being the only one listed in the ranking above, counting only one schools of relatively small size).

Quite the contrary, Paris is one of the major education hubs for Europe and has a number of top business schools listed in the Financial Times Top 100 MBA schools rankings. It is also home to a large number of international students as shown in Figure 5. In comparison, Paris possesses a real cluster of clearly recognisable top business schools. Figure 5 clearly shows the large stock of student populations in France and the high percentage of international students. Previous research on MBA schools also confirms the important role of Paris as the No. 5 city in the business education network. Thus this research selects Paris can thus be considered a pertinent choice in Europe as the site for studying Chinese migration. Also the study on Paris, as a non-English City has been relatively under developed compared to other English speaking cities like London and New York (Scott 2004). So this research will also raise the profile of academic research on Paris as part of the world city network.
Another choice was made in terms of subject of study. As student migration is still a quite broad topic, this research focuses exclusively on students from business education. The rationale behind this decision is that no other academic discipline is as much subject to global competition for talents and as attractive to students in terms of career prospects, as a recent report of the Graduate Management Admission Council has shown (Loades 2005). As a result, it is undoubtedly the field of study, which has produced the highest level of student migration: most international students are concentrated in business and economics education, which are by far the most popular subjects, with an intake more than double of that of the second largest academic discipline, engineering and technology.

The choice of selecting Shanghai as the location for studying return migration is also obvious, because Shanghai being the biggest recipient of return migration and China’s arguably most suitable candidate for global city (Lin 2004). Furthermore, a survey conducted by the Elite Reference magazine has asked more than 3,000 Chinese students in 49 countries about their first choice of city where to which they wish to return. It turns out that, with a popularity of 37.3% and 31.8% respectively, Shanghai

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14 Elite Reference 2004: www.haiguiss.org
event tops and Beijing (31.8%) are the two as most favourite Chinese cities city for returning students.

3.3 From Quantitative To Qualitative

In the case of student migration, academic institutions (universities, colleges, research centres) can also be considered as advanced producer services in the world city network. Earlier, the author had reviewed the available quantitative data on the national and city levels. Although initially considered for this study, large scale use of quantitative methods such as surveys and questionnaires was rejected. This is because of the busy schedules of student migrants and returnees, i.e. heavy assignments and possible part-time work for student migrants. The author anticipated very low response rates to address such an endeavour. Furthermore, it was also found undesirable to conduct a quantitative survey-type study due to the limited existing data, time constraints and the highly unexpected and unpredictable nature of student migration (i.e. highly unexpectedly and unpredictable).

Also there is always a danger of over using numbers and statistics in migration research as pointed out by Demuth (2000:11):

‘It (migration) is a also a global phenomenon which often elicits some heated arguments centred around immigration numbers which are usually more tinged by emotion or propagandistic effort than any substantial knowledge. There is a distinct danger that those who favour immigration may minimise problems and/or numbers, while those using anti-immigration arguments will exacerbate or overstate numbers or problems.’

Thus, a set of different, interrelated and complementary qualitative methods (Limb and Dwyer 2001, Robson 2002) was needed, and used as the primary research approach for this study. Quantitative and qualitative methods in migration research are more than numbers vis-à-vis stories. The research process involves the interaction of qualitative and quantitative approaches. Kvale (1996) has further indicated that an investigation starts with a qualitative analysis of the existing knowledge about a phenomenon and the development of hypotheses for the specific study, and suggested
data collection analysis are often a mixture of quantitative and qualitative methods while reporting is mainly qualitative.

Quantitative methods in migration research exhibit the magnitude and transformation impact of international migration. Qualitative research methods are not simply non-numerical (Mangen 1999); rather, in the line of Hakim (1987), one can certainly argue that the qualitative approach, when theoretically informed, is the most open-ended, flexible, exploratory means of formulating hypotheses for structured analysis. The predominance of qualitative methods in this research however distinguish highlights the multifaceted nature of international student migration and enables case studies for comparison in world city links, and eventually addresses better the research aims and objectives. In this research, a multiple qualitative approach including interviews and fieldwork were applied.

3.4 Qualitative Method: Fieldwork and Interviews

Comparing to the quantitative data collection, data collected by qualitative methods is more unstructured (not/less quantified) and consist of words, pictures and sounds (Kitchin and Tate 2000). Generally speaking, qualitative-based data collection requires research methods like interviewing, observation (ethnography), case studies etc. The strengths of such qualitative approaches lie in attempts to reconcile complexity, detail and context (Mangen 1987).

Fieldwork is the key method for collecting primary data in this research. The realisation of this research project required the author to conduct extensive fieldwork in China and France in the 2006 and 2007. As mentioned earlier, data regarding spatial dynamics on these two locations, Shanghai and Paris were collected on three different levels in descending order:

- At the National level - quantitative collection & review of data
- At the city level, quantitative collection and interviews
- At the individual Level, in-depth and informal / formal interviews
The first part of fieldwork involved a four month stay in Shanghai generously funded by Foundation for Urban and Regional Research (FURS), where the author worked independently on data collection (through access to statistical basis) and interviews with returnees as well as experts on student and return migration. The second part of fieldwork was done in the spring of in 2007 in Paris under the affiliation with Sciences Po de Paris as a UACES visiting scholar sponsored by the University Association of Contemporary European Studies (UACES) and the European Commission. The fieldwork in Paris mainly consisted of face-to-face interviews with Chinese students and professionals residing in Paris and visits to French business schools and organisations. The author also made follow-up visits to Paris and Shanghai throughout the doctoral research project to follow up with interviewees and presented research findings to French and Chinese scholars.

### 3.4.1 Interviews

Interviews are one of the most important qualitative methods (Kitchin and Tate 2000) used for primary data collection, allowing researchers to produce a rich and varied data set in a less formal setting. Robson (1993) also suggests that the popularity of interviews as a research method is because of the relatively straightforwardness and simplicity in finding information. Nevertheless, this PhD considered a number of issues before the start of interviews, e.g. the positionality of author as an interviewer and researcher, the cross-cultural context, the language matters etc., these issues are discussed in the later section. Interviews are ‘verbal interchanges’ where the interviewer attempts to elicit information from the interviewees (Dunn 2000), as well as a ‘conversation with a purpose’ (Eyles 1988:88), a social encounter and interactions between two or more individuals.

There are different styles and classifications of interviews from individual to group, from semi-structured to structured interviews. The strategy of this study is was to conduct semi-structured and informal interviews with Chinese student migrants both those studying/working abroad and those have returned to Shanghai, and formal interviews with academic institutions, public and private organisations in Europe and China. In total 60 individual interviews with Chinese graduates / students, lasting
from between 1 hour and to 2 hours were conducted in Shanghai (April-July 2006) and Paris (January-April 2007). In addition, a further ten interviews were made with representatives government and academic institutions in China (5) and France (5).

**Preparation and Formulation of Interview Process**

Longhurst (2004) claims a full briefing for the researchers themselves on the interview topic is an essential part of interview preparation. However It is not possible to formulate a strict guide to good practice for every interview context as suggested by Dunn (2000) as it is a social interaction and there are no hard and fast rules one can follow (Valentine 1997). Interviews are far more than a random chat and a thorough mental and academic preparation will be vital in securing the best result. Therefore before kicking off the fieldwork in Shanghai and Paris, a detailed questionnaire was made to summarise main questions for the interviews and an abstract of the questionnaire and research outline were sent to the interviewee by email in advance to make them aware of the types of questions and background information.

**Interview Style & Medium**

The author conducted informal, conversational interviews with Chinese students and returnees. This is because of the demographic and cultural background of the interviewees – (relatively) young, well educated, shy / reserved (compared to European or US students). Therefore, the informal and conversational approach seemed to be the most productive method. However, the sensitivity of migration research was also taken into consideration. Kitchin and Tate (2000) argue that an informal and conversational approach gives more scope for causing offence through a badly phrased question when dealing with sensitive issues. The author received advance training by University of Oxford and King’s College London (2005) on interview methods and was made aware of the (unfortunately) limited amount of literature on interviewing skilled migrants or student migrants as most migration
interview methods tend to focus on illegal migrants, refugees and asylum seekers, which have clear distinction\textsuperscript{15}.

Face-to-face meeting between the interviewer (author) and interviewees is the primary medium as it provides the best setting for social interaction. Nevertheless other options such as telephone and internet tools (such as Skype) were also considered and used on three occasions (once for complete telephone interview, and two other times to obtain additional/complementary information following face-to-face interviews). Given the fact that most students have access to the internet, emails and internet based messenger services (such as MSN, Yahoo) were used to arrange interviews and for keeping in touch as well as follow up with interviewees.

\subsection{3.4.2 Interview Target and Recruitment}

The target population for the interviews was Chinese student migrants in Paris and those who returned to Shanghai after their studies. Interviewees were selected from Chinese students registered in the business schools and universities in through the help of university/business schools’ international relations, admission, alumni offices in Paris as well as via personal networks and online forums of Chinese students (for example, Rêve France). The interviewees (returnees) in Shanghai were found via business schools’ representation offices in China and various alumni, clubs/associations (including virtual online community, like Tigtag.com, SinoFrance.org) in Shanghai.

Below is a list of academic institutions in Paris where the interviewees have studied or are currently studying at (Table 4 and 6) and their respective number (at Table 5):

\begin{itemize}
  \item King's College London (ICAR) and University of Oxford (COMPAS), Researching migrant populations: training workshops for postgraduates, 11-12 June 2005, Oxford, UK
\end{itemize}
Table 4: Interviewees’ Academic Institutions by Types

<table>
<thead>
<tr>
<th>Grandes Écoles and Business Schools</th>
<th>ESCP Europe</th>
<th>ESSEC</th>
<th>HEC</th>
<th>INSEAD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Grandes Écoles</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>École Polytechnique</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sciences Po</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Universities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paris 9</td>
<td>Paris 11</td>
<td>Paris 13</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Source: Author’s Field research work)

Table 5: Number of Interviewees in Shanghai and Paris by School of Origin

<table>
<thead>
<tr>
<th>Interview Location / School</th>
<th>ESSEC</th>
<th>HEC</th>
<th>ESCP Europe</th>
<th>INSEAD</th>
<th>Univ. Paris</th>
<th>Sciences Po</th>
<th>École Polytechnique</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shanghai</td>
<td>9</td>
<td>10</td>
<td>5</td>
<td>9</td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>40</td>
</tr>
<tr>
<td>Paris (Graduates)</td>
<td>1</td>
<td>1</td>
<td>7</td>
<td>-</td>
<td>2</td>
<td>2</td>
<td>-</td>
<td>13</td>
</tr>
<tr>
<td>Paris (Current Student)</td>
<td>-</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>7</td>
</tr>
<tr>
<td>Total</td>
<td>10</td>
<td>12</td>
<td>15</td>
<td>10</td>
<td>6</td>
<td>6</td>
<td>1</td>
<td>60</td>
</tr>
</tbody>
</table>

(Source: Author’s Field research work)

Table 6: Other interviews:

Shanghai (5): Edu France, DAAD, Shanghai East China Normal University, Fudan University, Louis Vuitton (China)

Paris (5): Edu France, INSEAD, Sciences Po Career Service, Sciences Po (Asia Centre), ESCP Europe Career and Alumni Office

(Source: Author’s Field research work)

Considering the different strategies available for participant recruitment, the author was able to approach potential interviewees mainly through the help of universities and companies. This is also because of practical reasons. Most French alumni
organisations are informal and not institutionalised. It was found that there was only one publicised French business school alumni association in Shanghai, advertised on the AsiaExpat website. The French case is not alone in Europe, there were only three European countries represented in Shanghai: UK, France and Belgium with only a handful of schools. Compared to Europe, US Higher Education Institutions (HEI) are very well represented, Cornell University even has two alumni associations, one for the university in general and another one specially for its business school. It is also interesting to see that both alumni networks of Canada and the UK are organised in conjunction with the respective consulate generals (education section) while all US universities/colleges are individually initiated. From Table 7, one can argue that there are relatively stronger pools of US alumni in Shanghai that are much more organised than their European counterparts and there is a need for European governments and HEIs to act and utilize the alumni resources in China.

| Table 7: Publicly Advertised Alumni Clubs in Shanghai on That's Shanghai and AsiaExpat.com |
|---|---|---|---|---|---|---|
| USA | UK | France | China | Belgium | Australia | Canada |
| Brown | Rutgers | Alumni UK | HEC | CEIBS | VUB Brussels | Grad. Alumni Network |
| Columbia | St Olaf | Hull |
| Cornell | Stanford | Cambridge & Oxford |
| Cornell GSB | UC Berkeley |
| Harvard | UCLA |
| MIT | Chicago |
| Northwestern | USC |
| Reed | Wharton | NB: Both Alumni UK and Canadian Alumni Network in China (CANC) are umbrella organisations attached to the Consulate Generals |

The ideal situation of interviewees’ recruitment would have been to rely on the access to the membership database of alumni organisations. In this case, a random selection of participants is to be used to ensure the quality of sample group. However, in reality the recruitment of interviewees proved not to be that easy. In the case of search for returnees in Shanghai, due to the lack of alumni organisations in Shanghai, contacts were directly made with the business schools headquarters in Paris and their representative offices in China. In recent years, French grandes écoles such as ESSEC and Sciences Po started to set up representative offices in China, either in Beijing or Shanghai to recruit students and develop contacts with local government, institutions and companies.

Three business schools’ China offices (ESSEC, INSEAD and Sciences Po) were contacted and all responded positively. After some clarifications with data protection, the author was given privileged access to their Chinese alumni database. For the other schools, names of individual alumni were provided by alumni office in the Paris headquarters. And afterwards, the author was able to generate more potential interviewees through the help of these contact points recommended by the Paris HQ. This technique of using the role of kinship and friendship in migration research is often labelled as the ‘snowballing effect’ to use the role of kinship and friendship in migration research (Cornelius 1982, Heer 1990), which are considered an important contributing factor in getting access and obtain more interviewees. Thus, a total of 93 interview candidates were listed and contacted, fortunately, 40 of them replied positively to the request and were later individually interviewed in Shanghai between April and July 2006.

At the early stage of interviewees search, the researcher also considered other methods, such as ‘cold calling’. It refers to interviewers calling on people (usually strangers) to ask if they are willing to be interviewed (Clifford and Valentine (2004). In this regard, the details of HR departments of major French companies in Shanghai were found in the directory of the French Chamber of Commerce. Then these HR Departments were contacted to ask if there are any Chinese returnees working in these companies. Although almost all HR Departments answered yes, but due to privacy or other reasons, access to these returnees was not granted and method of ‘cold calling’ was therefore not successful in this case. Krueger and Cassey (2000) ‘on-site
recruitment’ strategy was also considered as another way to get potential interviewees in student migrant – specific places such as China Town, Students Union etc. However, as this research focuses on a particular group of student migrants, i.e. those in business schools, and the time restraints of doing interviews both in Paris and Shanghai, this ‘on-site recruitment’ was not used, but replaced by direct contact with business schools.

The recruitment of interviewees in Paris mostly relied on the student / graduate databases of grandes écoles and individual contacts. Thanks to database of two grandes écoles, around 60 emails were sent to those alumni/students with an address or contact details in Paris or surrounding regions. Approximately half of them replied positively and eventually 20 candidates qualified agreed and were interviewed in Paris in between January and April 2007.

As Kitchin and Tate (2000) pointed out that interviewing requires quite a large commitment from the interviewees in terms of not only the time consumed but also the quantity of information they are giving. Therefore it is important to access participants as well as attract participants by convincing them the worth-worthy that it is (sensible and worthwhile) of joining in. This was done by the means of proper induction to the research project and prior contacts. The recruitment of potential interviewees was a very rewarding experience and both replies to interview requests and feedbacks after the interviews confirmed the lack of research on the topic of return migration and the interest and need for this research.

3.5 Method of Analysis

Migration research cannot be done in a simplistic way and there is no fully integrated theory on the process of international migration. Research on migration flows is often based a combination of existing theories and models. Ravenstein was a pioneer in the academic community, providing inquiry in the phenomena of migration with methods from the social sciences. By using the census data, this German geographer observed the migration in 19th Century Britain and developed so called ‘laws of migration’ in 1885. His attempt to understand the patterns and rationale of migration has led to
fierce debates in the academic community and many approaches on analysing migration were developed since then. In terms of academic disciplines, they vary from the different aspect of the migration phenomena, some concentrates on the economic gains/loss of migration, some argues on the legality of migration movement, while others looks at the historical legacy for migration or the political and sociological dimension of migrations.

Migration can also be analysed on the basis of geographical (space of flows), or procedural approaches (migration strategy). However, the use of interdisciplinary approach has gained increasing weight in the academia (Demuth 2000), hence it is applied in this research. It looks at migration in a circular model, in a form of dynamic process and transnational linkage. The analytical model of circular migration is presented in Figure 6. This is a three phase model of circular migration which includes outbound migration and return migration between Shanghai / China and Paris / France and in some cases linked with other cities during the migration trajectory of the interviewees.

The first phase/step is the analysis on the individual decision for studying in Paris and France, the start of the migration journey. This research examines at the background of students and how these preconditions influenced the students’ decision to migrate at in the first place and their expectation for toward migration. This also gives us an indication on the potential outcome of the migration as well as the intercity relations through student migration.

One of the most commonly used concepts in migration research, the push and pull factors analysis is employed for explaining the reasons for studying abroad. This is a frequent analysis method for migration research applied to student migration. A combination of push full factors is said to indicate the size and direction of international migration flows (Portes and Böröcz 1989). In a simple form, push factors often refer to a set of negative factors in migrants’ country of origin, such as harsh economic, social and political condition which drives migrants out of the home countries for better living and working environment abroad. On the contrast, the pull factors are the advantages which a receiving country of migrants has (mostly in terms
of more favourable opportunities for studying, working and living) than the country of origin. This research has taken the following factors into account:

- scholarships, courses and programmes, languages of study, job opportunities, family reunifications, social status (→ PULL)
- unemployment or employment ceiling, lack of study opportunities, lack of qualifications, job market competition (→ PUSH)

Figure 6: Chinese Student Circular Migration

(Source: Author’s Field research work)

Following this logic, it traced Chinese students’ arrivals in Paris and analysed the activities in Paris – within the academic, social and professional spheres and investigates their capital accumulation strategy by applying Bourdieu’s theory on various forms of capitals, which is the second phase of student migration. It also analysed the transnational linkage that student migrants retain with China and France through examining their employment pattern in Paris. In the case of return migration, this research applies the tools of economic and non-economic factors to comprehend the complex decision making process on whether to return or stay in Paris, while
relating the findings to relating the different academic schools of thoughts on return migration theories.

The final phrase is the most important part of this research - it is different for those who have returned to Shanghai and those who are still in France. For those returnees in Shanghai, it focuses on the pull reasons of Shanghai as a destination for returnees - why did they choose Shanghai? It then examined the employment patterns of returnees and assesses their links with the international business networks to understand returnees’ contribution to Shanghai’s economy and integration to the global business and city network. It reflects the re-integration of returnees in the Chinese society. The analytical framework for those who remained in Paris focuses on their activities in Paris and their future plans, assessing their ‘footlessness’ and their indirect links with China and Shanghai. The objective is to find out whether by remaining in Paris, they are located in the business/city network between Paris and Shanghai, France and China. This three phase circular migratory movement is strengthened by frequent business travels and leisure trips, as well as linked to other metropolitan centres during the academic and professional activities of the interviewees (such as exchange semester of the MBA programme and overseas internship/job assignment).

As shown above, this research has a combination of methods to analyse the circular movement of talents between Shanghai/China and Paris/France, due to the nature of contemporary international migration. One method alone, for instance, the Push and Pull factors would not be sufficient to address the complexity of student migration, as it simplifies the emergence of migration flows and stability of migration patterns. While the simplistic analysis by Push and Pull factors is still relevant to the stylised flow of migration from Global South (developing countries) to Global North (industrialised countries) or from the periphery of the global economy to the centre, which still exist. International migration nowadays presents a more multi-facet process, where international trans-migrants do not just make a single dot-to-dot migration trip, but instead more recurrent migration journeys, and at the same time build political, economic and socio-economic ties between the countries they reside. Hence it is getting harder and harder to differentiate and draw the lines between the sending and receiving countries.
Thus, in this research of student migration, the method of analysis is conceptualised on a circular mobility of Chinese students and talents. This relational approach incorporates the traditional Push and Pull factors and expands it with analysis of migrants’ network and various forms of capital, which are accumulated and developed during the migration process. The migration structure is conceptualised as ‘last forms of relations’ and a ‘web of ties’ (Faist 2000:15). This approach explores on the social and other capitals, symbolic ties and kinships among others, processed by the international migrants, to ‘delineate the mechanism of transfer and convertibility of migrants’ capital across nation-state borders’ and produce a ‘tight and rich coupling between mobility and immobility, between migration and post-migration processes’ (Faist 2000:14).

3.6 Analysis and Reporting of Data

The information and sources data collected in this research represent both quantitative secondary statistical data and qualitative interview materials. The analysis therefore should ensure the coherence of information and the reporting must be comprehensive to the audiences by using explanatory and narrative reporting methods.

The general method of analysis of qualitative data is based on a 4-step procedure adapted from Kvale (1996) and Aranya (2003):

- Interview Transcribing: notes were taken already during the interview while recording. Due to the tight schedule and high amount of interviews in both cities, interviews were partly transcribed immediately after the interviews and partly transcribed when back on return at from fieldwork in 2006 and 2007. On the positive side, it ensured that sufficient time was given to listen to the transcription recording carefully and gave time for interview preparation during the fieldwork. The negative side of this method is the loss of certain memories / parts of interviews details due to the time gap. The transcribing process combines actual recordings and the hand-written notes as well as basic condensation.
Condensation of Materials: Bryman’s (2001) ‘clean up’ process was employed to remove less important materials, therefore make it possible to capture and formulate key ideas and other valuable information.

Narrative Reporting: as mentioned early, the interviews results findings should be presented in a comprehensive and coherent manner. This required the writing of the transcription of interviews in Paris and Shanghai into a structured story.

Interpretation and Reflection: this is highlights the theoretical relevance of the ‘stories’ and structure the relations of key ideas from the transcription.

A small questionnaire was also prepared for every interview, which allowed the collection of standardised interviewees’ information and compulsory questions. These questionnaires were collected in two ways: a) directly filled by the interviewees; b) the questions were answered by interviewees during the interview and later completed in the transcribing process. The information collected through this method provides good empirical information and interesting comparison on the characteristics of interviewees and their migration experiences.

The interviews were conducted in both Chinese and English, and later all transcribed into English for coding and analysis. The transcription text is printed using double spacing, so that it is possible to write code ideas and code labels between the lines. The coding of transcriptions includes a number of methods such as thematic colour coding, descriptive and analytic coding with notes. The analysis and reporting of quantitative data is slightly different from the qualitative data. As outlined above, quantitative data were collected at national, city and institutional levels. Thus they are also analysed on these respective levels, which complements and provides a contextual background of the topic. As for the qualitative analysis, it also involved the selection of data and editing to fit in a coherent picture and provides supporting statistics for theoretical base.
3.7 Conclusion and Researcher’s Self-reflection

This chapter discussed the use of qualitative and quantitative methods in this PhD project. The nature of migration research and study on global city formation required an interdisciplinary approach and a combination of quantitative and qualitative methods to understand the dynamics of circular migration and its impact for Paris and Shanghai. The two cities were chosen for this relational case study because of their economic importance for their respective country and the concentration of education and advanced producer services. This chapter also examined thoroughly the main techniques for conducting data collection, field research and analysis. It assessed several dependable and useful statistical sources from national governments and international organisations, as well as through individual schools and online sources (websites, newspapers etc.) to obtain secondary data. It employed qualitative method of in-depth interviews during fieldwork in Shanghai and Paris to listen and understand how Chinese student migrants circulate between global cities and how they build up transnational networks.

Besides these academic aspects, the researcher was aware of a number of non-academic issues, yet but still very relevant and important issues in formulating the research: issues of ethics and languages. Longhurst (2004) has suggested two important issues, namely confidentiality and anonymity. In view of the status of migrants, necessary precaution is thought necessary to keep the safety of data collected and interviewee’s profiles. No personal information from the migrant interviewees will be released until a prior permission is obtained from the specific participant by email and/or telephone.

The cultural context of the researcher himself is also important. As Hantrais (1999) argued that researchers will, inevitably, have their own culturally and linguistically determined assumptions and have their mindsets. The problems of interference of the researcher’s own background as shown in Kinnear’s research (1987) should be minimised. Taken into consideration into the researcher’s own background as a student migrant, the risks of personal bias and interference with the research and interview process were obvious and could be consciously avoided. The author did not
take a participatory approach in this research, but adopted the stance of rather as an outside observer with keen insight knowledge on the experience of a student migrant, thus trying to establish a situation of empathy without interference. The main role for the author during the interview was to listen, pay attention and be non-judgemental (Krueger and Cassey 2000). However, during the interview and analysis of data/materials, the author’s personal experience of studying in Europe does turned out to be helpful help on in the understanding of specific issues related to student migration and decoding some of the otherwise not-so-obvious messages from the interviews.

A final methodological dilemma related to the use of language. As being a non-native speaker of French, the researcher was aware of the importance of taking language seriously. Due to author’s limitation in French language, problems with information gathering and secondary data collection were encountered. Thus assistance in interpretation and translation was brought in before and during the fieldwork in France. The role of interpreters and translators and their pros and cons have been extensively studied in the works of Temple and Edwards (2002) and were consulted before prior to carrying out the field work. The author was aided by French speaking friends in drafting letters and emails to relevant French authorities in order to request for information and interviews. Help was also appreciated in seeking and translating specific documents from the French sources to ensure the best accuracy and avoid the ‘lost in translation’ factor often encountered in cross-national research.

The bi-lingual ability proficiency of the researcher in Chinese and English languages was a clear advantage. It helped to break down language barriers, narrowed the cultural gap and enhanced the understandings of various cultural norms and thoughts. The researcher was able to establish mutual trust and connection with Chinese interviewees in a short period of time. The fact that the researcher was affiliated with a prestigious French institution, Sciences Po de Paris (CERI/CNRS) also proved to be very helpful in ‘opening the doors’ to French educational establishments as well as bureaucracy, as Sciences Po is highly regarded in the French academia and policy making field. The status of doctoral researcher at Sciences Po also gives gave the researcher a common identity of ‘studying in France’ shared with other interviewees and also shortened the distance between the researcher and the interviewees, making
the interview process more relaxed and friendly, and as a consequence, enabling interviewees to share their experiences more freely and openly.
4 General History of Chinese Migration

4.1 Introduction

The presence of Chinese population can be found at every corner of our world, from the dazzling Chinatown in San Francisco, to the busy traders’ market in Budapest, the college classroom in Sydney or on the construction site in Nairobi. Chinese migration is a great source for international migration (Skeldon 2004) and the internal migration in China is now considered as ‘the largest migration in human history’ (Fishman 2005, New York Times 2007), with some hundreds of millions of people (mainly peasants) from rural China flooding into the urban areas – Chinese rapidly urbanised cities.

There has been a long history of Chinese migration, both internal and international migrations. From early times in ancient China, the emperors sent citizens to explore neighbouring regions and develop trade links. Among earlier international migration waves, one notable outbound migration was led by the visit of Zheng He to South East Asia in the Ming Dynasty. The majority of the migrants from China in the 19th Century were economic migrants under the Colonial Powers, and usually worked as hard labourers– ‘coolies’, in South East Asia and the North American continent. Nowadays, South East Asia hosts the largest diaspora population from China. In some countries like Singapore, Malaysia and Thailand, ethnic Chinese form a substantial component of the total local population.

In the mid and late 19th Century migration from China became more diversified. Western Europe, Oceania and North America became the popular destinations for Chinese migrants, in order to seek better economic and living opportunities. After World War II and the establishment of the People’s Republic of China, international migration from mainland China was largely disrupted because of PRC’s isolation policy from West, while migration from Hong Kong and Taiwan was not affected.

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After the de-regulation of the restrictive policy on the movement of citizens, there were intensified migration waves from China, through legal and illegal channels.

Nowadays China has become the largest migrant sending country, according to the International Organisation for Migration. There are 35 millions of Chinese living abroad - that is more than 18% of the total migrants globally, much higher than the other top three sending countries (India 200 millions and the Philippines 7 millions). Compared to the earlier international migration from China, recent migration has a few new features: more diverse destinations and migration categories. The migration of skilled Chinese professionals, student migration (both public and private financed) and investment migration have become more pertinent. The choice of destination countries has also been extended from the traditional Western developed countries to even newer ‘frontiers’ like countries across the African continent.

Whilst both internal and international migrations are fully worthy for academic inquiries and they are interrelated, this thesis will predominantly deal with international migration, especially between China and France. This chapter will therefore give a detailed analysis of Chinese migration to Europe and France in particular. It gives brief background information on Chinese migration in general and then assesses Chinese migration to Europe and focus on the emerging trend of Chinese students flock to Europe, to generate a holistic view of Chinese (student migration), from the past to the present. It will then explain the different factors for studying abroad and the motivations behind this migration flow. The materials in this chapter are primarily compiled from a range of secondary sources including statistics and published papers. It is supplemented by primary data, i.e. findings from personal interviews conducted with Chinese students who have studied or currently studying in France.

4.2 Chinese Migration: Historical Context & Recent Developments

A recent report from the Chinese Academy of Social Sciences (CASS), a national think-tank, in early 2007 on China as the victim of international migration stirred strong reaction from the global media coverage, including the BBC, Asia Times etc.
In this report, according to CASS, China maintains a large diaspora population of 35 millions, which are spread out in more than 150 countries, thereby making China the world's largest source of emigrants (Li 2007). While many Western countries are worried about the influx of migrants, and their impact on local employment, social security and welfare system, the CASS report placed emphasis on China’s brain drain and the loss of both intellectual and financial capital, which is phrased as the ‘backdrop’ of economic globalization for China.

While the migration and diaspora community are vast, there has been lack of research into this phenomenon (Luo 2005, Pieke 2004). There is a need to analyse Chinese contemporary international migration systematically, and one must draw upon both the historical dimensions and recent emerging trends. What follows is a quick review of Chinese migration history.

### 4.2.1 Migrations in the Ancient China

China, being one of the populous countries in the world, is a country of migration and emigration. Migration in and out of China has taken place throughout the various dynasties, kingdoms, whether China was united or separated, during wartime or peaceful and prosperous eras. Chinese historical literature including Luo (2005) provides us with a concise summary of Chinese migration in the earlier period - from Qin and Han Dynasties to Ming and Qing Dynasties, there have been five major waves of migration.

Firstly the Yong Jia Migration (307-312) resulted from the War of the Eight Princes and in the Southern and Northern Dynasties\(^\text{17}\), as people from Northern and Central China were forced to move south which eventually led the development of agricultural production and economic centres in Southern China.

\(^{17}\text{Southern and Northern Dynasties, 420-589 AD, a period of civil war and disunity.}\)
The An Shi Rebellion (755 – 763 AD) in Tang Dynasty (618 – 907 AD)\(^{18}\) - this North-South Migration in this period is considered by Professor Hu Huan-Yong\(^{19}\) as the fundamental change for the population allocation in ancient China, for the first time, the population in the South has exceeded the North, and the core population has also been shifted from the Yangtze River area to the surroundings of the Yangtze River.

After Jingkang Incident (1127 AD) and the fall of North Song Dynasty (960-1127 AD), part of the Royal Family of Song left for Southern China and established the South Dynasty (1127-1279 AD), many people escape the siege of foreign intruders in the North and followed the Royal Family and moved south. The massive labour and advanced techniques from this migration resulted in a situation that by that time the economic development in the South was now higher than in the North.

From these three early migration waves in ancient China, one can see that the main causes in these periods were domestic conflicts, civil wars and the political instability. Compared to the current migration situation, migration at that time affected almost all social classes of society, from the highest royal family to the lowest peasants. Their impact on ancient China is also fundamental. It transformed the southern part, particularly around the Yangtze River – which benefited hugely from the influx of labour and advancement in agricultural production, as well as the integration of various cultures and the demography (population growth). Yangtze River has also established its vital importance in Chinese society and its economy, and challenged the Yellow River where Chinese civilisation had started and originally grown.

The latter two major waves occurred in the Ming and Qing Dynasties\(^{20}\). At the beginning of Ming Dynasty, the establishment of a new empire led to large scale migration into the northern part of China, with the aim of stabilising post-war border

\(^{18}\)Tang Dynasty, one of China’s most influential periods as it reached its height of power. The prosperity of the Empire was largely destroyed by the An Shi Rebellion.

\(^{19}\)See the ‘Reasons and Impact of North-South Migration in Chinese History: http://ks.cn.yahoo.com/question/?qid=1407061204212&source=ysearch_ks_question Knowledge (last accessed 24 July 2007).

\(^{20}\)Ming Dynasty (1368 - 1644 AD), Qing Dynasty (1644 – 1911 AD).
areas and ensuring a demographic balance across the country\textsuperscript{21}. There were both urban and regional migrations. As the first capital of Ming Dynasty, Nanking (now Nanjing) benefited greatly from the urban migration of intellectuals, skilled workers and military staff, etc, making it a huge metropolis with a population over 1 million. Later, Peking (now Beijing) experienced similar large incoming migration, when the city was chosen as the new capital of the Ming Dynasty. By that time, the city of Peking had now over 800,000 inhabitants, among them almost 90 percent military personnel and their family members. The rise of Peking unfortunately led to downturn of Nanking. There were also government managed and self-organised regional migrations in the Ming Dynasty, which moved people from the south side of the Yangtze River to the north bank in areas like Sichuan (with less dense population).

China’s tremendous population is said to reach an all-time high under the rule of the Qing Dynasty (1644-1911 AD)\textsuperscript{22}. The distinguishing features of population distribution and migration in Qing times also serve as a link between the past and the present. There were two major migration waves in the Qing Dynasty. One is to Taiwan after Koxinga\textsuperscript{23} freed the island from the Dutch colonisation. Despite the anti-Qing movement in Taiwan and initial restrictions, Qing Government later supported this migration, partly because of the growing population pressure on Mainland China.

Another area which attracted migration is the border side of the Qing Empire. The northeast parts of the Empire, Jilin and Heilongjiang, Liaoning are the so-called ‘Eastern Three Provinces’. Together with Inner Mongolia, they are a wide expanse of land with a thinly scattered population, and attracted both domestic migrations and the

\textsuperscript{21}Detailed Information on Migration in Ming Dynasty can be found: under http://mingandqing.bokee.com/3214820.html in Chinese by Mr Cao Shu-Ji, Institute of Historical Geography, Fudan University, Shanghai, China, last accessed: 26 July 2007.


\textsuperscript{23}In Chinese, Zheng Cheng-Gong, who was a military leader at the end of the Chinese Ming Dynasty, who was a prominent leader of the anti-Qing movement opposing the Qing Dynasty, and a general who defeated the Dutch to claim Taiwan in 1662.
attention of potential foreign invaders (Qiu 2000). Therefore the opening of this wide
area for migration was perhaps inevitable and Qing Government eventually lifted
migration controls and allowed people to move to the Northeast China. This had a
dramatic effect on the demography and economy of China. It released China’s
population density pressures, generated substantial revenues for the Qing Government,
and at the same, this influx of Chinese migrants into these frontier areas helped
strengthen the Empire’s border defences against attempts at foreign intrusion. It is
estimated that in 1910, the total population in the Northeast was around 1.8 million,
over five times that for the period around the year of 1840 (c.a. 300,000)\textsuperscript{24}.

### 4.2.2 Migrations in Chinese Modern History (1840-1949 AD)

As we saw earlier, the early migration in China consists of large scale flows, mainly
within the territories of different empires and surrounding border areas. There was no
visible international migration until the year of 1578, when the Ming Dynasty
terminated the ‘sea ban’\textsuperscript{25}. Following this, private overseas trading developed, which
also resulted in an increasing migration of Chinese people to foreign countries. Qiu
(2000)\textsuperscript{26} estimated that at the end of Ming Dynasty and the beginning of Qing
Dynasty, there were only 100,000 Chinese migrated abroad, but 300 hundreds later,
before the Opium Wars; this number had increased to almost 1 million. Large
international migration from China started at the middle of 19\textsuperscript{th} Century, when the
Qing Empire gradually fell apart, and China became a semi-feudal and semi-colonised
country with the invasion of foreign powers. Li (2007) estimated that between 1840
and 1941, every year around 100,000 Chinese people went abroad, and there were 10
million Chinese overseas in this decade.

Zhu (1998) outlined two types of international migration in China’s Modern History
(1840 – 1949): the trade of hard labour – ‘coolies’ to the colonisers in the earlier

\begin{itemize}
\item \textsuperscript{24} Detailed reference in Chinese: Peaks of Human Migration in Chinese History,
\item \textsuperscript{25} Sea Ban, in Chinese ‘Hai Jin’, was a ban on maritime activities during China’s Ming Dynasty and
again during the Qing Dynasty, which was Intended to curb piracy, the ban proved ineffective for that
purpose, while imposing huge hardships on coastal communities.
\item \textsuperscript{26} Detailed reference in China: Economic Globalization and Chinese International Migration,
\end{itemize}
period; and the later spontaneous migration of Chinese people because of the domestic political situation (civil wars, change of regime etc.), and international political and economic environments. There were both outbound and return migrations during these two periods.

The first period of international migration, which consists mainly of the recruitment and trade of ‘coolies’ started shortly after the First Opium War (1839 – 1842) following the establishment of Tait & Co in Amoy (now known as Xiamen) of Fujian, China. This trade in ‘indentured’ labourers replaced the slave trade and ran until 1920. The ‘coolie’ business soon attracted attention and interest from both British and American businessmen. However, the trading centre had to be moved to Shantou because of the protests of Chinese labourers in 1852. Zhu (1994) estimated that around 40,000 Chinese labourers were sent from Shantou to various coloniser countries. The trading centre was moved again to Guangzhou after the Second Opium War (1856 – 1860), and the ‘coolie trade’ was also legalised. Its trading network now comprised Guangzhou, Xiamen, Shantou, Macau and Hong Kong etc. Between 1864 – 1873, 147,7700 Chinese ‘coolies’ were traded abroad from over 300 agencies in Macau alone, a peak period for the ‘coolie’ business. After the collapse of the Qing Dynasty, under the guidelines of the Republic of China led by Sun Yat-Sen in 1912, the ‘coolie’ trade was banned for its cruelty and consequent domestic pressure. Gradually the trade diminished and was replaced by a freer migration period (Zhu 1994).

When speaking about the free migration era, it is referred to the ‘coolie’ pact trade from the two Opium Wars. The migration tides in this period were very much linked with the world political and economic situations, as well as domestic matters in China, including the two World Wars (WWI and WWII), civil wars, Anti-Japan war, the Liberation Revolution war of the Communist Party against the KMT (Kuomintang). It can be sub-divided into three timelines, as indicated in Table 8, from 1911 to 1929, 1929-1941 and 1941 to 1949, with reasons for both outbound and return migration explained.

\[27\] More details information about the Tait family can be found at: http://www.takaoclub.com/personalities/tait.htm (Last Accessed 27 May 2007).
Table 8: International Migration in China between 1911-1949

| Time       | Outbound                  | Reasons                              | Return                                                      |
|------------|---------------------------|                                     |                                                             |
| 1911 - 1929 | Migration to Europe & the | Contracted labourers trade, students | Yes, for joining the revolutions in China                    |
|            | Soviet Union              |                                       |                                                             |
| 1929 - 1941 | Very few migration        | Domestic and anti-Japan wars in China | High return migration because of global economic recession |
| 1941       | a. No migration during WWII | Global: World War II & Cold War       | No migration activities during the WWII                     |
|            | b. Migration increased after the war | China: Anti-Japan, Civil (liberation) Wars | and some return migration after the war.                   |
| 1949       | c. Migration stopped after the birth of the PRC |                                       |                                                             |

(Source: Zhu 1998)

As we can see from Table 8, migration in this period is very diverse, both in terms of destinations, natures and sizes. Migration was greatly affected by the World Wars and wars in China. Outbound migration was accompanied by also large return migration, for examples, many Chinese (including students) came back to China during the Xinhai Revolution (1911 – 1912) and during the global economic downtown in 1929, the Great Depression also resulted in the high return of overseas Chinese. Statistics showed that in 1931, 280,000 Chinese returned and only around 140-150,000 went abroad; the same picture is indicated for the year of 1932, where the returnees reached more than double outbound migration. Records from these port cities, Guangzhou, Shantou and Qiongzhou also revealed the difference between return and emigration was as much as 354,000 between 1930 and 1934. It was not until 1935 when this situation was reversed. After the establishment of the People’s Republic of China on October 1st 1949, there was seldom emigration from China.

Like the previous period, there is no commonly defined statistics for the international migration from China. The main obstacle for this was the absence of official immigration record and statistics for emigration. Because of this, many Chinese researchers rely on the immigration data from overseas statistics (Luo 2005, Zhu 1998). An early historical research by Luo (2005) used the data of foreign countries’ migration statistical records on incoming Chinese migrants, and the archives of
China’s Customs and Trade Yearbooks, as well as other related publications, in order to formulate the following picture for Chinese migration between 1800 and 1925 as in Figure 7:

Figure 7: International Migration from China 1801-1925

Although Luo’s estimation is based on various sources, it is the case that its reliability is still contested on a number of grounds. Firstly, the accuracy of overseas data may vary from country to country. Secondly, it only accounts for official migrants or legal migrations, and much of the ‘coolie’ trading were inevitably missing from these official statistics, because of the nature of the business. There have been much higher numbers than the ‘conservative’ estimation of Luo. Zhu (1994) lists a few examples by various Chinese scholars on Chinese records of emigration:
Table 9: History and Statistics of Chinese Migration

<table>
<thead>
<tr>
<th>Period</th>
<th>Number</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1881 – 1930</td>
<td>5 millions</td>
<td>Chinese ‘coolies’ transferred via</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Singapore to other countries</td>
</tr>
<tr>
<td>1918 – 1931</td>
<td>3.84 millions</td>
<td>Chinese left Shantou and Hong Kong</td>
</tr>
<tr>
<td></td>
<td></td>
<td>to go abroad,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Chen Han-Lan 1984)</td>
</tr>
<tr>
<td>1904 – 1926</td>
<td>1.10 millions</td>
<td>Chinese left Fujian to Malaysia</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(50,000 pa)</td>
</tr>
<tr>
<td>1910 – 1926</td>
<td>330,000</td>
<td>Chinese left Fujian to India</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(15,000 pa)</td>
</tr>
<tr>
<td>1935 – 1937</td>
<td>180,000</td>
<td>Chinese left Xiamen</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(60,000 pa)</td>
</tr>
<tr>
<td>1906 – 1910</td>
<td>550,000</td>
<td>Chinese left Shandong, Hebei and</td>
</tr>
<tr>
<td></td>
<td></td>
<td>other Northeast Chinese provinces</td>
</tr>
<tr>
<td></td>
<td></td>
<td>to Soviet Union (Tian Fang et al.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1986)</td>
</tr>
</tbody>
</table>

(Source: Zhu 1994)

Zhu also summarises a series of contradictions from overseas statistics on Chinese incoming migration in relation to Luo’s record:

Table 10: Chinese Migration to Southeast Asia in early 20th century

<table>
<thead>
<tr>
<th>Period</th>
<th>Number</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1918 – 1931</td>
<td>1.33 millions</td>
<td>Chinese migrants entered Thailand</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(95,000 pa)</td>
</tr>
<tr>
<td>1932 – 1945</td>
<td>470,000</td>
<td>Chinese migrants entered Thailand</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(33,380 pa)</td>
</tr>
<tr>
<td>1946 – 1955</td>
<td>270,000</td>
<td>Chinese migrants entered Thailand</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(26,800 pa)</td>
</tr>
<tr>
<td>1918 – 1955</td>
<td>2 millions</td>
<td>Chinese migrants entered Thailand</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Gu Lian 1989)</td>
</tr>
<tr>
<td>1937</td>
<td>400,000</td>
<td>Chinese migrants entered Singapore</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Zhuang Wei-Ji 1958)</td>
</tr>
</tbody>
</table>

(Source: Zhu 1994)

Zhu (1998) therefore has argued that the total number of international migration from China is much higher than Chen’s number of 3 million people. In his 1994 estimation, Zhu suggested the total outbound emigration from China is around 10 millions between 1840 and 1941 for the first period, and a smaller but also staggering number of no less than 6 millions during the Free Migration Era, which makes a total of 16 millions. However, it is still unclear regarding the total number of migrants in contemporary Chinese history. As suggested in the latest publication by Li (2007), she estimates that the total migration between 1840-1941 is 10 million. That is on average more than 100,000 people emigrating every year. As Qiu (2000) commented, the Opium Wars knocked and opened the gate of the Forbidden City, and western products flooded into the Chinese market. And at the same, time millions of Chinese
migrants also left China, and became labourers for the development of new colonies and global trade. He furthermore argued that Chinese migration is an important part of international migration, both the result and a causal factor for economic globalization. It therefore should be noted that the Chinese and Chinese diasporas share critical and intrinsic connection with the globalization of our economy.

4.2.3 Migration from the ‘New China’

Large-scale flow of international migration is a common phenomena in our modern history and contemporary world. Despite its large quantity, the first wave of emigration from China before the WWII only accounts for roughly 10% of the total global migration (Qiu 2000). After the WWII, Europe experienced one of the greatest population movements in history, both within and outside Europe. Whilst the Italians were moving to New York, ethnic Germans were returning home from outside Germany, or when the French and British Governments were turning for labourers from their former colonies, China on the contrary shut itself from the rest of the world (Pieke 2005).

The People’s Republic of China was established on the 1st October 1949. Rather than integrating into the global economy, the new government chose to close its doors to the outside world, and concentrate on the ‘domestic construction’ and ‘self production’ of China, and focused on various political movements under the communist ideologies. China’s isolation from the outside world resulted in emigration from China becoming strictly controlled, which was almost a return to Qing policies of the 16th century, as compared by Skeldon (2004). This worsened during the decade of the ‘Cultural Revolution (1966 – 1976)’. Population movement in and out of China was almost completely cut, which cost China hugely in both economic development and cultural / knowledge exchange (Luo 2005). There is also external factor - for example, Pieke (2004) recognises timing as a critical factor: by stressing the impact of Chinese exclusion acts on making Chinese migrants impossible to enter North America after the WWII.
These limited international migration activities during the early period of the New China are Chinese migrations from the periphery areas, like Hong Kong, Taiwan and South East Asia. Skeldon (2004:24) provides a good summary of these migratory flows:

‘The migration from China that did occur was primarily of students to the then Soviet Union and of specialist workers to certain developing countries such as Tanzania. Any remaining migration was within the Chinese sphere. Over one million migrants, mainly supporters of the defeated nationalist Kuomintang Party, fled to Taiwan around the time of the formation of the People’s Republic. An equal number of migrants went to Hong Kong at the same time, followed by a continuous, if fluctuating, flow to the British colony over the subsequent three decades. Almost half a million entered Hong Kong between 1977 and 1982, for example.

However, the most significant migrations of the Chinese in the post-war period were from the peripheral parts of the Chinese world, not only from Hong Kong and Taiwan, but also ethnic Chinese from the independent countries of Southeast Asia such as Malaysia and Indonesia. At first, these migrations were mainly from the villages of the New Territories of Hong Kong to the United Kingdom. They seemed simply a variation on those that had gone before, to the extent that they involved, initially at least, uneducated men going to engage in unskilled work. Later, and particularly with the opening up of Canada and the United States from the mid-1960s, and Australia and New Zealand from the 1970s, a new type of migration began to emerge: the movement of families and educated and skilled people’.

Pieke (2004) and Watson (1976, 2004) also highlight the importance of emigration from Hong Kong’s New Territories to Western Europe, arguing this as the ‘first major Chinese migration flow after the Second World War’ (Pieke 2004). The search for opportunities and employment led Hong Kong migrants spread across Europe and quickly develop their presence in different business sectors, such as catering sector. Watson (2004:24) commented on the transnationality of Hong Kong Chinese communities in Europe – ‘a transnational community with almost seamlessly
connections between the home communities in Hong Kong and a great number of European countries, while at the same time being the dominant core to settled local Chinese communities in almost every major city in Western Europe.' Europe'.

Despite the visible emigration from the periphery of China, there is still virtually no migration from the mainland to the outside world. However, things were starting to change towards the end of the 1970s. One of the main drivers, argued by Pieke (2004) is the ‘gradual but fundamental’ relaxation of the country’s emigration policy, which has shifted from a total ban on officially endorsed emigration during the most of 1960s, to a more relaxed policy that allowed international trips and emigration. This deregulation of migration policy is part of the wider policy framework under the name of ‘Open-Door Policy’, adopted by Chinese leader, Deng Xiao-Ping in late 70s, as part of the effort to promote foreign trade and open the markets for economic investment.

After 1978, China saw a veritable heat wave of people going abroad for both private and business reasons. This emigration trend was further legally backed by the new ‘Law on the Control of the Exit and Entry of Citizens’, which took effective on the 1st February 1986, and which explicitly confirms the legal rights of Chinese citizens for international migration. Its general provisions are listed below: 28

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Table 11: Law on the Control of the Exit and Entry of Citizens

<table>
<thead>
<tr>
<th>Article</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article 1</td>
<td>This Law is formulated with a view to safeguarding the legitimate rights and interests of Chinese citizens with respect to their exit from and entry into China’s territory and to promoting international exchange.</td>
</tr>
<tr>
<td>Article 2</td>
<td>Chinese citizens may leave or enter the country with valid passports or other valid certificates issued by the competent departments of the State Council or other departments authorized by them. They shall not be required to apply for visas.</td>
</tr>
<tr>
<td>Article 3</td>
<td>For exit and entry, Chinese citizens shall pass through open ports or other designated ports and shall be subject to inspection by the frontier inspection offices.</td>
</tr>
<tr>
<td>Article 4</td>
<td>After leaving the country, Chinese citizens may not commit any act harmful to the security, honour or interests of their country.</td>
</tr>
</tbody>
</table>

(Source: Chinese Ministry of Foreign Affairs online)

In addition to the legal and policy framework at the central level, economic incentives and local governments also play a role in the emigration wave. During the economic reforms and the transition from a central planning economy to a market led economy, there are considerable extra labour forces and a lay-off of workers due to the privatisation of state-owned companies. Therefore, Chinese migration part of the globalization of migration, as argued by Pieke (2004:4) - ‘driven by the commercialisation of emigration and more intense competition for opportunities abroad’. Xiang (2003) described this change in the government policy framework on migration as consisting of virtually all Chinese citizens who go out and in freely as long as he/she can produce a visa or other evidence of the right of legitimate entry to a foreign country.

Fujian, Zhejiang and Guangdong are some of the main migrant-sending provinces. Local governments in these provinces participated actively in the migration process. The involvement of local government in migration in China is not uncommon. At least for internal migration, the engagement of local governments can be traced back to the 1980s (Murphy 2002). They often play a key role in developing strategies to encourage migration, as Xiang (2003) observed, while central government tends to be more like a facilitator, reacting to developments which are already well underway.
When studying Fujianese migration, Pieke (2004) found the export of labour to be a top priority for the local county authorities in Fujian – who are actively and self-consciously engaged in the building up a ‘new overseas area’, on the model of the old overseas Chinese areas along the coast of Fujian. Recognition, public promotion/praise with regard to success stories of migrants/diasporas, support for emigrant family and training prior going abroad are typical tools used by local governments in these areas.

According to the official statistics of the Chinese Public Security Bureau (Office of the Entry and Exit Management), there has been steady increase of Chinese people cross the border (exit) of China:

![Figure 8: Chinese Citizens Border Crossing from 1949 to 2003](image)

(Source: Public Securities Bureau, Luo 2005)

As indicated in Figure 8, there were only 210,000 people/times of border crossing in nearly two decades after the establishment of the PRC. However, merely 5 years after the ‘open-door’ policy, the border crossing has already overtaken previous twenty years’ total. The 90s, and the first few years of the 21st century have become the golden period for the new order of Chinese migration. No doubt, the economic reforms are the most critical factor for such international population movements in China. However, there are special events which have also impacted on migration from China, for example, Li (2003) shows how the Tiananmen Square incident and its aftermath in 1989, as well as the impending return of Hong Kong to PRC prompted large emigration from both the Mainland and Hong Kong to Canada.
In terms of the typologies of migration, the Public Security Bureau (in Luo 2005) estimates that nearly 600,000 Chinese emigrated abroad after the economic reform, up to 1996; among them, around 360,000 obtained permission of going abroad for settlement, and 200,000 were granted residency, following temporary settlement such as family reunification, study and employment, while some others acquired residencies via other legal migration channels. There are no standardised statistics for Chinese emigration. Many statistics with regard to overseas Chinese are done through surveys and the records of relevant Chinese ministries. For example, the Consular Division of the Ministry of Foreign Affairs estimated that around 1 million Chinese have obtained residence permits around the globe from 1979 till 1996, while the numbers from the Overseas Chinese Affairs Office of the State Council suggested that 2 million people have emigrated abroad since the ‘Open-Door Policy’ was implemented in China (Luo 2005).

Nevertheless, from these intriguing figures, one can see the magnitude of Chinese migration in the past three decades. No wonder there have been recent forceful comments on Chinese migration, and rise of China in general, as echoing a ‘fear of the yellow peril’ within some Western media, mixed with the bitter experiences of mass migration in the past and the current debates on integration, citizenship/identify and security issues. Therefore, it is very important to point out that Chinese migration is a part of the much wider and massive global population movements, which started after the post-war construction in Europe and elsewhere. Zhuang (2003) pointed out that, after the World War II till the early 90s, there are 35 millions of migrants around the world, but Chinese migrants are only 12 % of that, i.e. around 4 millions, and moreover only half of these 4 millions are coming from Mainland China. From this, he argues, one can tell China is not a typical migration sending country, and thus any ‘yellow peril’ theory about Chinese migration does not have any valid basis.

China’s continuous economic growth in the early years of the 21st Century is also accompanied by a further expansion of Chinese communities across the world. Li (2003) and Qiu (2000) estimate the total number of Chinese living abroad has now reached 33 millions, spread over 5 continents and 151 countries. According to the International Organisation for Migration (2005), China is now the biggest sending
country for overseas diasporas, which has roughly 35 million, followed by India and the Philippines, as is shown in Figure 9.

**Figure 9: Top 3 Migrant Sending Countries**

![Pie chart showing the top 3 migrant sending countries: China with 35 million, India with 20 million, Philippines with 7 million, and the rest of the world with 129 million.](source: World Migration Report 2005)

Looking at the geographies of Chinese emigration, the most concentrated continent for overseas Chinese still remains Asia. Li (2001) explains this is due to the geographic proximity on top of earlier Chinese migration into Southeast Asia. Now Asia accommodates around 28 millions overseas Chinese, that is 80% of total Chinese diasporas in the world. There are significant Chinese communities in Southeast Asian countries like Singapore, Malaysia and Indonesia, etc. Traditional receiving countries for international migration such as the United States of America, Canada, Australia and Western Europe are still the most popular destinations for Chinese migrants. From 2003, the USA saw a new surge of Chinese migration, as the number of China-born population grows rapidly, as shown by the Migration Policy Institute (MPI)’s latest data illustrated by Figure 10:

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29 MPI Global Data Hub: [http://www.migrationinformation.org/datahub/countrydata/country.cfm](http://www.migrationinformation.org/datahub/countrydata/country.cfm)
There is similar picture in Canada. Before 1996, Hong Kong had always (except in 1991 when China was also number one) been the largest sending country for migrants to Canada. However, China rose to the top of the list on 1996, and has kept its number one position since, according to the MPI Global Data Hub (2007). Hong Kong did not enter top ten after 1998. Chinese migration to Oceania also has an impressive record, as China has been top three sending countries with the United Kingdom and New Zealand since 1996. Around 11,095 Chinese went to Australia in 2005, which is a 1.26 times higher than the year before (8,784). China’s neighbour, Japan, just reached a foreign population of 2 millions, and among them, as Li (2007) reported, there are around 65,026 Chinese living in Japan, either legally or illegally. Europe is also a fast growing place for new forms of migration from China (Laczko 2003), Chinese communities can now be found from Ireland to Italy and from Berlin to Budapest. It is the focus of this thesis and detailed analysis on Chinese migration in Europe will be provided in the next part of this chapter.

The direct migration of Chinese professionals can now also be found at some countries such as Africa, Eastern Europe and Latin America. As China is gaining prominence in the international affairs, Chinese citizens abroad are also becoming the targets for terrorism or target of criminal offences (like kidnapping, robbery etc.). Media report on Chinese victims abroad can now be frequently found in Chinese
media, especially incidents in some developing countries in Africa, Middle East, and Asia where security and political situations are not stable. Wei Wei (2006), Deputy Head of the Consular Division, Chinese Ministry of Foreign Affairs told the Xinhua30 (the state news agency) that his division now has a total staff of 140 in Beijing and there are more than 600 consular officers working at Chinese missions abroad and in 2005, over 29,000 consular protection cases were handled.

According to Wei, more Chinese are more people leaving and coming back to China. The total number of entry and exit was 280,000 between 1949 and 1979, but already in 2005, the figure for Chinese citizens’ exit of border is already 3.1 millions, over 10 times of the three decades (1949-1979) and the figure is expected to grow more. As Wei continued that, till the end of 2004, there are already 8,000 Chinese invested companies abroad and 1,900 Chinese organisations working on the construction, investment, project, labour, medical services, with a total personnel of 600,000 over 200 countries, many are in the developing world.

Latin America and Africa are now also hot grounds for Chinese migrations. There are considerable amount of Chinese living in Brazil, Argentina, Cuba, Costa Rica and even according to Li (2007) and Peruvian Immigration and Naturalisation Bureau, Chinese has become the second largest ethnic groups after Americans, there are 4,187 Chinese living in Peru out of the 36,700 foreigners living in the country. African countries like South Africa are not new for Chinese migrants. The earliest Chinese arrived in South Africa in 1904 to work in the gold mines of the Witwatersrand. In recent years, more Chinese from mainland China started immigrating into South Africa, increasing the Chinese population in South Africa to possibly 100,000, including illegal immigrants and there is already visible Chinatown presence in Johannesburg (Yap and Man 1996). China’s huge appetite for oil and natural resources has also led Chinese presence in the continent of natural reserves – Africa, to provide development assistances and explore business opportunities.

The migration of Chinese people is indeed an indicator and human face of China’s accelerating globalization and integration into the world economy. In Kerry Brown’s latest publication – Struggling Giant, China in the 21st Century (2007), he argues that when talking about China, in fact we are speaking about multiple Chinas, different faces and phrases of a changing country. This is indeed very true and applicable when studying Chinese migration, which migration itself is a fluid and changing social phenomena. Wang Gungwu (2004:1), the guru on overseas Chinese studies once commented that ‘one should carefully avoid projecting the image of a single Chinese diaspora’. In the new order of Chinese migration, there are more diverse flows than ever. Among them, the proliferation of Chinese education migration (Pieke 2004, Shen 2005, 2006) is especially significant, in terms of sheer numbers and its impact for both China and the hosting countries of Chinese students. Therefore, the following section will focus on inquiry to this special group of skilled and professional migration of Chinese students to France and Europe.

4.3 Chinese Student Migration

In the age of the knowledge economy, human capital is the vital resource for economic development, essential to sustain growth and prosperity. Therefore, the migration of talents (students and professionals) has been a key issue for both developed and developing countries, which all aim to attract the best talents from across the world. The transnational flow of student migration is however not a new topic in the history of population movements. As early as the 13th Century, the English King, King Henry III, had already invited a group of French students to conduct research in England (Woodhouse 2001). Nowadays, such cross-border migration of students seeking educational opportunities has been an important and integral part of international migration. In the past three decades, the migration of students from China has become one of the most significant features of contemporary Chinese migration (Li 2002, Laczko 2003, Pieke 2003, Xiang 2003, Zhuang 2003, Skeldon 2004, Shen 2005, 2007, Li 2007, Xiang and Shen 2009).

The internationalization of education has attracted considerable academic interest, because over the last thirty years international student migration has become a
prominent aspect of social change in China. Most of the literature examines the phenomenon as a form of education exchange and human resource development (e.g. Cheng 2002, Chen 2003), and often locates it within the debate on brain drain, brain gain and brain circulation (Iredale et al. 2003, Cao 2004, Zweig et al. 2006, Chen 2008).

Since 1978 more than 1.2 million students have left China to study abroad. In 2007 alone, China sent around 144,000 students abroad, 167 times of the 1978 figure (860) (Ministry of Education 5 April 2008). This makes China the largest source country in the world for international students, with Chinese students spread over 100 countries across five continents. As we can see in Figure 11, more than 85 percent of the students study in North America, Europe, and Asia. The most popular countries are the USA, UK, Germany, France, Australia, and Canada. The ‘Global Education Digest 2006’, published by UNESCO (2006), gives China as the largest source country for students studying abroad, with one out of seven international students coming from China.\(^{31}\) This provides China with a huge potential human resource but at the same time, it poses challenges and dangers if these students, do not return, i.e. the ‘brain-drain’.

![Figure 11: Distribution of Chinese Students in the World (by Areas)](source)

The following sections give a historical review as well as an analysis of recent trends in Chinese student migration. It first provides the background information concerning

Chinese student migration in both ancient and contemporary Chinese history. It then centres on a review of the migration of Chinese students that began at the end of the 1970s, one which has been directly influenced by both domestic politics and China’s international relations. Initiated as a government programme, imbued with heavy symbolic capital, student migration is now largely a matter of private choice, and is often facilitated by professional and commercial agents. Chinese families and students invest disproportionately large amounts of their resources in overseas education, as the dramatic social stratification within China itself makes people regard an overseas education as a means of providing extra advantages within the existing fierce competition for scarce resources and opportunities. As leaving China for study has become a private activity, the Chinese government has put in place numerous policies and programmes to encourage the students’ return. These policies provide the new elite with symbolic and political capital. Finally, it focuses on the contemporary Chinese student migration to France and Europe.

4.3.1 Chronicle of Chinese Students Abroad

Berthet and Arnaud (2004) estimated some 1.6 million people have left their countries of birth to study abroad. Such cross-border journeys seeking educational opportunities have long tradition in China. In ancient China, there had already been scholarly exchange between China and the ‘outside’ world. Many of these exchanges came through the spread of Buddhism. As early as in Tang Dynasty, the Emperor has already sent monks abroad to pursue religious knowledge from ancient India where Buddhism was born. Among these migrant monks, Tang Sanzang, the legendary monk, was said to have spent 17 years of travelling to India, and brought back 657 Buddhist books on his return to Changan, the capital of Tang Dynasty (Wang 2005). The migration of monks for religious learning has had a fundamental impact for the development of religions in China, and on the foundation of Chinese society and culture. There have also been records of foreign monks coming to study within China, among them, from China’s neighbour, Japan, monks in two-way cultural exchange.

However, in China’s contemporary history, Yung Wing is regarded as China’s ‘first real student abroad’ (Wang 2005). One hundred and sixty years ago, Yung Wing, at
the age of 19, and a native of Canton, left China to study in the United States of America. That was in 1847 and the Qing Dynasty was starting to disintegrate. Yung Wing was also the first student returnee, returning promptly to China after graduating from Yale College in 1854\textsuperscript{32}. Upon his homecoming, he subsequently persuaded the Qing Government to send 120 young Chinese students to study in America, beginning in 1872. The departure of Yung Wing and his fellow compatriots started the movement to study abroad in contemporary Chinese history.

Song (2003) divides Chinese students who went abroad into 10 generations:

- 1\textsuperscript{st} Generation: Yung Wing and the 120 young Chinese students to USA
- 2\textsuperscript{nd} Generation: Chinese naval students to Europe (approximately 100 students)
- 3\textsuperscript{rd} Generation: Chinese students to Japan at the beginning of 20\textsuperscript{th} Century
- 4\textsuperscript{th} Generation: From 1909, Chinese students to USA, financed by money remaining from the huge indemnity in the Boxer Protocol (1901)\textsuperscript{33}
- 5\textsuperscript{th} Generation: Chinese students to France, self-financed through hard work in France
- 6\textsuperscript{th} Generation: Chinese students to USSR in the 20\textsuperscript{th} Century
- 7\textsuperscript{th} Generation: Chinese students to Europe (i.e. France) between 1927-1937
- 8\textsuperscript{th} Generation: Chinese students to Europe & USA between 1938-1948
- 9\textsuperscript{th} Generation: Chinese students to USSR & Europe between 1950-1960
- 10\textsuperscript{th} Generation: After the cultural revolution

Wang (2005) has simplified these detailed groupings into five broader waves of student migration from China and commented on their differentiated roles thus:

- 1\textsuperscript{st} Wave: 1872-1900: young Chinese students and naval students – among those returned, railway specialist, diplomat, journalist and navy officers, the backbone for the ‘Self-Strengthening Movement’ in China

\textsuperscript{32} For more details about Yung Wing: http://en.wikipedia.org/wiki/Yung_Wing

\textsuperscript{33} After the First Opium War, the Qing Empire signed the Boxer Protocol or 1901 Treaty with the Eight-Nation Alliance which included a huge indemnity of 450 million taels. Later, the Qing Government used part of indemnity refunded by the United States to send Chinese students to USA.
2nd Wave: 1900-1927: Chinese students to Japan and France, Boxer Rebellion students, and the first group the USSR – those revolutionists who brought back the ‘New Cultural Movement’

3rd Wave: 1927-1949: Chinese students to Europe and USA – among them were Nobel Prize Winners as well as missile & satellite experts

4th Wave: 1949-1965: Destinations USSR and socialist countries in Eastern Europe – trained as the core of Chinese Communist Party

5th Wave: 1978 – present: the largest wave of student migrants spread around the world, overtook the total of the previous four – the vital source for China’s progress towards modernisation

Looking back these migration tides, the reasons behind them actually reflect the fall and rise of China. In the first wave of students, the departure of the first group of Chinese teenage students abroad was part of the late Qing Dynasty’s intention to modernise China through Westernization. Yung Wing, according to Wang (2005), was in fact more than just organising ‘education mission’, but he was also a ‘reformer’, who contributed to the Late Qing Reform (1898). Following a series of military defeats by foreign powers and the consequential unequal treaties arising from these defeats, together with the growing domestic pressures over these unfair concessions, the Late Qing Dynasty implemented a period of institutional reforms, identified as the Self-Strengthening Movement. The philosophy of this movement was firmly based on a belief that, in order to deal with a (foreign) power, one must first acquire their advance knowledge; or in the words of Yung Wing, to learn and use western knowledge to use and work for China.

Based on the needs at that time, the Qing Dynasty sent four groups of students between 1872 and 1874, a group of 30 per year, to study various science subjects and disciplines for urgent Chinese needs such as shipbuilding, manufacturing and military planning etc. However, this experiment was soon called off, because of the domestic politics over the ‘Self-Strengthen Movement’ within the Qing Dynasty. In 1881, those students were asked to stop their studies, and return to China - approximately half returned. Before the first Sino-Japan War (1894-1895), in 1877 a group of naval students were also sent to study in Europe and upon their return, many fought and died in sea battles against the Japanese.
The second wave relates to the Sino-Japanese War. Based on lessons learned from battle loss, the Qing Dynasty again sent students to Japan to learn about the success of reforms in Japan arising from the Meiji Restoration. It is estimated around 20,000 students were sent, partly because of cheaper costs and comparable cultures, arising from their geographical proximity, and starting with 13 students in 1896, as indicated in Figure 12.

![Figure 12: Chinese Student Migration to Japan](source: Li, http://zhidao.baidu.com/question/14239135.html)

At the end of 19th Century, China and the Qing Dynasty were under an increasing influence from foreign powers, ranging from trade to politics and religion. As a response, an anti-foreign, anti-imperialist peasant-based movement started in Northern China, which soon spread to other parts of the country, from November 1899 till September 1901, and resulted in the Qing Government’s war against the foreign powers. However, as the Eight-Country Alliance reinforced military control in China, the Qing Government was forced to sign the ‘Boxer Protocol’. This fined China 450,000,000 taels as war reparations to compensate for the loss and damages to the Alliance countries, while assuring the territorial and administrative integrity of China. Initiated by the United States, part of the reparation was used to fund Chinese students for study at foreign institutions. According to the Voice of America (2006), the final settlement of the ‘Boxer Protocol’ forced China to pay 333 million dollars.

34 Japan, Russia, United Kingdom, France, United States, Germany, Italy and Austria.
The United States used some of its share to pay for the education of Chinese students in America\(^{35}\).

### Table 12: Chinese Student Migration in early 20\(^{th}\) Century

<table>
<thead>
<tr>
<th>Year</th>
<th>Destination Country</th>
<th>Number of Application</th>
<th>Final Number Of Students</th>
<th>Type of Migration, Key Activities &amp; Government Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>1901</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>Signing of Boxer Protocol 7 September 1901</td>
</tr>
<tr>
<td>1908</td>
<td>USA</td>
<td>n/a</td>
<td>n/a</td>
<td>USA Senate passed the resolution to remit Protocol funds for Chinese Students</td>
</tr>
<tr>
<td>1909</td>
<td>USA</td>
<td>630</td>
<td>50</td>
<td>Boxer Protocol funded</td>
</tr>
<tr>
<td>1910</td>
<td>USA</td>
<td>400</td>
<td>70</td>
<td>Boxer Protocol funded</td>
</tr>
<tr>
<td>1911</td>
<td>USA</td>
<td>n/a</td>
<td>n/a</td>
<td>Establishment of Tsinghua Preparatory School</td>
</tr>
<tr>
<td>1911</td>
<td>USA</td>
<td>No data</td>
<td>63</td>
<td>Boxer Protocol funded</td>
</tr>
<tr>
<td>1912-1920</td>
<td>France</td>
<td>n/a</td>
<td>1,200</td>
<td>Self-financed (through work)</td>
</tr>
<tr>
<td>1925-1930</td>
<td>Soviet Union</td>
<td>n/a</td>
<td>Over 1,000</td>
<td>Sent by Communist of China (CPC) &amp; Kuomintang (KMT)</td>
</tr>
<tr>
<td>1933</td>
<td>UK</td>
<td>No data</td>
<td>No Data</td>
<td>First group of Boxer Protocol funded Students to the UK</td>
</tr>
<tr>
<td>1935</td>
<td>All</td>
<td>n/a</td>
<td>1,033</td>
<td>Government Sponsored</td>
</tr>
<tr>
<td>1937</td>
<td>All</td>
<td>n/a</td>
<td>n/a</td>
<td>Restrictions on Overseas Studies due to Anti-VoA</td>
</tr>
</tbody>
</table>

From 1909, three groups of Chinese were recruited to study in the United States. Table 12 shows the number of applications and the final number of Chinese students for these three respective groups. In 1911, a preparatory school was also established in Beijing to train Chinese students, and later transfer them directly to US Colleges upon graduation. This school, also funded by an indemnity which China paid the United States after the Boxer Rebellion, later became the world-renowned Tsinghua University\(^\text{36}\).

At the same time, because of the labour shortages in France (due to the wars in Europe), it attracted many self-financing Chinese students to work and study in France from 1912. The figure of Chinese students in France reached 12,000 in less than a decade (Li 2007). The Soviet Union also became another popular destination for Chinese students, especially after the establishment of Moscow Sun Yat-Sen University in 1920s, which provided a training site for revolutionaries from both the Communist Party of China (CPC) and the Kuomintang (KMT), as more than a thousand Chinese students studied in the Soviet Union by 1930 (Song 2003).

As indicated in Table 12, the student flow was greatly hit by the outbreak of war with Japan in 1937. Before the war, the number of Chinese students going abroad reached a peak in 1935 of around 1,033. Because of the Anti-Japanese War, restrictions for studying abroad were imposed by the ruling government in China, and led to the dramatic drop of students, as shown in Table 12. Only 57 students were said to leave

\[^{36}\text{More information about the history of Tsinghua University: http://www.tsinghua.edu.cn/qhwdzy/index.jsp .}\]
China in the year 1941 and Song (2004) estimates that a total of around 300 students went abroad between 1938 till 1941. Towards the end of the war, the ban on overseas studies was lifted and examinations were organised by the Government to select and sponsor Chinese students to study in the United States. Following the surrender of Japan in 1945, a national government scholarship examination was organised in 1946 to support Chinese students in seeking to acquire overseas education. As many as 4,463 students took part in the exam in July 1946, and 730 students eventually went abroad.

4.3.2 From ‘Go Russia’, to Isolation and Open-up

When the new China (PRC) was founded in 1949, most of the Chinese students living abroad were based in the United States (Wang 2005), as shown in the Figure 13; Yao (2004) estimates that nearly 4,000 Chinese students were in US between 1948 and 1949. It is clear Chinese students played important roles in the history of Chinese development, and their outbound migration is strongly associated with the international relations and political economy of China and the rest of the world. Those foreign trained scholars, revolutionaries and technicians became intellectual elites in academic, political and scientific fields upon their return to China. The USA is again the main sending country for returnees, followed by the UK and France. According to Wang (2005), the number of returnees rises from 1,424 between 1949 and 1954 to 2,500 by the end of 1950s.

![Figure 13: Situation of Chinese Overseas Students in late 40s.](Source: Wang 2005)
After the establishment of New China in 1949, the Soviet Union became the most popular location for the Chinese Communist Party to send students that they might learn from the land of their communist brother (Song 2003, Wang 2005). Already before the birth of New China, the slogan of ‘go to Russia’ was increasingly popular, as the elites from the CPC and KMT had been already been inspired by the stories Russian success arising from the October Revolution to want to study the theories of Marxism and Leninism, and bring back the experience of revolution (Yao 2004). Soviet Russia was the breeding ground for many high and middle level cadres of the CPC, such as Deng Xiaoping, Liu Shaoqi and Zhu De etc, whom later became the President, General and leaders of China.

![Figure 14: Number of Chinese Exchange Students to USSR](image)

(Source: Song 2003)

This trend continued throughout the 1950s, and lasted till 1965. During this period, China set up a number of student exchange programmes with the USSR and Eastern European (Socialist) countries, such as Eastern Germany (DDR), Czechoslovakia, Poland, Hungary, Romania, Bulgaria and Albania, and only a very small number of students were sent to Western Europe and other Asian countries. Figure 14 shows the number of Chinese students sent to USSR between 1950 and 1960.
In 1956 this ‘Eastern wave’ reached its peak, and with the deterioration of Sino-USSR relations in the 1960s, the outbound Chinese student migration to the USSR almost ceased. Instead, it was diverted to other Western countries (Song 2003, Wang 2005). However, till the middle of 1960s, the USSR still hosted more exchange students from China than any other countries, according to the archives of Ministry of Education (Song 2003), followed by other Eastern European countries, particularly East Germany.

Figure 15: Hosting Countries for Chinese Students (1950-1963) sent by Ministry of Education

![Hosting Countries for Chinese Students](source: Ministry of Education and Song 2002)

In nearly one and a half decades, around 11,888 Chinese students took study and exchange student journeys into a foreign country. Most of them went to other socialist countries at the time, and only dozens of them went to the capitalist world, e.g. Denmark, the United Kingdom and Canada, etc. The fever for this eastern migration to USSR and other socialist countries can be recalled in Ma Zedong’s speech for Chinese students – calling them the ‘faith-based future’, saying ‘the world is yours…the hope is inside you.’

This group of students to the ‘East’ were also accompanied by an equally impressive migration of military officers (800 persons), from the CPC Youth Union (138), aid and construction workers (7,800), factory

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37 More details on Mao’s speech on Chinese students in USSR:
http://scholar.ilib.cn/A-dszh200607010.html (last accessed 1 August 2007).
workers, miners, trainee technicians (609), engineers, workers (2291) and other personnel (44) to USSR and Eastern Europe (Wang 2005).

As indicated earlier, during the outbreak of Cultural Revolution since 1965, almost all emigration channels were shut and this includes the exchange of students. Yao (2004) argued that it was not until the legal seat of UNESCO of the People’s Republic of China was reinforced in 1971, that international communication in education was resumed:

‘The number of Chinese students abroad was 1,548 between 1972 and 1978. Even though the population was declined, the destination countries were expanded to 32 and Australia was among them. During this period, language study dominated the studying field of students abroad, accounting 93.7%, and only 6.3% was left on the field of science’.

Yao (2004:6)

We can already see a shift in the destination countries for Chinese student migration, which now consists of a far more diverse geographical distribution, with more Western countries included. However, Chinese students at that time were predominantly government sponsored; very few are financed by other means, such as self-financing. This is partly due to the lack of financial resources at that time, but also to the migration restrictions implemented from the 60s for emigration. Nevertheless, this was all going to be changed as China opened its doors for change and economic reform in 1978, after more than a decade of isolation.

Student out-migration has always held particular political and symbolic meaning in China. For instance, studying abroad was out of the question for most Chinese during the Cultural Revolution period (1966 – 1976). This changed at the end of the 1970s, when the Ministry of Education, pushed by Deng Xiaoping, started sending selected researchers to the West for study. Subsequently, China and the USA signed the Understanding on Educational Exchanges (October 1978) and the Agreement on Cooperation in Science and Technology (January 1979), both of which included
student exchange as an important component (see Zweig and Chen 1995:19). In 1979, the Ministry of Education, the National Science Committee and the Ministry of Foreign Affairs of China jointly issued the first document regarding the regulation of Chinese students overseas. This set strict rules and those who did not return on time would be punished.

In 1981, the State Council approved the Temporary Regulations on Self-financed Overseas Education. This was the first time that the Chinese Government formally recognised self-financing study overseas—studying abroad without the state’s sponsorship—as a legitimate means of exiting China. Since the early 1980s, individual institutions were also allowed and even encouraged to send their employees overseas for academic exchange or degree education. The employer covered all or part of the costs, and normally an individual was obliged to return to the same employer on the completion of his or her education. The Tian’anmen incident in 1989 dealt a blow to the PRC policies regarding overseas education. But after a brief period of uncertainty, the Government then liberalised its overseas education policy. The new policy line is often summarised as the ‘Twelve-words Approach’: in Chinese the twelve words are ‘zhichi liuxue, guli huiguo, laiqu ziyou, meaning’ - ‘support study overseas, encourage returns, guarantee freedom of movement’.

4.3.3 The Rise of Self-financing Students: the ‘Last Bus Sentiment’ in Contemporary China

The door for international education exchange was opened by Deng Xiao Ping, the CPC Party Secretary and the Head of State, who in 1920 had been the youngest

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38 Educational exchanges with the West began before that, in 1972-73, with the UK, Australia, France, Italy, New Zealand Canada and other countries that had established diplomatic relations. But the numbers of students involved were very small.

39 In Chinese, studying abroad without state’s sponsorship is called ‘zifei liuxue’, literally meaning self-financed overseas education. But most Chinese students who moved abroad to study without government funding are supported by scholarships from the receiving universities or other international foundations.
Chinese student among the first student migration to France. Deng arrived at the Port of Marseilles at the age of 16, with Chinese leaders like Zhou Enlai (who became the first Premier of the PRC in 1949), to work and study in Paris. He is himself a transnational student migrant, who not only studied in Paris, but also undertook work placement with the French car manufacturer Renault and later received training in Moscow. With all these personal experiences, it should not be too surprising when Deng publicly announced his support for Chinese students to study abroad. His decision for allowing Chinese students to go abroad is considered as a ‘strategic decision’ which the Chinese government made to compensate for its loss over the period of the Cultural Revolution and also to enhance its national capacity for science and technology (Zweig and Chen, 1995:7).

In a public speech to the students of Tsinghua University in 1978, Deng made the following important remarks:

‘I agree to increase the number of students to be sent abroad to study, mainly natural sciences. We shall see benefits of this within five years; it is one of the key methods to raise China’s standards. We must send thousands upon thousands of students, not only ten or a dozen. We should send three or four thousands this year and ten thousands next year. This is the way to speed up. At the moment, our steps are too small; we must accelerate our speed and walk onto wider avenues. On one hand, we need on the improvement of our universities; on the other hand, we should send people to study abroad. In this case, we could have a comparison, to see how we are running our universities? The Ministry of Education must research on this, at any costs (will be worth of it).’

Deng (1978)

Deng’s plan was to send more 3,000 students and scholars abroad for further educational training each year, and this started with the signing of exchange agreements with various countries since 1978, which includes United States (1978),

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United Kingdom (1979), Egypt (1979), Canada (1979), the Netherlands (1979), Italy (1980), Japan (1981), Federal Republic of Germany (FRG/BRD 1981), France (1981), Belgium (1981) and Australia (1986). In comparison with similar agreements signed in 1950s, there are more Western countries represented and this is more focused on economic and technological developments rather than on the complex political agendas of the past. Deng was determined ‘to rebuild China’s scientific community, catastrophically reduced during the decade-long anti-intellectual Cultural Revolution (1966-76) that had just ended. Even if 5 per cent did not return, he told critics, the policy would remain a success,’ according to Zweig and Rosen (2003:1).

Indeed, the ‘Open-Door Policy’ gave opportunities for Chinese students to go abroad again, and in December 1978 the first group of 50 scholars left for China for the Americas. This then led in the next three decades to new waves of student migration from China. The shift in Government Policy played an important facilitating role for student migration. In 1984, Chinese Government for the first time, officially allowed self-financing students to go abroad and its tremendous impact is well summarised by Li (2006):

‘If Deng’s remark in 1978 was a breakthrough for educational exchange in modern China, a more liberal policy adopted in December 1984, allowing people to ‘study overseas at their own expenses’ (zi fei liu xue), sparked the ‘fever to study abroad’, This policy resulted in a 50% increase in overseas student populations in 1985 over 1984.’

Dannie LI Yan Hua (2006)

Partly as a result of the policy shift, the profiles of student migrants from China changed over this time. In the early 1980s, most students were sponsored by the government and enrolled in post-graduate or short-term training courses overseas. The majority of student migrants of the 1990s were supported either by overseas scholarships or by themselves. They tended to be post-graduate students, but few had work experience, and thus the average age was lower than the first group. Those who went abroad after the late 1990s are different yet again. They pay for their education from their own (or rather, their parents’) pockets. This group is characterised by a
high proportion of young students taking undergraduate programmes or language courses, and their migration is typically facilitated by private education agents.

In the Chinese official language, both the second and the third group are called ‘self-financing students’, because neither require funds from the state. Statistics from the Chinese Ministry of Education (2007, cited in Xinhua News Agency 12 March 2007) revealed that only 11,000 students left China on a self-financing basis in 1998, but the number jumped by 11 times to 117,000 in 2002 and to 120,000 in 2006. In 2007, self-financing students made up 90 percent of all student migrants (129,000 out of 144,000) government sponsored students accounted for 6 percent and employer dispatched students comprised 4 percent (Ministry of Education 5 April 2008). In sum, student migration, began as a state project, and evolved to become a ‘societal’ phenomenon. Following the distinction made by Findlay et al. (2006), the state project induced ‘student mobility’, in the sense that the exchange was pre-arranged by actors other than the students themselves, with an expectation that students to return home after their sojourn. But student mobility soon became ‘student migration’ in the 1990s, that is driven by students’ own initiatives, more open-ended, less predictable, and possibly exerting a more profound long-term impact on society.

There are many reasons for studying abroad and several push and pull factors involved. The major pull factors are language immersion and exposure to foreign cultures. The push factors include the inadequate provision of tertiary education in China (such as the limited range of subjects taught, the shortage of programmes and the lack of higher education institutions), and the highly competitive university entrance examination. One, or a combination, of these factors push or sometimes force Chinese students to seek educational opportunities outside their own country. This can also be regarded as an ‘exit option’ for these students to go abroad.

On the other hand, some talented students in both developing and developed countries are attracted to the research expertise of foreign institutions, and they therefore are drawn to study abroad. In addition, the financial aid offered by foreign governments, institutions and other sources, the experience of living, studying and working in a foreign land, and the exposure to new cultures, languages and traditions are all important pull factors for globalizing education.
In the case of Chinese students, it is a combination of these push and pull factors. Due to China’s vast population, it is very difficult to pass the university entrance exam, especially for access to top universities. As the income level in China is growing, more and more Chinese families can afford for their children to study abroad if they do not pass the university entrance exam to elite Chinese universities. The prestige of foreign qualifications is very helpful in securing a decent job in China. After China’s entry to the World Trade Organisation (WTO), there was an even higher demand for internationally oriented and competent human resources, and this pushed more parents to send their children abroad. Scholarships from Western countries, in particular from the United States, have also attracted many Chinese students to conduct research and studies abroad. However, the majority of Chinese students abroad are nowadays self-financed, as study abroad has been widely seen as an ‘investment in the education and future’ for most Chinese families.

Self-financing students invest enormous amounts of resources in international education. A widely circulated figure estimates that overseas education drained USD 4 billion a year from China in the late 2000s. A Chatham House survey by Nania and Green (2004) with 100 UK universities shows that in 2004 students from Mainland China contributed at least GBP 300 million in tuition fees alone. In some cases, the contributions by Chinese students amount to 30 percent of the government grants a university receives. Furthermore, Chinese students pay a staggering GDP 479 million in living expenses (Nania and Green 2004:9). A BBC News report (7 September 2005) about Chinese students in the UK concludes that international education yields more profit than export sales of arms and ammunition. It is therefore not surprising that a commentator in the New Statesman (Monro 2004) called the inflow of Chinese student ‘the migration that nobody objects to’. There is also growing number of Chinese students in other European cities (as shown in Figure 16). Many European countries are following UK’s example to charge foreign (non-EU) students higher tuition fees (like Denmark), while others are considering this option (Sweden and Germany for instance).
These figures appear even more striking if we consider the general income levels in China. The average cost of studying in the UK, USD 30,000 a year, is 23 times the per capita annual disposable income of urban residents in China (2007), and 70 times that of the rural residents (Xiang and Shen 2009). Malaysia is normally regarded as one of the most economical country for foreign students, but a course there still costs a minimum of USD 6,000 a year, which is more than double the average household income in Chinese cities. In order to finance overseas education, apart from exhausting household savings, parents also mobilize funds from among the extended family, borrow money and apply for bank loans.

The anxiety of the younger generation about the future has been further exacerbated by the rapid expansion of universities in China since the end of the 1990s. The Asian financial crisis in 1997 placed China in an unfavourable position with regard to competing with neighbouring countries for exports (due to the depreciation of other currencies). As a response, the Chinese government decided to try to sustain domestic growth by stimulating domestic consumption. Because of the lack of social security, people have generally preferred to save rather than spend on general commodities. However education has been an exception; it has been identified by planners and ordinary citizens as a new consumption item with great potential. At the same time,
the number of universities started to increase: the number of admissions jumped from 1.08 million in 1998 to 2.5 million in 2001 and by 2007, the number of planned enrolments reached 5.67 million. While the expansion widened access to universities to an unprecedented level, the inflation of degrees rendered university education less valuable in the job market. Unemployment among university graduates has subsequently become a major concern of the Chinese government. According to a study by Chinese Academy of Social Sciences (cited in the China Radio International, 15 January 2008) about 20 percent of university graduates in China who graduated in 2007, that is, one million, remained unemployed in the beginning of 2008. Further, an indication of the wider difficulties of finding a job in an era of the ‘diploma disease’ (Dore 1976) can be seen in a report from the Xinhua News Agency (19 June 2006) about a Bachelor degree holder who sent out 800 applications in one year but received no offers.

When domestic degrees are devalued, foreign universities become more desirable. A graduate student interviewed for this research, who studied business in France, said:

‘I could not decide where to be born [a rural town in the relatively backward Hunan province] but I can choose where to work. And the only way to do it is to study hard and go to a big city [he studied in Shanghai]. Nowadays, just having a Chinese university diploma is not enough, that’s why I left Shanghai to study abroad.’

(Université de Paris graduate, male, 29 y/o)

Thus, in order to be ahead of the competition, he has been constantly on the move: from the countryside to the city, from the hinterland to the coast, and eventually overseas. He is one of the many Chinese students that have left to study in France. After reviewing the history of student migration from China, the following section will now focus on Chinese student migration to France.
4.4 Chinese Student Migration to France

4.4.1 History of Chinese Migration to France

‘Quartiers chinois’ (Chinatown in French) in France are now among the largest ones in Europe, with its most famous one located in the 13th arrondissement (XIIIe arrondissement) in Paris. Arcade Huang, or Huang Jialü in Chinese was the first recorded Chinese to settle in France in the late 17th century\(^\text{41}\). It was not until the early twentieth century when more visible migration began from China to France after the First World War. Wang (2000) defined three types of Chinese migrants in the early decades of the 20th century. Firstly, in 1917, some 2,000 Chinese went to Europe to support the Allied Power (France, the United Kingdom et al.) in the battlefield. Following that, an additional 140,000 Chinese labourers were recruited by France under a special agreement with the Chinese Government at that time\(^\text{42}\). Many of them died during the war and it is estimated that around 3,000 of them stayed in France after the war (Wang 2000).

The second group refers to those Chinese ‘gold-diggers’ who went to France hoping to make money between end of 1920s till 1930s. This migratory flow was interrupted and dramatically decreased due to the Japanese invasion in China. Finally, another pertain migrant group is the Chinese student migration to France, as described by Levine (1993) as the Chinese work-study (Qingong Jianxue) movement in France in the 1920s and 30s. Figure 17 is an article of the New York Times in January 1920, which vividly documented the start of Chinese student migration in the 20s as an effort to ‘learn about the methods of other countries’.

\(^{41}\) Details of Arcade Huang can be found: http://fr.wikipedia.org/wiki/Arcade_Huang.

\(^{42}\) Both Agreements during and after the World War I, was signed by the Beiyang Government, a which refers to a series of military regimes that ruled from Beijing from 1912 to 1928.
Archaimbault (1952) documented the emergence of Chinese quarters in Paris. However, because of World War II, travel between China and Europe was blocked. This prevented those Chinese living in France from going back to China (although they were given the option to stay or return), and at the same time, very few people from China managed to migrate to France in the same period. As Chinese migrants started to adapt to the local French environment, and their settlement became more permanent, they started to facilitate and help their families, relatives and people from their hometowns to come to make a new life in France. Gradually, a migration network was developed between Wenzhou, where the majority of early Chinese migrants came from, and France. Wang (2004) compared this migratory process with the Mexican migrants to the United States of America, arguing that although these two migration patterns differ greatly, they both shifted from temporary labour migration to the long term or permanent settlement in France and the USA.
respectively. This gradual process of migration can be regarded as the cumulative causation (Massey et al. 1993) or the northernisation of migration (Alarcon 1992), the migrant syndrome (Myrdal 1957), and summarised as a migration system by Castles and Miller (2003).

During the three decades between the 1930s-1950s, because of World War II and the consequent government and political changes, most Chinese migrants who went to France were war refugees. In 1949, the People’s Republic of China was established, and France was the first Western country to recognise the status of ‘New China’. At the same time, post-war construction in France required vast foreign labour for the growing economic development. Thus the combination of a good diplomatic relationship and the demand for labour paved the way for labour migration and family reunification for Chinese migrants to France. This trend continued until now, with the booming outbound migration from China following the economic reforms under the ‘open-door’ policy. The de-regulation of Central Government on migration policy resulted in the waves of Chinese migrants who flocked abroad, both legally and illegally, from Wenzhou and other Chinese towns and cities in France.

4.4.2 Chinese Students in France

There was substantial movement of Chinese students to France in the first half of the 20th Century. The most prominent flow occurred within the second wave of student migration between 1910s and 1920s (Wang 2005). A group of Chinese student returnees from abroad (mainly from France, Japan and Germany) encouraged Chinese to ‘work hard and save for studies’ to learn from the West. They established various associations in Lyon, Beijing and other places to recruit young Chinese to study in France. The ‘Craftsman School’ was also set up in Hebei Province to provide necessary job (employment skills) training for those intending to go to France. In 1920, there were already around 1,600 Chinese students who went to France, and this wave of Chinese student migration lasted around 20 years. Many of the national icons in sciences, arts and music benefited from their stay in France, where they studied and worked (Wang 2005). Their achievement is regarded as ‘even more outstanding’
when compared with other student movements in the early 20th Century by Wu Jian-Ming in a recent address to the Forum of Chinese Academy of Sciences in 2004.

Chinese student migration into France was also interrupted by World War II and the Anti-Japan War, between 1938 and 1941. Only around 300 students went to study abroad. Shortly after the Sino-Japanese war, a regulation on ‘self-financing students’ was initiated by the Chinese Government, to encourage at that time more students to learn and update knowledge for the industrialisation in China. By 1950, there were around 5,000 Chinese students and scholars abroad. Amongst these, France has 197, just behind the USA, Japan, UK, Germany, before Denmark and Canada, according to the former Higher Education Department Statistics in China (Li 2000). After ‘New China’ was established, and during the 10 turbulent years of the Cultural Revolution, there was a decade of almost zero student migration or exchange between China and the outside world including France. China’s re-entry into the United Nations in 1971 not only recognised China’s legal status but also gave the opportunity for Chinese students to study abroad. France was among the first three countries to receive Chinese students to study languages – 20 Chinese students went to study French in France and another 16 studied English in the UK, and an extra few to study in Japan. As mentioned earlier in this chapter, under Deng Xiao-Ping’s ‘Open-Door Policy’ for economic reform, the new era of student migration was unveiled as Chinese government started to establish agreements with foreign countries for student exchanges. France was again one of the first Western countries to open its door of education to Chinese students in 1981.

Comparing to other major receiving countries for Chinese students, like the USA and UK, there is the obvious financial reason for Chinese students to choose to study in France. France has relatively cheap tuition fees for tertiary education. For example, all public universities and educational institutes are subsidised by the French Government, and do not charge any tuition fees to students. Contrary to the UK, there are no differences in fees between home (French and EU students) and overseas students. Furthermore, foreign students can even apply and receive housing subsidy (such as CAF (Caisses d'Allocations Familiales) – Family Income Support) from the state in the same way as the French students. This makes France a much more affordable study option for many Chinese students than the UK. Figure 18 clearly
illustrates the rapid increase of Chinese student migration flow to study in France in the past decade.

Figure 18: Chinese Students in tertiary education in France (1999-2006)

According to the latest figure from the OECD and French Ministry for Higher Education and Research (2008),43 France ranks 4th among leading host countries for foreign/international students in the OECD. With 261,000 foreign students in 2007, France is the base for 8.5% of international students in the OECD countries, behind the USA (20%), the United Kingdom (11%) and Germany (9%). Foreign national students account for 11.7% of total student numbers in France. Africa is the largest source for foreign students in France, while China has 2nd largest national representation, as nearly 22,500 Chinese students are studying in France in 2007, more than other industrialised countries like Germany, Italy, Spain, Poland and the USA.

43 Invest in France Agency: Attracting talent, one of France’s key priorities: www.invest-in-france.org/uploads/files-en/09-02-03_164737_Argumentaire_Jan09_UK.pdf (last access March 2009)
The Chinese student population increased more than tenfold between 1994 to 2002. Over 4,000 student visas were issued by the French consulates in China in 2003 (cf. Ministry of National Education/Le Ministère de l'Éducation Nationale, France 2004). The actual number of Chinese students in France is much higher than the official statistics show. In a People’s Daily report on December 27 2005, the number of Chinese students registered with the Chinese Embassy in France had reached 20,471, an increase of 2,000 more than the previous year.\footnote{People’s Daily: Over 20,000 Chinese Students and Scholars Study in France (Dec/27/2005) http://www.zju.edu.cn/english/news/2005(7-12)/news051227.htm (last access Oct 2007)}.

\section*{4.5 Conclusion}

This chapter has provided a historical review of international migration from China in different periods, from ancient China to after the founding of the People’s Republic of China. It especially addressed the emerging wave of Chinese student as shown. China has become the largest sending country of student migration, from the 960 students in 1978 at the start of the open policy to the astounding number of 179800, a 210-fold increase in the 30 decades of economic reform (see Figure 19).
Figure 19: Historical Data on Chinese Student Outgoing Migration

In this chapter, we also see the large number of Chinese students in France. The Chinese student migration to France has special political meaning for China, as a number of founding members of the Chinese Communist Party have spent substantial in France in the 1920s to learn about western development methods in order to modernise China. Today France remains one of the most popular countries for Chinese students when considering overseas studies. The picture of Figure 20 is a visual capsule of the level of interests on study in France shown by Chinese students at recent international higher education fair of in Shanghai (2009). Despite the diplomatic tension between China and France over the course of Olympic Games in Beijing the year before, Chinese students in the picture were obviously not boycotting French educations but rather flocking to the French Pavilion in the education fair to inquiry about study opportunities.
However, both Germany and some Scandinavian countries also offer very modest tuition fees, what then makes France unique and who in fact goes to study in France and in Paris in particular? The following chapter therefore analyses various factors shaping specific motivation/rational for studying abroad and in particular choosing Paris and France as their destination based on the analysis of 60 interviews Chinese student migrants in Paris and returnees in Shanghai.

Figure 20: French Pavilion, Shanghai International Education Fair (2009)
5 Globalizing Talents at Home

5.1 Introduction

Cities play major role in global and domestic economy. They attract both financial capital (investment) and human resources (student and labour migration). China’ economic development in the past three decades can be characterised by rapid urbanization and integration to the world economy. This has resulted in large scale of internal migration in China, as people move to the cities to find job or to study. This chapter explores internal migration in China, in particular Shanghai’s attractiveness for domestic talent. It especially focuses on the education and employment patterns of student migrants and returnees before they left China to study in Paris. By doing this, it assesses whether their pre-migration experiences and conditions have an impact on their migration trajectory and decision to study in Paris.

5.2 Internal Migration in China

One of the greatest physical features of China’s economic miracle is the rapid urbanisation with the shift of rural and urban population. With an average of 0.88% annual increase, the urbanisation rate has been almost threefold, from the 17.6% in 1977 to 40.5% in 2003. Researchers, including Bai (2003), predicted that urbanisation would continue to grow and at an even faster pace for another 20 or 30 years. This rapid urbanisation forms part of governmental strategy to improve living standards, economic performance and productivity. Without doubt, migration is an important factor underpinning this. As the most populated country in the world, China has also experienced the greatest internal migration of human history. Although there are still more people living in rural China, in the past three decades there have been thousands of unskilled labourers from villages moving to the booming cities and towns to seek employment. Such temporary labour is often referred to as China’s ‘floating population’. The number of people not permanently registered at their current place of residence has reached 150 million by 2005, which is more than 10% of the total population. Among them, over 80% are rural labourers from countryside. During the
last National Roundtable on Population Mobility (2007), it was said that, in view of current economic developments and demographic trends, this peasant-based population movement will last for quite a long period.\textsuperscript{45}

However, this was certainly not the case 50 years ago. After the foundation of the People’s Republic of China, internal migration and labour mobility within China was strictly controlled by central government. In the 1950s, the \textit{Hukou} System (Household Registration in Chinese) was introduced in order to legally identify and record a person’s residence and personal data, including name, date of birth, parents and spouse. The \textit{Hukou} Booklet is in fact a formal family register, a collective household registration record issued per family. With China’s command and centrally planned economy, this household registration system is a tool to prevent large-scale population movements, and ensure structural social stability throughout China. In the 1958, a hereditary residency permit was set up by Mao Zedong, so as to specify precisely where people could work, and here individuals were then broadly categorised as ‘rural’ or ‘urban’ worker\textsuperscript{46}. This discourages and limits China’s giant rural population moving in from the countryside to cities, since Chinese people under the rural household registration needed to apply for various administrative permits from local authorities before they could move. The BBC recalls this period, and suggested the situation of rural populations created China’s underclass:

‘From around 1953 to 1976, the enforcement of non-portable rights associated with one's domicile created an underclass. Urban dwellers enjoy a range of social, economic and cultural benefits while China's 800 million rural population was treated as second-class citizens.’

Luard, Tim. ‘China rethinks peasant `apartheid’", BBC News, November 10, 2005

\textsuperscript{45} China Population: http://www.chinapop.gov.cn/ladrk/dtxx/t20061030_145337989.html (last access 1/11/07)

\textsuperscript{46} Macleod, Calum. ‘China reviews `apartheid' for 900m peasants’, The Independent, June 10, 2001.
Cai and Wang (2007) also stress the fact ‘there was no free labour market at all’, since the design of the *Hukou* system was ‘totally aimed to serve the priority strategy of heavy industrial development and speed up industrialisation.’ The main objective was therefore as stated above, namely, to limit the rural labour force to stay at home and engage in agricultural production in the countryside. It could guarantee non-agricultural employment opportunities for urban residents, as well as provide subsidised public services and welfare in urban areas, in terms of social security, education, health care, housing, transportation among others. Even when these migrants finally reached the city, their rights remained still very limited in access to healthcare, education and employment, especially when compared with urban residents, who enjoyed far more privileged education and employment opportunities. Despite this unfair treatment between rural and urban households, the *Hukou* system was rigorously implemented, and those migrant workers not officially registered were even repatriated to their places of origin.

The situation was about to change towards the end of 1970s, in common with many other things, following China’s economic reforms. The Government started to gradually relax its control over labour mobility. There were many factors behind this deregulation - on one hand, the economic transition from a centrally planned economy to a market oriented economy attracted vast foreign investment into China. The rise of export-oriented manufacturing industries in the coastal cities needed an abundant pool of cheap labour. The development of Shenzhen provides a good example of this pulling factor for peasant workers, where countless factories in its economic zone sought to lure thousands of unskilled workers from inland villages.

On the other hand, the abolition of the commune system, with the introduction of performance / effort based revenues systems, together with the consequent new pricing systems for agricultural products, all gave strong incentives to farmers to raise their productivity level (Cai and Wang 2007). Together with the advancement of agricultural production, the demand for peasants shrunk, and more people were

---

pushed to seek non-agriculturally related employment. Increasing numbers of surplus of rural labourers led to under-employment or unemployment in rural China. Thus surplus labour and the widening income gap (as in Figure 21 below) between rural and urban areas were arguably the most important driving force motivating peasants to migrate.

Figure 21: Per Capita Annual Income of Urban and Rural Households in China 1978-2005

(Source: China Statistical Yearbook 2006)

Cook (1999) suggested that the higher return to labour in the non-agricultural sectors motivated farmers to migrate out of agriculture, so producing an increasing pressure to the Hukou system. However, Huang (1997), also point out other contributing factors, such as institutional change, the action of migrants as agents, and cultural changes in terms of daily life and consumption, while also emphasise the importance of the gradual abolition of institutional obstacles, thereby facilitating labour movement and exchanges in the 1980s. From 1983 to early 1990s, farmers were gradually granted new rights. They were allowed to sell their crops directly to markets outside their hometowns, and then were given permission to take up employment or set up their own business in the cities. In this way, urban areas then became the destination for absorbing China’s vast surplus rural labour, despite the fact that some larger cities were reluctant to adopt these new regulations and resisted by imposing quotas and conditional entries.
The number of rural labour migrants still continues to grow, from 60 million in 1994 to 88 million in 1998, 94 million in 2002, and up to 102 million in 2004. Cai and Wang (2007) point out intra-provincial flows is in fact greater than inter-provincial labour exchanges. In the case of migration between two provinces, the flow of internal migration in China is mainly driven by regional disparity, causing rural labour migration from western and central China to the southern, eastern regions and coastal cities (Huang 1997). Eastern regions which benefited from the prioritised development strategies in the early 1980s were given preferential treatment with tax breaks, favourable land usage and administrative assistance, and soon became the hot land for Foreign Direct Investment (FDI). According to the National Statistical Yearbook online database (1984-1997), over 90% of total FDI between 1983 and 1989 were registered in the eastern regions, and there are similar figures of around 88.1% for the years between 1990 and 1996. The concentration of foreign capital and the mushrooming of so-called ‘Special Economic Zones’ (SEZs) created new job opportunities, and consequently lured millions of rural labourers into the eastern regions. Cai and Wang (2007) also argue that such labour flows provided an important source of economic growth in these regions, and improved the efficiency of labour allocation in China. Also, because of the massive influx of labour migrants, there has been a surge in resident population in urban China in the past thirty years, as indicated in Table 13.

As we can see, internal migration, especially the flow of rural labour to urban areas is instrumental in the urbanisation process, and in the development of labour markets in China. For a long time, labour migration proved to be a reliable source of income for rural households in the poor areas. Researchers like Bai (2003) and Du (1995) have shown the impact of remittances from migrants on poverty alleviation in the countryside, as indicated in the National Statistical Yearbook (2001). Each migrant labour sends around 4522.15 Chinese Yuan (roughly 545 USD) per year, which provided critical funds for household consumption, education for children, and other livelihood improvements. Also, the gains from labour migration are not limited only to financial issues but also the migrants’ intellectual and intercultural learning experience - things such as operational skills in non-agricultural sectors, interpersonal communications and fresh acquaintances through new networks/contacts.
Table 13: Urban and Rural Population in China (excluding Hong Kong, Macao and Taiwan)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Population (in 10,000 persons)</th>
<th>Urban Population (in 10,000)</th>
<th>Proportion</th>
<th>Rural Population (in 10,000)</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1978</td>
<td>96259</td>
<td>17245</td>
<td>17.92</td>
<td>79014</td>
<td>82.08</td>
</tr>
<tr>
<td>1980</td>
<td>98705</td>
<td>19140</td>
<td>19.39</td>
<td>79565</td>
<td>80.61</td>
</tr>
<tr>
<td>1985</td>
<td>105851</td>
<td>25094</td>
<td>23.71</td>
<td>80757</td>
<td>76.29</td>
</tr>
<tr>
<td>1989</td>
<td>112704</td>
<td>29540</td>
<td>26.21</td>
<td>83164</td>
<td>73.79</td>
</tr>
<tr>
<td>1990</td>
<td>114333</td>
<td>30195</td>
<td>26.41</td>
<td>84138</td>
<td>73.59</td>
</tr>
<tr>
<td>1991</td>
<td>115823</td>
<td>31203</td>
<td>26.94</td>
<td>84620</td>
<td>73.06</td>
</tr>
<tr>
<td>1992</td>
<td>117171</td>
<td>32175</td>
<td>27.46</td>
<td>84996</td>
<td>72.54</td>
</tr>
<tr>
<td>1993</td>
<td>118517</td>
<td>33173</td>
<td>27.99</td>
<td>85344</td>
<td>72.01</td>
</tr>
<tr>
<td>1994</td>
<td>119850</td>
<td>34169</td>
<td>28.51</td>
<td>85681</td>
<td>71.49</td>
</tr>
<tr>
<td>1995</td>
<td>121121</td>
<td>35174</td>
<td>29.04</td>
<td>85947</td>
<td>70.96</td>
</tr>
<tr>
<td>1996</td>
<td>122389</td>
<td>37304</td>
<td>30.48</td>
<td>85085</td>
<td>69.52</td>
</tr>
<tr>
<td>1997</td>
<td>123626</td>
<td>39449</td>
<td>31.91</td>
<td>84177</td>
<td>68.09</td>
</tr>
<tr>
<td>1998</td>
<td>124761</td>
<td>41608</td>
<td>33.35</td>
<td>83153</td>
<td>66.65</td>
</tr>
<tr>
<td>1999</td>
<td>125786</td>
<td>43748</td>
<td>34.78</td>
<td>82038</td>
<td>65.22</td>
</tr>
<tr>
<td>2000</td>
<td>126743</td>
<td>45906</td>
<td>36.22</td>
<td>80837</td>
<td>63.78</td>
</tr>
<tr>
<td>2001</td>
<td>127627</td>
<td>48064</td>
<td>37.66</td>
<td>79563</td>
<td>62.34</td>
</tr>
<tr>
<td>2002</td>
<td>128453</td>
<td>50212</td>
<td>39.09</td>
<td>78241</td>
<td>60.91</td>
</tr>
<tr>
<td>2003</td>
<td>129227</td>
<td>52376</td>
<td>40.53</td>
<td>76851</td>
<td>59.47</td>
</tr>
<tr>
<td>2004</td>
<td>129988</td>
<td>54283</td>
<td>41.76</td>
<td>75705</td>
<td>58.24</td>
</tr>
<tr>
<td>2005</td>
<td>130756</td>
<td>56212</td>
<td>42.99</td>
<td>74544</td>
<td>57.01</td>
</tr>
</tbody>
</table>

(Source: China Statistical Yearbook online version 2006)
However, internal migration has its drawbacks. Rural migrant workers often engage in low pay, low skilled, professions, with their access to public services, as well as to welfare for migrant families not guaranteed in the urban areas. For example, there were 150 million of ‘surplus labour’ in rural China in 2004, while at the same time, the Pearl River Delta and other eastern regions were reporting a shortage of migrant labour. This contradiction and mismatch of labour market is argued by Han and Yan (2005)\textsuperscript{48}, to be the consequence of low wages, long working hours and poor working conditions, rather than any institutional barriers or lack in the labour forces. For the receiving side, as said earlier, the occupational segregation and wage differences between the urban and rural labours placed rural migrants at the bottom of labour market ladder (Cai and Wang 2007). Discriminatory practices from the Hukou system, together with other restrictions from urban governments, who feared the tensions in public service provision due to the arrival of rural workers, further resulted in the social exclusion of rural migrants in the cities. Migrant workers will often face higher costs for healthcare and education, while receiving limited social security and protection. Internal migration also resulted in the problem of ‘brain drain’ for the sending regions in the countryside. As young men - and gradually young women - left to work in cities, the burden agricultural production fell most likely on to the elderly, and resulted in agriculture being an even less competitive business in many rural areas.

5.3 Shanghai’s ‘Floating Population’

As we can see, the spatial distribution of internal migration is largely driven by regional disparity and rural-urban income back in China. As a result, already in 2002, eastern regions and coastal areas including Beijing, Tianjin, Hebei, Shanghai, Jiangsu, Zhenjiang, Fujian and Guangdong were home to 82.7% of total exports value, and 45.2% of total manufacturing jobs in China, according to Cai and Wang (2007). At the forefront of the Chinese economy, major cities like Shanghai, Beijing and cities in Guangdong provinces are the favourite places for skilled labour and migrants. Being the largest city in China, Shanghai is also one of the four centrally administrated cities

that, as argued by Chan (1994), stand at the top of the pyramidal hierarchy which defines the structure of rural urban relations in China.

According to the Shanghai Statistical Yearbook of 2007, the resident population reached 18 million in 2006, and more than one third of them are the so-called ‘floating population’, namely those residents who are not permanently registered in Shanghai (Figure 22). Migration statistics for the past sixteen years also confirm Shanghai has increasing net migration gains from the end of 1999s, reaching its peak in 2004. Before and after Spring Festival (Chinese New Year), at the city’s main railway station, there are thousands of migrants rushing out and into Shanghai. Among them are peasant labourers working in the booming construction sites, manual workers next to the assembly lines in Shanghai’s many export production zones, office clerks in many skyscraper office buildings or entrepreneurs, as well as students from all around China who come to seek knowledge and fortune in the city. In the following section, we will examine Shanghai’s attractiveness for the latter group of migrants, in order to understand the mobility of domestic talent in China through a review of both statistical records as well as the interviewees’ own migration experiences.
Figure 22: Resident Population in Shanghai

Table 14: Migration in Shanghai

<table>
<thead>
<tr>
<th>Year</th>
<th>Inflows</th>
<th>Outflows</th>
<th>Mechanical Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Population</td>
<td>Rate of Inflows</td>
<td>10000 persons</td>
</tr>
<tr>
<td>------</td>
<td>------------</td>
<td>-----------------</td>
<td>--------------</td>
</tr>
<tr>
<td>1990</td>
<td>12.18</td>
<td>9.52</td>
<td>10.72</td>
</tr>
<tr>
<td>1996</td>
<td>13.01</td>
<td>9.99</td>
<td>6.41</td>
</tr>
<tr>
<td>1997</td>
<td>11.47</td>
<td>8.79</td>
<td>5.72</td>
</tr>
<tr>
<td>1998</td>
<td>11.73</td>
<td>8.98</td>
<td>5.04</td>
</tr>
<tr>
<td>1999</td>
<td>14.06</td>
<td>10.73</td>
<td>5.08</td>
</tr>
<tr>
<td>2000</td>
<td>15.16</td>
<td>11.51</td>
<td>5.32</td>
</tr>
<tr>
<td>2001</td>
<td>14.63</td>
<td>11.05</td>
<td>5.56</td>
</tr>
</tbody>
</table>

(source: Shanghai Statistical Yearbook 2007)
<table>
<thead>
<tr>
<th>Year</th>
<th>% 211</th>
<th>% 985</th>
<th>% 211</th>
<th>% 985</th>
<th>% 211</th>
<th>% 985</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>15.41</td>
<td>11.58</td>
<td>4.38</td>
<td>3.29</td>
<td>11.03</td>
<td>8.29</td>
</tr>
<tr>
<td>2003</td>
<td>14.92</td>
<td>11.15</td>
<td>3.69</td>
<td>2.76</td>
<td>11.23</td>
<td>8.39</td>
</tr>
<tr>
<td>2004</td>
<td>13.93</td>
<td>10.34</td>
<td>2.74</td>
<td>2.03</td>
<td>11.19</td>
<td>8.31</td>
</tr>
<tr>
<td>2005</td>
<td>12.96</td>
<td>9.55</td>
<td>3.46</td>
<td>2.55</td>
<td>9.50</td>
<td>7.00</td>
</tr>
<tr>
<td>2006</td>
<td>12.86</td>
<td>9.43</td>
<td>3.50</td>
<td>2.57</td>
<td>9.36</td>
<td>6.86</td>
</tr>
</tbody>
</table>

(Source: Shanghai Statistical Yearbook 2007)

Availability of higher education institution is a main reason for student mobility.

**Figure 23: Distribution of Key Universities of 211 & 985 projects in Chinese Cities**

(Source: Ministry of Education, China 2007)

The latest statistics show (Table 15) Shanghai is China’s number one city for attracting investment from foreign funded enterprises, and just below the provinces of Guangdong and Jiangsu overall and higher than the other three directly administrative cities by the Central Government (Beijing, Tianjin and Chongqing, highlighted in Table 15).
<table>
<thead>
<tr>
<th>Region</th>
<th>Number of Enterprises (unit)</th>
<th>Total Investment (100 million USD)</th>
<th>Registered Capital (100 million USD)</th>
<th>Foreign Investor</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Total</td>
<td>242284</td>
<td>260000</td>
<td>13112</td>
<td>14640</td>
</tr>
<tr>
<td>Guangdong</td>
<td>55259</td>
<td>58762</td>
<td>2610</td>
<td>2889</td>
</tr>
<tr>
<td>Jiangsu</td>
<td>29939</td>
<td>33321</td>
<td>2170</td>
<td>2657</td>
</tr>
<tr>
<td>Shanghai</td>
<td>26657</td>
<td>28978</td>
<td>1722</td>
<td>2007</td>
</tr>
<tr>
<td>Zhejiang</td>
<td>17792</td>
<td>19009</td>
<td>834</td>
<td>1019</td>
</tr>
<tr>
<td>Liaoning</td>
<td>14858</td>
<td>16542</td>
<td>679</td>
<td>815</td>
</tr>
<tr>
<td>Shandong</td>
<td>19251</td>
<td>20153</td>
<td>694</td>
<td>786</td>
</tr>
<tr>
<td>Fujian</td>
<td>17236</td>
<td>17854</td>
<td>689</td>
<td>753</td>
</tr>
<tr>
<td>Beijing</td>
<td>9890</td>
<td>10980</td>
<td>532</td>
<td>607</td>
</tr>
<tr>
<td>Tianjin</td>
<td>9938</td>
<td>10933</td>
<td>470</td>
<td>568</td>
</tr>
<tr>
<td>Hubei</td>
<td>4173</td>
<td>4284</td>
<td>227</td>
<td>258</td>
</tr>
<tr>
<td>Hebei</td>
<td>3497</td>
<td>3637</td>
<td>201</td>
<td>219</td>
</tr>
<tr>
<td>Jilin</td>
<td>2370</td>
<td>2488</td>
<td>194</td>
<td>207</td>
</tr>
<tr>
<td>Henan</td>
<td>2600</td>
<td>2877</td>
<td>149</td>
<td>206</td>
</tr>
<tr>
<td>Jiangxi</td>
<td>3415</td>
<td>3980</td>
<td>163</td>
<td>185</td>
</tr>
<tr>
<td>Sichuan</td>
<td>3789</td>
<td>4075</td>
<td>140</td>
<td>166</td>
</tr>
<tr>
<td>Hunan</td>
<td>2598</td>
<td>2712</td>
<td>119</td>
<td>158</td>
</tr>
<tr>
<td>Anhui</td>
<td>2114</td>
<td>2165</td>
<td>129</td>
<td>155</td>
</tr>
<tr>
<td>Guangxi</td>
<td>2336</td>
<td>2441</td>
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<td>147</td>
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<tr>
<td>Shaanxi</td>
<td>2754</td>
<td>2890</td>
<td>125</td>
<td>137</td>
</tr>
<tr>
<td>Inner Mongolia</td>
<td>847</td>
<td>914</td>
<td>108</td>
<td>126</td>
</tr>
<tr>
<td>Heilongjiang</td>
<td>2202</td>
<td>2288</td>
<td>95</td>
<td>110</td>
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<tr>
<td>Hainan</td>
<td>2329</td>
<td>2456</td>
<td>86</td>
<td>92</td>
</tr>
<tr>
<td>Yunnan</td>
<td>1761</td>
<td>1817</td>
<td>79</td>
<td>84</td>
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<tr>
<td>Chongqing</td>
<td>1294</td>
<td>1315</td>
<td>72</td>
<td>80</td>
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<tr>
<td>Shanxi</td>
<td>705</td>
<td>776</td>
<td>69</td>
<td>77</td>
</tr>
<tr>
<td>Ningxia</td>
<td>454</td>
<td>463</td>
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</tr>
<tr>
<td>Gansu</td>
<td>650</td>
<td>658</td>
<td>31</td>
<td>32</td>
</tr>
</tbody>
</table>
Many of the returnees in Shanghai, and those students who currently reside in Paris and have either lived in Shanghai or Beijing, with the exception of a few who stayed in other major cities like Guangzhou, Shenzhen or went to Paris directly from the university city they have studied in. Beside those born in Shanghai, Shanghai is viewed by interviewees as the place to ‘be’ for study or employment purposes.

One interviewee, originally from Beijing, commented on her choice for Shanghai for working in Shanghai:

‘I grew up in Beijing, went to university in Beijing and had all of my family and friends there. When I graduated from my university, I wanted to find a job in the cosmetics industry. You know, Beijing is not really ‘The City’ for this, on the contrast, Shanghai is the commercial hub, where vast opportunities existed and if you want to kick your career in the industry, I must move there. Also at the same time, I also thought about changing about my living environment. Shanghai seems to be the best combination to work and enjoy life. Also in a big city, I feel indifferent from each other and I am used to living in a big city. It was a very good decision at the end.’

(ESSEC graduate, male, 32 y/o)

Another male interviewee was born in the city of Nanjing, and then moved to study in Shanghai in 1987. Wanting to pursue management studies, Shanghai was his no. 1 choice for university education:

‘Shanghai was at the forefront of Chinese economy. If you want to study business or economics, there is no better place than Shanghai, who had been in 20s and was catching up in the late 80s. There were a lot of opportunities and for students, it is important to study where employment can be found. Also

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(Source: China Statistical Yearbook online version 2007)
Shanghai is close to my hometown and I could develop my career while staying in close contact with my family.’

(HEC graduate, male, 40 y/o)

As mentioned previously, educational opportunities and employment prospects have driven young people from across China into the major cities in order to study and seek jobs. Such internal migration and rural-urban movements are prominent features of China’s economic reform. Millions of rural workers started to work at factories of coastal cities in Southern China from early 1980s. Peasant workers are now found in every medium and large city in China, whether on the construction sites or as babysitters at the homes of China’s nouveau riche.

The interviewees in this research are on the other end of internal migration, as they represent (highly) skilled labour or student migration. Over 90 % of interviewees have either worked or lived in China’s three metropolises: Beijing, Shanghai and Guangzhou. The remaining 10 % also lived in big cities such as Shenzhen, Wuhan, Zhuhai, Nanjing and Chongqing. Out of the returnees in Shanghai, more than half are originally from Shanghai. Therefore, when we look at their city of undergraduate studies, it is not surprising to see 80% of the interviewed group either studied in Beijing or Shanghai. These two cities have some of the best educational institutions in the whole country, like Beijing, Tsinghua and Fudan Universities. In addition, for those born in Beijing and Shanghai, convenience and the comfort of studying close to the family is also an important factor.

For others born outside Beijing and Shanghai, the cities are a signs of a promising future, of good education and of graduate jobs. One interviewee said:

‘I was born in a small city in a poorer province. I knew I had to go to a good university to change my fortune. I cannot decide my birth place but I can choose where I want to work. Honestly speaking, I do not think there is not much opportunity here (in my province); I need to have a good education to have a good job. And the only way to do it is to study hard and go to a big city. My family has the same belief and they supported me throughout the way’.

(ESCP Europe student, male, 26 y/o)
Indeed, a big city like Shanghai is seen as the gateway to the success, and university education is that first step on the ‘long march’. A blue or white collar job has become the dream of millions of Chinese students and their families, many who did not have the opportunities for higher education because of the disruptions of the Cultural Revolution. For many of them, the National University and College Entrance Exam is the key step:

‘My parents could not go to the universities while they were young. They often told me how sad they were and how ‘useless’ they feel when comparing themselves with the younger generation. They told me they do not have the academic knowledge that these younger staff have, they learned things by doing them. But now, it is not enough, one day they will be kicked out the company. My parents put their hope on me; I feel I have a lot of responsibilities. They really gave me everything they can, from private tuition to computer equipment, as long as I asked, I will get them. So I must not fail the Entrance Exam, it is not just the home for me, but also for my mum and dad and their mum and dad!’

(ESCP Europe student, male, 27 y/o)

The above interviewee said that most of his classmates in high school in Shanghai did not have any holiday at all in the final year of the senior high school, when preparing for the Exam. It is even harder for those from outside Shanghai:

‘You know, everyone wanted to go to big cities, like Shanghai and Beijing. It is the entrance exam is like a bridge, in fact a narrow bridge, but we have a lot of people want to cross over it. And the result is self-evident, the more people there are, the more difficult to cross it. Shanghai is like a dream place for me, you know, I was naïve, I do not know much about the business world before (as I was concentrating on my studies), but you read everyday on the newspaper about the stock market in Shanghai, the new HQ of an international company moved there, how many Fortune 500 companies now have an office in Pudong. They are very tempting for us, who do not have these opportunities at home or nearby. You also read about the cultural and night life there, the interesting stories encounter with foreign bosses, and of course the
high salaries (and I know, the expensive living costs) – these are what I want to experience and I worked towards my ‘Shanghai dream’.

(ESSEC graduate, female)

We can see the attraction of big cities is huge, and is even regarded as an inspirational ‘dream’ for those who aspire to become blue and white collar workers. But how did it work out? Were Shanghai or Beijing as good as expected, or did the dream just blew away in reality?

‘When I arrived in Beijing, I feel excited I am now in the capital of my motherland. I feel proud and nervous at the same time. The pride comes from the fact that I am now at a top university and my future is already in the blueprint. But I was also nervous about living by myself for the first time in a big city. Many things are new to me; there are a lot of social groups and student activities. I know, my main task is to study hard and find a good job afterwards.’

(HEC graduate, female)

This is the voice of a student from a smaller city. Do students from big cities hold the same hope? One interviewee from Beijing, but who chose to study in Shanghai, said:

‘I wanted to change the living environment. I have been used to living with my parents, and now I want to be living by myself. I feel Shanghai is quite different from Beijing, there are also good universities here, so I told my family I wanted to go to Shanghai to study. They were okay with it, but in fact you know they are sad because I will be away from them. But they also knew I probably have more opportunities here to work for big multinationals. Anyway, I still have the Beijing Hukou, so I can come back to work in Beijing anytime I want. For me, I will just go where the good jobs are.’

(Université de Paris student, female, 27 y/o)

Student life in a global city proved to be beneficial for the students’ overall educational programme and learning. Ample work opportunities enable students to combine academic learning and practical training during their tertiary education.
Major cities in China also have high retention rate of students subsequent to their university graduation.

‘Well, you know, nowadays, you cannot get a job just on the basis of college or university diploma. It is just a piece of paper at the end. Many of us did traineeships or part-time job when we were at the university. Some even started to work as early as in the 1st year. I personally think it is a good thing, when you live in a big city like Shanghai, you should not just stay in the classroom, and you should go out and experience the city life. You need to make contacts and networks, these cannot be obtained in the classroom.’

(INSEAD graduate, male, 30 y/o)

One interviewee stressed the importance of the contact making in Shanghai for job seeking, saying:

‘I come from a family which does not have so many ‘Guanxi’ (connections) as some of my classmates. I must rely on myself. The good thing about Shanghai is, there are many open doors for guanxi. What I mean is, the city is relatively fair to everyone, if you study and work hard, you can find a decent part-time job or traineeship, then you open the door to guanxi and build up your own networks. I think, in Shanghai, there are so many opportunities for networking, if you go to Fudan University, you can see the numerous job fairs and companies presentations, these are all perfect for meeting the business people. If I had studied in a smaller city, I would have less of these chances. Therefore, I went as many as job fairs and interviews as I could during my four years in Fudan. Thanks to this, I got both internships and my first job at multinationals in Shanghai.’

(ESSEC graduate, female, 28 y/o)

Beyond job prospects, it is the international environment, in terms of both studies and working, which is of crucial importance for the pedagogical experience. To live in a cosmopolitan environment is viewed as an integral preparation for one’s future career. Cities like Shanghai provide opportunities for many students, especially language majors who are able to practice their French in leisure and business environments. These extracurricular activities not only improve students’ language competence, but
also enhance their interpersonal communication skills, as the interviewee who graduated from Fudan continued:

‘When I arrived in Shanghai, I find it as a big village. There are Chinese from all around China, migrant workers, businessmen, travellers and foreign people of different skin and hair colours. It is the same in the campus of my university, we have students almost from every province in China as well as those foreign students studying Chinese language. Since my major is French, I wanted to practice French in my spare time, so I was looking for suitable opportunities. Some of the senior students were doing Chinese language tuition with the French exchange students. But there were not many of them and I decided to look for a French company to take do some part-time jobs. Because of the reputation of my university, it was not difficult for me to find one. Before my graduation, I already accomplished 3 internships in two different French companies. At the beginning, you do not really need to use French language as we went sent out to do market research and interviews, later I was able to do some office work such as interpreting and administration. At first I was shy to use the French language but soon I got used to it.’

(ESSEC graduate, female, 28 y/o)

Another French major student from Fudan also shared similar experiences:

‘Language is a tool, the more you use it, and the more confident you are in using it. One of the problems with many Chinese students when studying foreign languages is we know grammar very well, but it is hard for us to open our mouth and speak the language. Classroom alone is not enough for mastering it. There are so many big companies in Shanghai, we should utilise most of this resource. Anyway, I did not want to work for Chinese companies after my graduation, so I’d prepare early. In fact I am not the only one, most of my classmates do the same, the big companies like L’Oréal, Protect and Gamble, Unilever are very popular for us as girls, and for men, banks and manufacturing like Siemens and Philips are the big names.’

(INSEAD graduate, female)
The same is true for other metropolitan regions. A student who studied in Beijing said:

‘When I was studying at the University of Foreign Languages, I wanted to practice my French with natives from Francophone. I was lucky, because my professor introduced me to a French journalist who later hired me as his assistant in Beijing. It was my first time working with foreigner, and once you are in the cycle, it is easier to move around. I did a few other internships afterwards including a stage at the French Embassy.’

(Sciences Po graduate, male, 29 y/o)

While Beijing offers plenty of public sector jobs, Guangdong province was the home to much industrial investment from abroad, after the economic reform. One student commented about her internship:

‘During my studies in Guangzhou, Foreign Direct Investments flooded into the province and new factories were mushrooming everywhere. Since my major is French and International Business, ideally I want to work for a French company. Peugeot was among the first European car maker in China and they set up a motor joint venture Guangzhou Peugeot Automobile Company here in 1985. There were many job opportunities in the joint venture, and as we almost ‘next door’ to the company site, many of us went to work there part-time in our summer holidays and later employed by them permanently.’

(ESSEC graduate, female)

As seen earlier, geographical proximity to the real business and enterprises is important for the Chinese students’ studies and their employment prospects. Chinese candidates for leading global city status, like Shanghai and Beijing, are undoubtedly seen as the springboard for a future successful career. Studying in such global cities is deemed to be the first step on their globalizing career plan, in places where they gain academic knowledge and professional experiences. This can be reflected by the type of employment in their first post-university job. The order for the types of employers is Multinational Companies (MNCs), Chinese Government and Chinese companies. Foreign companies are the most popular career destination for the interviewees.
There is also a time dimension in the types of employers. For more senior returnees and students who graduated in the 80s and early 90s, Chinese governmental jobs are the more prominent, because in the 1980s graduate employment was still generally arranged by the Central Government. So the interviewees were assigned to various governmental ministries, most commonly the Ministry of Commerce or Ministry of Foreign Affairs, arising from their academic expertise in these subjects. Even though working in the Chinese environment, their work is still very much related to international trade and relations, with wide exposure to the outside world. Hence the geographical selection for schooling and employment is more dependent upon a government decision rather than individual choice.

For the younger generation, graduating in the late 90s and in the new millennium, there is no fixed career arrangement. It is up to them to choose which employment. Most interviewees from this group stressed the importance of language skills and establishing contacts for graduate employment. Clear career objectives are very common for them, and preparation starts from the very moment the set foot in university. Therefore the choice of the university and the location for study is vital, indeed almost equivalent to the selection of a future work location, especially for those who do not have urban hukou. The growth of foreign enterprises in China, with their attractive salaries and working conditions, are the luring factors for these students after graduation. Among the MNCs, the most popular ones are French, US, Japanese and other European companies. Only a small number of interviewees worked at a Chinese company after graduation, and most of those who did work for Chinese companies were with Hong Kong / Taiwanese firms, or chose to set up their own companies.

The choice of city for most of interviewees is important. Out of the interviewees, around 60% had their first job in Shanghai, 25% chose Beijing, and the rest (15%) chose other coastal cities. There is a further concentration when locating their second or third jobs in China. Before their study in France, the number of interviewees worked in Shanghai increased substantially, as shown in Figure 24:
There was even overseas relocation to Hong Kong, France and Belgium, all by intercompany transfer or diplomatic post. As far as the interviewees were concerned, Shanghai is certainly the main sending city for overseas education, and is the first step on their forthcoming international path through academic and professional life. So why do they choose Paris and France for as the destination for overseas education? The following part of this chapter explores the motivation for their move to Paris.

5.4 Reasons for Studying in Paris and France

5.4.1 Language Matters

Many interviewees had already acquired knowledge of French and contacts with France, prior their departure. Let us first look at the historical and contextual background of Sino-Franco relations. Contact between these two countries can be traced to at least the 17th century. People to people exchanges between China and France and migration from China to France have since then continued till today. Reviewing contemporary relationship between China and France, there have of course been both peak and low points. France was one of the first Western powers
recognised the newly independent People’s Republic of China, before the Great Britain and the West Germany in 1964. However, there has been also turbulence between the two nations – during the 1990s, the willingness of France to sell weapons to Taiwan clashed with China’s One China Policy, and resulted in worsening of relationships and even the temporary closure of the French Consulate in Guangzhou. Nevertheless diplomatic relationships were resumed in 1994, with increased bilateral trade and cultural exchanges. This relationship reached a peak in 2004, during the 40 years anniversary of diplomatic relationships, as the Year of China and Year of France were organised in each country respectively.

France has not however become the biggest investor in China, as argued by Qi and Zhou (2006), who say France lacked great interest in investing in China, and explain that from 2001 to 2003, only 0.5 percent of French direct investment flowed into China. By the end of 2003, only 1.23 percent of FDI into China had come from France. However, French investment in China focuses mainly in the fields of Energy, Automobile, Chemistry, Light Industry and Food Processing and dominated by a few multinationals from France, Qi and Zhou (2006:126):

‘At present, French direct investment into China is undertaken mainly by more than 20 large-size French enterprises groups, such as Electricity De France, Suez, Alcatel Telecom, Michelin, Total Oil, Rhoda, Aventis, Lafarge, Saint-Gobain, Thomson, Schneider Electric, Alston, Carrefour, Veolia Environment, Grouped DANONE, L’Oréal, PSA Peugeot Citroen, BNP, Paribas, Crédit Lyonnais, Air France etc. Since 1990s, these enterprise groups began to gain in succession. In some industries, the market shares taken by them have been considerably large. For example, Grouped DANONE sold 28 billion litre of water in China, and its market share amounted to 40 percent in 2003. PSA Peugeot Citroen has been the second largest enterprise in the automobile market with a sales income of 1.21 billion dollars and occupied the market share of 9 percent.’
The large presence of French MNCs is one of the key reasons for motivating Chinese students to study French, and choose France for their overseas education. Although English is without any doubt the most popular foreign language for Chinese students, some have chosen French in order to be different, and have a niche and competitive advantage - as one student explained with regard to his motivation for studying French as college major:

‘Honestly speaking, I know English is the No.1 business language. But, everyone is studying it. I talked with my parents, and I asked them, now I have to fight for a university place to study English with so many students, and later when we graduate, we will be fighting for the same job again! Maybe I am not ambitious or confident enough, so I thought I’d rather learn French, it will give me an extra language as everyone has to study English (it is a compulsory in the university). Since there are so many French companies, I would have less competition when I look for a job after my studies.’

(ESCP Europe graduate, male, 28 y/o)

Another interviewee, although she did not study French for her university degree, found herself studying French part-time at Alliance Française - the French cultural centre in Shanghai:

‘I studied English and Japanese for my bachelor degree at Shanghai Foreign Studies University. However, after my graduation, there has been an increase of the number of French companies in Shanghai. I also had some personal contacts with French people living in Shanghai, therefore, I decided to learn French language and seize the opportunities raised by the emerging presence of French companies.’

(ESSEC graduate, female)

She later worked for a French company after only a half year of French classes:*
skills helped me a lot in finding my job at the French company. It was really kind of change of my professional career.’

(ESSEC graduate, female)

These two interviewees are two representative examples of the interviewees. Career strategy is important for choosing the language you study, especially in the rapidly growing Chinese economy, where competition is rising ever faster. However, for those who studied French in the 80s, the case was quite different yet again. The following two interviewees all studied French in the early 1980s by arrangement with the government:

‘I went to study languages at Beiwai – Beijing Foreign Languages University. The choice of my major – French, was not decided by me. At the time, it is arranged by the university based on our admission results. For me, I also thought French was a good choice since it is useful because of our trade with France. It also later helped me to get the job at the Ministry of Foreign Trade, where I worked in the division that deals with foreign government aid loans to China.’

(HEC graduate, male, 40 y/o)

The first interviewee studied French in Beijing, and the second joined a French special programme at Shanghai International Studies University, and later worked in Beijing:

‘My choice for French was by school arrangement; we had options between English, French, Russian and a few others as I remember. From the moment I started to learn French, I had the hope of studying and working in France in the future. I joined the Ministry of Foreign Trade in 1987 upon my graduation, working on the Chinese overseas aid to West Africa. I took 6 month training in Belgium on spontaneous translation offered by the European Communities.’

(HEC graduate, female)

Nevertheless, from the career trajectory, both interviewee groups (the 1980s and those later), the impact of French studies is evident. There are also personal reasons for studying French. One interviewee’s grandpa was a fluent French speaker, and she said:
'When I was young, my grandpa already tried to teach me some simple French words. At that time, I did not know that I would study French in the university in the future and did not really pay attention to what he said. Sadly my grandpa passed away quite early, he left me some books, and many of them were French. Looking at those books, I really wished I could read them and know my grandpa better since he was not there anymore to read and explain to me. Maybe you may find it silly, but I really decided to learn French just for this reason. I think maybe this is my destiny, sometimes when I was studying in Paris, I thought to myself and say I must thank my grandpa for what I have now.'

(Sciences Po graduate, female, 28 y/o)

Another interviewee’s decision to study French was linked to his family situation:

‘Well, my father was a diplomat at the UNESCO Headquarters in Paris. He wanted me to study French and later go to study in France. But I do not have any French language ability or UN sponsorships. For a long time, USA has been my number 1 choice for studying abroad, because of the cultures, movies and the subject I want to study. France was to me, like a jump-board, for my future career in either USA or back to China.’

(HEC graduate, male, 28 y/o)

He was not the only one who did not seem to study French spontaneously. A female interviewee also did not intend to study French at first, but was later persuaded to do so by her father:

‘My father is connected to the diplomatic cycle. They (my parents) suggested me to study in France and told me that French education and language will help me to find a good job in international affairs. You know, in China, we must consider parents’ voice carefully. So I followed his advice, and so far it has not been a wrong decision, at the moment I am quite happy I did.’

(Université de Paris student, female, 27 y/o)
Last not least, the charm of France and French language can also be a very important factor for studying French. Around the world, French culture, French lifestyle, French cuisine, fashion beautiful countryside, just to name a few, are renowned and appreciated. It is the same in China. The French Government’s keen efforts in promoting French language and culture can be reflected in the Alliance Française network in China, which has 10 branches in mainland China in 2008, one in Hong Kong and one in Macau, and two further centres are under construction in the mainland. While older Chinese learn about France through the books of Victor Hugo and voice of Edith Piaf, the younger generation sees France through the eyes of Amélie Poulain and the smell of Chanel No 5. France seems to have something for everyone in China. Depending your age, it can be elegant, chic or ‘romantique’. The government orchestrated cultural jamborees, like the French Year, also raise awareness of the French spirit and way of life, and embodies them in China. However, does this cultural embodiment affect the decision of talented young Chinese? The responses from interviewees seem to confirm this.

One interviewee commented on French culture:

‘France has a very strong cultural impact for Chinese people, not just because of its history, but also the language, the cultures, even the brands! It is hard for us not to have any ‘emotions’ attached to that country.’

(Sciences Po graduate, female)

Another interviewee said she studied the French language, ‘because it is widely used, it is a romantic language and good for future career.’ (ESSEC graduate, female, 28 y/o) The emotional ties are more verbal for female interviewees than for their male counterparts. Female interviewees are more explicit, with expressing romantic images of France, and pointing out the specific advantages of a French lifestyle - especially in terms of fashion, cosmetics and cuisine. Male interviewees seem to be more general about France, usually stating the good impression made by the scenery of the French landscape, the wine and literature. This difference can also be explained by the gendered career strategy of the male and female interviewees. For many female interviewees, studying and living in France is an integral learning programme because of their preferred career track. For example, one interviewee said:
‘Paris is the fashion capital. Where can be better to study luxury products management than Paris? I mean, I feel everywhere is art in the city of light. I learn by living in Paris as French luxury brands are respected across the world. You should know, living in Paris must be the dream for many girls, I am happy to the opportunity. Of course, not everything is perfect there, I also realised when I arrived in Paris, but it depends on how much you make it out of yourself.’

(ESSEC graduate, female)

Comparing these words of this female interviewee, one male interviewee offers another angle:

‘I know France is a charming country. Although I am an engineer student, I knew France a bit, through books and internet. I think China can learn quite a lot from France, like the TGV train. Also I think people in China worked too hard, not like the French people, who seem to be more relaxed. For me, studying in France will also be to taste a way of living. I think when I am young I should see different cultures. Certainly I can tell you, I am not disappointed by my encounter with the French culture!’

(École Polytechnique graduate, male, 35 y/o)

Having known the political and economic relationships, the facts identified above offer a partial explanation for the motivation for students. For those who have studied the French language as a college major, many had the opportunities to work as interns for French companies and organisations, including L’Oréal, French Embassy and Le Monde etc. Most of them then continue to work for French companies after their studies. For non-French major students, these graduates usually embark on a career in their specialised fields with Multinational Companies (MNCs). These international business experiences set within the domestic context of China also later result in the decision of these student migrants to expand their global exposure by then studying abroad. Many interviewees have indicated they have either had French clients or other business and personal contacts before they went to France.
One interviewee who studied tourism management as an undergraduate in Shanghai, and who worked in the exhibition industry before going to France, commented:

‘Although we deal with clients from across the world, I was in charge of the European Division. Many of my clients speak better French than English even they are not France themselves. Although we can still communicate in English, I do feel I can improve the client relationship if I can also speak some basic French. The exhibition business is changing very fast, so speaking more foreign languages, especially French, German or even Spanish will give me bonus points for me to explore the European market.’

(HEC graduate, female, 29 y/o)

Another interviewee also expressed his frustration over the French language, as he needed to travel to France often for business trips:

‘I have never studied French, so when I go to France, I often feel as a total stranger! You know, Parisian are famous for being very ‘proud, cold and selfish’, nobody will speak with you in English. So every business trip to Paris is more or less stressful rather than enjoyable. I think if I can speak French, it can make my business travel to France more comfortable and efficient, as I can also establish more relationships with my business partners.’

(INSEAD graduate, male, 30 y/o)

Even for those who have studied French, they still felt the need to go yet ‘deeper’ into French language and culture, in order to fully integrate into a French company. One of them said:

‘As you know, learning a language in the classroom is not enough. In my university, I only learned grammar about French language not the cultural meanings attached to them. Chinese education is like ‘filling a duck’, you study and study, and work very hard, as professors wish to put as much as knowledge into your brain. But we had little chance to practice and apply them in the practice and we do not know about the social context of French language. For instance, in my company, our French colleagues always make a lot jokes when they talk with each other. I can understand the language but I
often do not catch the meaning of their jokes or slangs. Also I have little knowledge when they refer to French movies or music. Thus, I have decided I must live in France for a while to experience daily life in the French way of living. Only in this way, I can understand the cultural subtleness of the French language and country.”

(ESCP Europe graduate, female, 28 y/o)

Hence, studying in France is the pre-eminent choice for those who have worked for or with French enterprises. It is seen as an important step to gain deeper knowledge of French society and language for those who are intent upon working for French companies in the future. This is a shared view among other interviewees who were working in French companies, prior to study in Paris. For them there is a strong need to improve cultural competence and awareness of cultural nuances by study in France. It is also seen to be a key stepping stone for climbing the career ladder within a French company or any other multinational.

5.4.2 French Education and Business Schools

Studying abroad is a very strategic long term planning, a main investment in the career of a Chinese student. Hence location and prospects offered by the education programme is critical in the decision making process. Among considered factors, the reputation of the school, the importance of alumni networks, and the city lifestyle are stressed by all interviewees. Beside a handful of interviewees who chose to study in France for reasons primarily of family reunification, or who are already in France because of their job, most interviewees decided to study in France for academic and professional reasons. Unlike other European countries, France has dual-tier higher education system, which contains a number of ‘Grandes Écoles’ (élite colleges), in addition to its regular universities. The Grandes Écoles system provides specialised education programmes in management, engineering and science subjects and awards the prestigious Grande École diploma, a state-recognized master degree, accredited by

49 See a detailed explanation of the Grande École system on Financial Times: Grandes Écoles: Elite schools dominate boardrooms and politics: http://www.ft.com/cms/s/0/a87bf81c-8a94-11dd-a76a-0000779fd18c,dwp_uuid=8e5d1844-8a99-11dd-a76a-0000779fd18c.html?nclick_check=1
the Conférence des Grandes Écoles, an association of these colleges. The entry to these Grandes Écoles is through a highly selective examination, and the graduates are highly thought of subsequently within France’s private sector and public administration.

These Grandes Écoles enjoy a worldwide reputation for excellence in management education, and are constantly ranked among the top management schools. In the latest Financial Times ranking of Masters in Management (2008), more than one-third (18) of the top 50 programmes are based in France. In another ranking of European Business Schools by the same newspaper, again French Grandes Écoles top the list by having 5 out of the highest ranked business schools in Europe, outperforming the UK and Spain which both have 3 schools in the top 15. In both lists, Paris is undoubtedly the centre of business and management educations in Europe - 3 out of the top 5 business schools in France, and top 15 in Europe, are based in the French capital. Together with 17 public universities and other various Grandes Écoles, public and private schools, Paris has an unrivalled position as Europe’s higher educational hub.

Table 16: Financial Times Masters in Management rankings 2008

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<td>Grenoble Graduate School of Business</td>
<td>Grenoble</td>
</tr>
<tr>
<td>6</td>
<td>ESSEC Business School</td>
<td>Paris</td>
</tr>
<tr>
<td>7</td>
<td>EM Lyon</td>
<td>Lyon</td>
</tr>
<tr>
<td>9</td>
<td>EDHEC Business School</td>
<td>Lille</td>
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<tr>
<td>11</td>
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<td>Nantes</td>
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<td>Lille</td>
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<td>Toulouse</td>
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<td>20</td>
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<td>Rouen</td>
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<td>23</td>
<td>Euromed Marseille École de Management</td>
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<td>26</td>
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<td>Reims</td>
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<td>29</td>
<td>Ceram Business School</td>
<td>Nice</td>
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<tr>
<td>29</td>
<td>ICN Business School</td>
<td>Nancy</td>
</tr>
<tr>
<td>31</td>
<td>BEM Bordeaux Management School</td>
<td>Bordeaux</td>
</tr>
<tr>
<td>39</td>
<td>ESC Tours-Poitiers (ESCEM)</td>
<td>Tours-Poitiers</td>
</tr>
<tr>
<td>41</td>
<td>IAE Aix-en-Provence Graduate School of Management</td>
<td>Aix-en-Provence</td>
</tr>
</tbody>
</table>
With such a wide range of educational opportunities, and such an established international reputation for management education, it is not surprising that Paris was chosen by the interviewees for their graduate education. Most interviewees pointed out that rankings by leading international journals such as the Financial Times, Business Week and the Economist played an important role in their decision making. One interviewee remembered how difficult it was to choose the right school:

‘You know, there were so many different rankings, you have Chinese, American, British and French rankings. Sometimes you get mixed and confused messages with these rankings. Honestly, to study for a MBA is not a small investment, you must select the best programme, which offers good value for money. But I think Chinese students are particularly ‘fanatic’ about rankings because we were ‘trained’ in this way from our secondary school to university, we have a lot of pressures from family and classmates.’

(INSEAD graduate, male, 30 y/o)

Another interviewee, who hesitated between London Business School (LBS), IMD (Lausanne) and INSEAD, took in-depth research on different MBA programmes, and explored every part of the ranking criteria:

‘I think opportunity cost is very important for me when choosing a business school. INSEAD’s one year only MBA programme therefore is very appealing. I also care a lot about the opportunities of school exchange and alumni network, which are both INSEAD’s strengths according to the various rankings I researched on. At the beginning, IMD of Switzerland and LBS were also among my choices. However, later I found out that IMD’s class and alumni pool are much smaller, only around 90 graduates per year, so this means that there are far less networking opportunities for me. Also judging the demographic profile of IMD students, I think I am probably not ‘old’ enough. For LBS, I checked the living costs in London, and feel it is a bit more expensive than Paris (plus its tuition is also higher than INSEAD.’

(INSEAD graduate, male, 29 y/o)
Table 17: Financial Times European Business school rankings 2008

<table>
<thead>
<tr>
<th>Rank 2008</th>
<th>Business school name</th>
<th>Base Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>HEC Paris</td>
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</tr>
<tr>
<td>2</td>
<td>London Business School</td>
<td>UK</td>
</tr>
<tr>
<td>3</td>
<td>INSEAD</td>
<td>France</td>
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<tr>
<td>4</td>
<td>IE Business School</td>
<td>Spain</td>
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<tr>
<td>4</td>
<td>IMD</td>
<td>Switzerland</td>
</tr>
<tr>
<td>6</td>
<td>ESCP Europe</td>
<td>France</td>
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<tr>
<td>7</td>
<td>IESE Business School</td>
<td>Spain</td>
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<tr>
<td>8</td>
<td>EM Lyon</td>
<td>France</td>
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<tr>
<td>8</td>
<td>Rotterdam School of Management, Erasmus University</td>
<td>Netherlands</td>
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<tr>
<td>10</td>
<td>Vlerick Leuven Gent Management School</td>
<td>Belgium</td>
</tr>
<tr>
<td>11</td>
<td>ESADE Business School</td>
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<tr>
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<td>ESSEC Business School</td>
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<td>Cranfield School of Management</td>
<td>UK</td>
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<tr>
<td>14</td>
<td>City University: Cass</td>
<td>UK</td>
</tr>
<tr>
<td>15</td>
<td>Stockholm School of Economics</td>
<td>Sweden</td>
</tr>
</tbody>
</table>

(Source: Financial Times 2009)

While the modern development of communication networks, such as the internet, online blog, and social networking websites (such as Facebook and Linkedin) actually facilitated the decision making process for Chinese students, more traditional methods, like personal recommendation, played an important role for the earlier student migrants when they were coming to choose the right school. One more senior returnee recalled the situation she was in the mid 1980s:

‘I was seconded by the Ministry of Foreign Trade to our Embassy in Paris to work as a commercial attaché working mainly with Francophone countries, and help French companies invest in the insurances and banking sectors in China.

After a while in Paris, I wanted to do a MBA because of two reasons, firstly I think language is only a tool, I need more specialist knowledge if I want to work in the private sector later on. Secondly, I do not think I will have a great future in a government body, neither am I sure if I will enjoy it. So after seeing some of my friends went to study at HEC, I have decided to do it myself. I chose HEC mainly due to the recommendations from my French colleagues.
from the business sector, mainly of them graduated from HEC or ESSEC. They told me HEC is THE business school with the highest ranking in France. Through the help of these corporate friends, I even got a company sponsorship for my MBA.’

(HEC graduate, female)

Another returnee, who went to study in early 90s, right after the Tiananmen Student Protest, said:

‘Well, as I said earlier, studying in France has been my ambition for a while. In 1991, two years after the Tiananmen incident, I thought it was the time for me to go abroad and breathe some fresh air. Before I went to France, I in fact already had some friends in Paris.

They were more useful than any school prospectus, as they were giving me with all the academic and practical information, encouraging and helping me to apply for studying in France. You know, in 1991, the domestic situation was quite depressing and there were a lot of pressures. I think I was more attracted by the idea of freedom rather than any other economic motivations. As I was new to France and did not have much money and experience, I followed the advice of my friends and took a master course at the Institut Français de Presse, Université Panthéon-Assas Paris II. Like many other students at that time, I was half working and half studying. After the master course, I applied and was accepted to study at HEC, because of the reputation and promising career opportunities.’

(HEC graduate, male, 40 y/o)

With the rapid internationalisation of higher education, especially in business and management disciplines, there has been a proliferation of degree programmes at business schools, so offering students a variety of specialisations. France’s industrial leadership in a few sectors, such as cosmetics, luxury and fashion products, food, wine and hospitality and so on, gives French business an advantageous position in offering specialised educational programmes in such fields. These unique programmes are also attractive to students from these same backgrounds or who have interests in these sectors. For example, ESSEC Business School started to develop
MBA programmes in food industry management, hotel management, and more recently MBA Luxe (focusing on fashion, jewel, wine and other luxury products). Hence the availability of specialised programmes is highly sought after by Chinese students with a very clear career objective. One graduate of MBA Luxe said:

‘After working a few years for Lancôme in China, I decided to ‘energise’ my brain and update my knowledge. Obviously, if you want to study cosmetics industry, and if I want to work for Lancôme or other cosmetics company in the future, the most logical choice is to study the management of cosmetics company in its home country. I think you will not disagree with me that France is the most advanced country in the world for cosmetics industry, there are so many leading laboratories, companies and brands, and the supporting services for the industry is also the world’s leader. So when I knew ESSEC has this new master programme in luxury products, I chose it without any hesitation.’

(ESSEC graduate, female)

Studying fashion and luxury industry is not limited to female students. A male interviewee, who worked many years for Roland Berger in Shanghai, also went to study the MBA at INSEAD, with the hope of progressing his career in the fashion sector:

‘Both LBS and INSEAD are very known in China, but living in France could allow me to study luxury products market better (which is booming in China) through daily life and intensive networking with producer, marketing and advertising expert. Therefore I chose INSEAD and explained my motivation to my employer. Later I became the first Roland Berger sponsored MBA student from China to study there.’

(INSEAD graduate, male, 29 y/o)

Another graduate of ESSEC’s MBA IHMI (Institut de Management Hôtelier International) shared the same experience when choosing his masters degree class:

‘I have been always interested in food industry and worked for a Chinese import/export company in Shanghai before I went to France. The reason for
ESSEC and its MBA IHMI is an easy choice, because in France, you have the best food, wine, and hotels, and naturally they have the right expertise in these fields. I can learn a lot outside the classroom, such as a weekend trip to Bordeaux, or just an afternoon tea at the Paris Ritz Hotel. The classmates in my programme came from around the world, and you can learn from their experiences.’

(ESSEC graduate, male, 29 y/o)

Besides the options for specialisation in certain subjects, the linguistic advantage of studying in France was also an important consideration. Some of the business schools offer bilingual or even tri-lingual teaching. Even the MBA programme at INSEAD is taught 100 per cent in English. Each graduate is still required to speak two other foreign languages. All interviewees agreed that the opportunity to learn and improve French was useful for either future career or just for sheer personal pleasure. One MBA graduate from INSEAD said:

‘You can’t live in France without learning the French language. It is part of the daily life, and it is more like a pleasure than pressure to learn the language. In my personal view, French language is an expression of lifestyle. I probably will never need to use it in my business activities, but it helps me to enjoy the ‘French way of life’, to understand better the cheese, wine and cuisine. I certainly thought about studying a second foreign language when I was choosing the school and country to study abroad, INSEAD and French have a better language score than England, as I already speak English fluently. I think it is a good choice, so far so good, although sometimes I also hope to speak BBC English one day.’

(INSEAD graduate, male, 30 y/o)

The reputation of Grandes Écoles not only gives a prestige to the CV but is also an important source for networking. According to the Conférence des Grandes Écoles, more than 60 per cent of managing directors and chief executives within France’s 100 largest companies are graduates of the Grandes Écoles. Many Grandes Écoles have close links to business, and some of them are co-founded by local Chambers of Commerce. Alumni networks are now increasingly become the decisive factor for
business students, as shown in the analysis of the interviewees’ feedback. Alumni club and events are now an essential platform for exchanging job information and providing the possibility to move between industries.

One INSEAD graduate recalled the reason for her choice:

‘Comparing to other business schools in the same ranking level, INSEAD offers a much wider selection for jobs after the graduation. I feel traditional schools like HEC are more French centric, INSEAD offers a more international vision, right from the tight selection of diverse student pool. Most of the students share similar career experiences (as we are in our early/mid 30s), we have also access to good resources such as foreign exchange programme (I did it with Wharton Business School in the US for 2 months), fieldtrip to emerging markets and countless networking events. Within my MBA, I also managed a two month internship on B2B Marketing with Johnson & Johnson in Brussels, Belgium. Our alumni pool is very big and diverse, there are numerous cultural activities such as dinners and golf tournament where you chat with more experienced graduates and ask them for career coaching and contacts ’

(INSEAD graduate, female)

In addition to these academic factors for studying in Paris, there are also a number of non-academic reasons, which are listed in Table 18. Among them, France as a cultural magnet plays a significant role in attracting foreign students. This is particularly true to the female interviewees. Many Chinese students idealise France as ‘the romantic country with rich cultural heritage’, offering strong traditions in various aspects of the arts, and as a world leader in the beauty, fashion and hospitality industries. One interviewee labelled Paris the ‘dream place for every girl on this planet to study’:

‘We read, hear and see so much about Paris in our life. Coming from a rural part of China, I went to Shanghai, the so-called ‘Paris of the East’. I really wanted to see the real Paris, to climb the Tour Eiffel and wander along the La Seine or have a coffee aside Avenue des Champs-Élysées. It had been my dream, and you can imagine how excited I was when it finally came true Of
course, when I arrived in Paris, it is not perfect, but I have no regrets whatsoever. I think many of the others (interviewees) will agree with me.’

(ESCP Europe student, female, 27 y/o)

Table 18: Advantages for Studying in France

<table>
<thead>
<tr>
<th>Academic advantages</th>
<th>Non-academic advantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reputation and Rankings of Schools</td>
<td>French Language</td>
</tr>
<tr>
<td>Availability of Programmes</td>
<td>French Culture</td>
</tr>
<tr>
<td>Internationalisation</td>
<td>Geographical Location</td>
</tr>
<tr>
<td>Internship / Employment Opportunities</td>
<td>Tuition fee and living costs</td>
</tr>
<tr>
<td>Programme Duration</td>
<td>Personal reasons (family, relationship etc.)</td>
</tr>
<tr>
<td>Specialised Subjects</td>
<td>Visa</td>
</tr>
<tr>
<td>Elite status of Grande École</td>
<td>Personal Security</td>
</tr>
<tr>
<td>English, French, or Bi-/multi-lingual programmes</td>
<td>Student Welfare</td>
</tr>
</tbody>
</table>

(Source: Author’s Field research work)

Besides France’s association with arts, its cultural and lifestyle icons such as Chanel and Dior, for some of the more senior returnees, Paris actually has an historical touch of the ‘revolutionary spirit’ and demonstrations over freedom - as in the famous students’ protests and strikes in May 1968. The interviewee, who went to study in Paris right after China’s student protest in 1989, said:

‘Paris, the capital of France was the dream place for me after 1989. It was not only the city with charms, but the symbol for freedom and passionate revolutionary spirits. For me and probably other earlier Chinese students in France, we learned and remembered about the time when French student took their strike here in Paris to fight for their rights. It is a place for free debates and democracy. Without doubt, things have changed since the students protest, but for us, Paris means more than just a fashion capital, it is also the capital for ideas!’

(HEC graduate, male, 40 y/o)
For some interviewees, French food is considered as a necessary factor:

‘French language and food are a really bonus points for me to choose France. I do not like American food or their fast food culture. They cannot be compared with European cuisine. There are already too many Chinese studying in Australia and the country is a bit isolated from other places. So France is the best choice for me.’

(INSEAD graduate, male, 31 y/o)

In addition, the length of programmes, and the tuition and living costs are both important factors for Chinese students when choosing a Business school. Management degree programmes at the postgraduate level in France are generally shorter than in the United States. For example, many business schools offer one year specialised Masters degrees in management and business subjects. In terms of tuition fees, French Grandes Écoles are also competitive. Although Grandes Écoles are typically joint-funded by the state and local Chambers of Commerce, but set student fees of €6,000 to €20,000 a year, public universities in France are funded exclusively by the state, and are virtually free. For instance, the most highly regarded Grande École, École des Hautes Études Commerciales de Paris (HEC)’s one year masters programme is set at €15,000, while their counterpart in the UK, London School of Economics and Political Sciences (LSE)’ offers their one year MSc programme at over £18,000 (approximately €24,000). Living costs are also cheaper in France.

Table 19: Mercer's 2008 Cost of Living survey

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<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>Moscow</td>
<td>Russia</td>
<td>142.4</td>
<td>134.4</td>
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<td>4</td>
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</tr>
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<td>Rank</td>
<td>Location</td>
<td>Country</td>
<td>Cost of Living</td>
<td>Quality of Life</td>
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<td>Nigeria</td>
<td>95.9</td>
<td>88.0</td>
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</tbody>
</table>

(Source: http://www.mercer.com/costofliving)
Compared with its nearest rival global city, London, living costs in Paris and France are cheaper in general than those in the British capital. As shown in Table 19, Paris is in fact the 12th highest city worldwide in terms of cost of living, ranked by the consulting firm Mercer. In Europe, Paris is behind Moscow, London, Scandinavian capitals Oslo and Copenhagen, as Swiss cities, Zurich and Geneva, and the Italian business centre Milan. As the tuition fee at top business schools costs thousands of pounds, euros or dollars, Paris offers a competitive edge for cost of living, especially as all students, no matter if they are foreign or of French nationality are able to claim CAF (Caisse d'Allocations Familiales) student grant, a housing subsidy from the French Government. As a beneficiary of CAF, one student currently studying in HEC said:

‘I am self-financed student at HEC, as you know, the tuition fees are increasing every year. When I compared HEC with London School of Economics, not only the tuition fee is cheaper but also the living costs. In London, the housing price is crazy and quality is not good. In France, the housing policy is quite ‘socialist’, foreign students like myself are even eligible for government grant. Now I live in a studio flat with a subsidy around 150 euros from the CAF. It helps me a lot and relieves me from financial pressure. I cannot imagine this will happen in London, probably I even need to share the room with a roommate.’

(HEC student, female, 27 y/o)

Another CAF beneficiary also commented:

‘Study abroad is a big investment for me and my family. Of course, you want a quality education, but it will be even better if I can study where good ration of money for value. Paris is not too expensive as one might imagine, and I am lucky to get a CAF grant which in fact covered a substantial part of my monthly rent. Food is important for French people and there are many big supermarkets, like Carrefour or Géant, where you can find competitively priced produces (some are even cheaper than in China!). The health care is also affordable for us as students. When I travelled to other European countries, I feel the prices in France are in fact quite good, only one problem, shops are all closed on Sunday.’

(ESCP Europe student, male, 26 y/o)
Being centrally located in continental Europe, France’s geographical location offers easy travel to neighbouring countries and to different parts of France, thanks to its fast-railway networks. One interviewee’s wife was studying and working in Germany, while he did his MBA at INSEAD. He praised the French railway TGV for helping his family to be reunited regularly:

‘Ideally I would prefer to study MBA in Germany because of my wife, but there were no high ranked business school. For me, I could have gone to a top business school in the US, but because my wife is living in Germany, France for example is closer than US to my wife’s place. It only took me 6 hours of door-to-door travel from INSEAD to my wife’s home thanks to the fast track railway lines. I worked on my case while travelling in train to save time for my studies. It would have been more difficult if I had to travel by air. MBA education is a big decision for my family, and TGV indeed helped us to overcome the distance and sail through the difficult period of long-distance relationship.’

(INSEAD MBA graduate, male 35 y/o)

France is also a part of the Schengen Agreement. This grants free movement within the Schengen area. This gives greater mobility for foreigner students to travel across Europe, for either holiday or a job interview. A student currently studying at ESCP Europe said:

‘My master programme consists semesters in three European countries, France, Germany and Spain. They are all Schengen countries, so much easier for me to move around without a visa. I can use my Carte de Séjour to travel to most EU countries, with the exception of the United Kingdom and Ireland. It is a pity they are not in the Schengen countries and when I needed to go to London for an interview with an international bank, it was quite hard to get a visa. I am happy to choose France in this regard, I can go to visit have an interview in Frankfurt in the morning and back home to Paris in the evening, all this without going through border control. It would not have been possible if I study in the UK, I need to apply for visa and queue and be questioned by the immigration (sometimes it is not so pleasant!).’

(ESCP Europe student, female, 26 y/o)
5.5 Conclusion

The analysis of interviews with student migrants and returnees has shown that the majority of them had been studying or working in either Shanghai or other metropolitan centres in China. During their studies or work, they have accumulated important academic and economic capital as well as transnational contacts depending on the nature of their and studies. These pre-acquainted capitals are important in shaping their future professional trajectory and mobility. Therefore it is possible to consider ‘being in Shanghai or other major Chinese cities’ as the first step in student migration, Shanghai in this case first attracts domestic talents to study and work in the city and then become at the same time a sending node for global student migrants abroad once these have accumulated necessary capitals for their overseas studies.

This chapter also examined different academic and non-academic factors for choosing Paris as the place to study for the interviewees of this research. Paris enjoys an advantageous position as France’s and Europe’s hub for business education. Ranking and reputation are the most decisive factors for Chinese student migration, in the case of business education, but increasingly linked to future career development, such as alumni network, specialised educational programmes). Equally important, the previous experiences of the interviewees also impact on their geographical preference. Many of them have learned French or worked in French companies, therefore their prequisitions of language and cultural capital, as well as contacts with France have been influential in their decision making. For some people, to study French and then study in France has been a career and personal plan since the beginning.

The location of France is also appealing for Chinese students, an important non-academic factor. For many people, France, and Paris in particular, remains an exciting place to study and live. Chinese students can travel too within the continent visa free, compared to the visa restrictions and formalities they will face if they choose to study in the UK. Being in a global city, identified as the capital of fashion, cuisine and arts, there are more opportunities to network, look for job and obtain interviews. One student said it nicely:
'There are also excellent business schools in the provinces, outside Paris, where living costs are even cheaper. But Paris is the business heart, and the place to meet new people. If I live in Nice for example, it is sunny and has beach and nice food, but if I want to have an interview I must take hours of TGV to Paris, I can only probably do one interview per day. But when I lived in Paris, it is so much easier to make contacts and meet people up. Now we live in a networked society, you must keep the network working, and Paris is the place to be.’

(INSEAD graduate, male, 30 y/o)

Interestingly, many student returnees stress their intention of returning back to China, prior to going to study in France. They are aware of the legislative restrictions on labour migration, and the difficulty of getting a work permit. In fact, the migration policy of the host country is seen as an important criterion for Chinese students for overseas studies. For those who chose France, studying and living in France is part of their overall career strategy to accumulate personal capital – such as knowledge, professional contacts and networks, improvement of linguistic abilities as well as experiences and exposure to different cultures, rather than simply permanent migration, as one student returnee commented:

‘I planned to return to China when I finish the MBA. That is also why I chose to study in Europe, because as far as I am concerned, if you go to study in USA you would have more local employment opportunities there. But in Europe, most people (Chinese students) will come back. So before I went abroad, I have the plan to return, thus my choice for studying in Europe. If I am someone who is determined to work and live abroad I would probably have chosen to study in USA.’

(ESSEC graduate, male, 28 y/o)

Finally, it is also worth noting the distinction between earlier students (80s and early 90s) and those who went to France from late 90s onwards. The first group had relatively less information and idea about France and their migratory decision was very much dependent on personal networks and contacts, while the later group clearly possess much more information, more specific targets and clear career objectives.
behind their migratory plan. The following chapter will follow on their journey to Paris and analyse their daily life in a global city and assess how they benefit from the studies and work in Paris as well as how this impact on their future development and mobility.
6 Studying, Working and Living in Paris – capital accumulation process in a global city

6.1 Introduction

The world is increasingly becoming smaller, thanks to the advancement transportation links and information and communication structures. The globalization of our economy and growing international trade has put us in a world marketplace we go about in day-to-day life, study and work. The rise of multinational corporations and expanding global operations has caused both opportunities and challenges to Higher Education Institutes (HEIs) as well as giving new expectations to students and graduates now competing not only in domestic job markets but also globally. We have witnessed the curriculum of educational programmes is internationalised to meet the demand of MNCs, and business students are nowadays required to develop and acquire knowledge, skills and relevant human and social capital to be able to manage business interactions competently in the global environment and being specifically trained to do so (Varner 2001).

As the MNCs are now operating across vast geographical and cultural boundaries, business education is also providing the new workforce with a deep understanding of issues of cross-cultural differences (Stewart and Bennet 1991). The best way to gain such in-depth understanding on the complex issue of culture and especially a culture which is foreign to one’s own, is done by having an extended period of study or work abroad (Davis and Redmann 1991). This embodied cultural capital is vital for being successful in working within the international business environment. And as Francis Fukuyama (1992) powerfully points out, whilst the human capital can be easily developed through systematic education and training, the cultural embeddings and social capital cannot be attained straightforwardly. Pierre Bourdieu (1986:243-245) gives the definition of ‘embodied cultural capital’ as ‘long-lasting dispositions of the mind and body’, referring to an individual’s ‘cultural’ or ‘cultivation’ being assimilated or acquired over a long period of time. Furthermore, Portes (1998:4)
explains that individuals can ‘increase their (embodied) cultural capital’ through ‘contacts with experts or individuals of refinement’.

Chinese students and their families invest very heavily in education, and study abroad is considered as a career and personal strategy as has been shown in previous chapters. There are various aspects of rationales for leaving China to study in France, such as educational and family reasons. Opper, Teichler and Carlson (1990) also pointed out the anticipation that international education can lead to employment abroad or an international career as an important motivation for student migrants. Does this also apply to Chinese students who went to France to pursue business education? How do Chinese students accumulate various forms of capital in Paris (economic, human, cultural, and social etc.), necessary for paving the way for such international careers? This chapter will apply Bourdieu’s theory on forms of capital to understand the capital accumulation process of Chinese students in Paris during their studies and explain how different types of capital interact and contribute to their eventual return to China.

6.2 Forms of Capital

‘Study in Paris has changed my life - I am a different person after graduating from INSEAD, not because of the MBA degree but because the different way now I look at things’ (interview with an INSEAD graduate, male, 30 y/o). These words are in fact a feeling commonly shared among the interviewees. Life in Paris is considered to be an important part of career advancement and expected to greatly impact on their lives. There are different benefits of study and work abroad as suggested by interviewees. Some of them can be easily measured (self-assessed language improvement, academic knowledge, ability to use information and technology tools) and are more obvious than others, such as the soft skills, i.e. interpersonal communication and cultural understanding, which are more intangible and harder to quantify. These benefits can be viewed as the accumulation of various capitals (economic, human, cultural, social), which increase one’s access to information, opportunities and skills. This process of capital accumulation furthers one’s career prospects and enhances convertibility among the various forms of capitals.
In his publication *The Forms of Capital*, Pierre Bourdieu (1986:242) distinguished between three different forms of capital:

- **Economic capital**: economic and/or material resources (examples are cash and assets)
- **Social capital**: relationships, networks and contacts through one’s memberships in a group or association, as he refers to the ‘aggregate of the actual or potential resources which are linked to procession of a durable network of more or less institutionalised relationships of mutual acquaintance and recognition’
- **Cultural capital**: forms of education, skills, and knowledge and other advantages that one has over his/her peers. The cultural capital gives him/her a higher status in the society.

As the idea of social capital is lent to multiple interpretations and multiplicity of uses, in this chapter, it is defined as personal relationships, contacts and networks, and influence as well as support that are drawn from this social capital. There are also three subtypes of cultural capital, namely *embodied, objectified and institutionalised* (Bourdieu 1986:47), this chapter will mainly deal with embodied and institutionalised states. In addition to these three capitals, human capital accumulation through formal educational attainment is also included in the analysis. Table 20 outlines the various forms of capital that interviewees accumulate during their stay in Paris and the actions, which are taken to generate accumulation.
Table 20: Chinese Student Migrants’ Capital Accumulation in Paris

<table>
<thead>
<tr>
<th>Forms of Capital</th>
<th>Types</th>
<th>Main accumulation procedure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Capital</td>
<td>Academic knowledge / information</td>
<td>Formal education (classroom) and learning</td>
</tr>
<tr>
<td></td>
<td>Subject expertise &amp; Know how</td>
<td>Classroom and work place</td>
</tr>
<tr>
<td>Economic Capital</td>
<td>Savings and financial resources</td>
<td>Different forms of employment, scholarship and/or family</td>
</tr>
<tr>
<td>Social Capital</td>
<td>Professional Networks</td>
<td>School/alumni associations and work colleagues</td>
</tr>
<tr>
<td></td>
<td>Personal Networks</td>
<td>Friends, family, online community</td>
</tr>
<tr>
<td></td>
<td>New contacts</td>
<td>Academic conferences and business events</td>
</tr>
<tr>
<td>Cultural Capital</td>
<td>Cultural awareness</td>
<td>Studying/working with people from diverse background, life experience</td>
</tr>
<tr>
<td></td>
<td>Values, taste and lifestyle</td>
<td>Daily life (outside the classroom) and reflexivity</td>
</tr>
</tbody>
</table>

(Source: Author’s Field research work)

The follow sections of this chapter will examine each form of capital, with reference to their impact of Paris experience on the personal growth and professional development of interviewees.

6.3 Human Capital & Social Capital

Human capital accumulation refers to the embedded knowledge, expertise and skills one has in order to perform labour activities with economic values. It is generally acquired from education and working experience. One of the main reasons for studying abroad is to pursue education which is not widely available in the home country and to learn the subject from top experts in the field of study. The ranking of management schools in Europe (see chapter 5) reveals that France, especially Paris, is in a leading position for business education. Interviewees also confirmed the importance of reputation and excellence when they made the choice of school. Have
the experiences in Paris fulfilled their learning expectations? Here are some quotations of feedback from past and current students at Parisian business schools:

‘I loved my time at HEC! Overall, the study programme is very well structured, and we have some of the best professors in France teaching in the master’s programme. The study format in France is very different from China, we had more opportunities to pose questions and interact with the professor and other students. I have learned as much from the professor as from my fellow classmates.’

(HEC graduate, female, 28 y/o)

Another current student at HEC also agreed:

‘I think the expensive tuition I have paid are worth the penny. We have a lot of famous professors who teach here (at HEC) permanently or come to give a lecture as a visiting professors. For example, the marketing guru, Professor Philip Kotler was given an honorary doctor from my School. We also had a lot of guest lectures from senior managers from the industry to give their personal accounts on management and international business.’

(HEC graduate, female)

Formal education is the main channel for the accumulation of knowledge. Many interviewees highly value the academic environment, study resource and international faculty and student body in their business schools and universities. One graduate of Sciences Po de Paris recalled his study experience:

‘I was amazed by the library resources at Sciences Po. I used to spend so much time to dig out research materials among the books, journals, magazines and newspapers in the library. It was of great fun. Sciences Po is located in the Latin Quarter, right in the city centre of Paris, yet, it is an ‘Oasis in the Chaos’, I miss the garden there, it was the perfect place to have a baguette on one hand and a copy of Le Monde on the other hand!’

(Sciences Po graduate, 29, male, y/o)
A current student at HEC commented that the wide range of courses is important part of management training. She said:

‘I really enjoy the various options for elective modules in my programme. I can choose the specialisation I want or learn a new subject. This will help my future career as nowadays managers do not only handle one single task within the organisation, they are more multi-functional, and we are expected to know a bit of everything. Hence these electives prepare me for the different tasks I will undertake once I finish my studies.’

(HEC student, female, 27 y/o)

Besides formal classroom teaching, many interviewees also stressed the importance of informal learning. Some examples of these are study groups, associations of different academic disciplines (like auditing, international marketing, and accounting) and student societies (i.e. debating society). These informal educational channels not only complemented the direct knowledge accumulation in the classroom, but also helped students gain valuable social capital and integrate into French student life and French society in general. A graduate at ESSEC talked about her experience in the Accounting Association in her School:

‘At first I was shy about joining the club, because I know most of the students were French and I was not confident about my French language skills. But I was warmly welcomed in the club and everyone was patient and they even spoke English with me. I wanted to become a certified accountant after my studies, so the club gave me chance to meet others with the same ambition and we prepared together and shared some textbooks. It was also an excellent way to meet new friends outside the classroom. Without saying, it also helped my French language at the end.’

(ESSEC graduate, female, 28 y/o)

Two students from ESCP Europe not only participated in the extra-curricular associations, but even initiated a new organisation during their studies. ESCP-EAP Forum Chine was founded in 2005, the very first Chinese student association in the
history of ESCP Europe. It has now over two hundred members, with the following objectives (as listed on their website)\(^{50}\):

- Helping Chinese students to adapt to France, and to integrate into ESCP Europe’s lovely ambience.
- Channelling information among Chinese students, French students, other international students, ESCP Europe campuses and the enterprises from all over the world.
- Promoting the image of ESCP Europe in China, by collaborating with former alumnus and Chinese universities.
- Organizing the career forum TALENT CHINE to create a communication platform between the Chinese talents and the enterprises which want to launch their business in booming oriental markets.

When asked about the motivation to establish this association, one of the founders said:

‘After being a member of other associations and clubs, I thought to myself, there are more and more Chinese students coming to ESCP Europe every year, and there has been growing interests among the students and professors in the school, so why not set up an association to promote the exchange and dialogues? So I talked with some other Chinese students and with our school about this idea, and received very positive feedback from them. My school even promised to provide some financial help in setting up the association and organising some events on China. That is how ESCP Europe Chine was born, and since then, we held regular events and meetings on China (Chinese economy, culture and business), and one of our key events is Talent Chine, a career forum for Chinese students and those who wish to work in China.’

(ESCP Europe student, male, 27 y/o)

\(^{50}\) ESCP-EAP Chine: http://www.escpeapchine.org/about/
The increasing number of Chinese students provides the critical mass for the formation of self-organised associations and networks, making existing informal contacts more sustainable. The case of ESCP Europe Chine is a good example, illustrating the transition from initial capital accumulation to the creation of new networks and capital among the student migrants. There are now similar networks in other business schools and national association of Chinese students.

*Union des Chercheurs et des Étudiants Chinois en France* (UCECF - Association of Chinese Scholars and Students in France) is the main body for Chinese students and researchers supported by the Education Section of the Chinese Embassy in Paris. There are also smaller associations at the city and provincial levels in Paris, Toulouse, Lyon, Nantes, Besancon, La Rochelle, Grenoble, Strasbourg, Rennes, Nancy, Poitiers, Perpignan, Orsay, Montpellier and Bordeaux etc (Le Bail and Shen 2008). The main activities of UCECF comprise of traditional student group activities such as Chinese New Year’s Party, Mid-Autumn Festival celebrations and other cultural events, as well as organising doctoral seminars at which Chinese students present and share their research findings with each other, charity and fund-raising for China, and now more and more job fairs for Chinese students (there was recently a Forum Horizon Chine in Paris co-organised by UCECF). Through the privileged partnership with the Chinese Embassy, UCECF also organises various public meetings with official delegations from China - for instance career fairs and investment forums with visiting provincial officials. There have also been essay competitions, business project competitions and music salons in the past. Worth noting is UCECF’s additional important role in public lobbying and diplomacy. Earlier this year, UCECF together with other Chinese student organisations, organised various gatherings, both small and large scale, in support of the Beijing Olympic Games, and contributed to the debates over Tibet and Sino-France relations. As the official student organisation in France, UCECF also coordinates with other Chinese student bodies in Europe, such as the Chinese Students and Scholars Associations (CSSA).

In addition to this official network, there are also more informal and virtual online communities like the ESCP Europe Chine. One of the bigger and well-known online communities is *Rêve France* (http://www.revefrance.com). Since the start of the web portal, over 1000 Chinese students have volunteered as webmasters for the different
sections of the forum – 20% of them worked more than half a year in this role\textsuperscript{51}. The success of this online information sharing and forums has led it to become professionalized and integrated under a professional media service company named E-CAN Group, established in Paris in 2003. Later it also set up subsidiary and technical offices in Hangzhou and Shanghai to provide back-office support for the website and various other activities such as information sharing, travelling, party organisation, special events and networking. There are currently 18 full time staffs working in France and China. All of them have master degrees or above (as stated on the company website). The success of Rêve France and later E-CAN Group shows a huge potential for professional services for Chinese students and the importance of networking and information exchange. According to their statistics, in 2006 alone, 2800 Rêve France members joined the organised tour in Europe, and 5 large-scale parties have also attracted over 3000 members. Furthermore, according to their website, they estimated that over 20000 visitors have used the service of Revefrance.com for making contacts to exchange information and to seek travelling partners amongst other activities.

The most important channel for gaining professional knowledge and know-how is work experiences. Out of the 40 returnees interviewed in Shanghai, only one of them did not undertake an internship which was due to family reasons. The majority of internships (33 internships, 83\%) were completed in the vicinity of Paris, while other internships were done in other European countries, such as Switzerland, Belgium, as well as in China and the United States.

\textsuperscript{51}Rêve France: About Us: http://www.revefrance.com/page/aboutus.html
Moreover, as listed in Figure 25, nearly a third of these returnees did two or more internships during their studies. Nearly half of them (48%, 19 persons in total) also had formal job experience, under either permanent or temporary contract. Six interviewees (15%) even had more than formal job experiences. A large percentage of the interviewees held both internships and regular contractual employment. Among them, 3 interviewees had more than one formal job and internship experiences.

This also applies to the employment experiences of these interviewees in Paris, who at the time of interview were either studying or working in the French capital. 75% of them had or were currently in some sort of employment, either as intern or regular employee. In Table 21, we can see that five out of the 20 interviewees had even more than one job or internship. Out of the five persons who did not have employment experience, all of them are on their way into the labour market: two already got confirmed contracts for internships, two are currently in the final stage of internship and job application, and one is already checking internship websites even though he only started his master programme three months ago at the time of writing. This high level of employment experience provides good hands-on training and business exposure, allowing the accumulation of both human capital and social capital. How did interviewees manage to obtain these opportunities?
Table 21: Work Experiences of Returnees (during their studies)

<table>
<thead>
<tr>
<th>Type of Work Experiences</th>
<th>Percentage</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>One internship</td>
<td>70%</td>
<td>28</td>
</tr>
<tr>
<td>Two or more internships</td>
<td>28%</td>
<td>11</td>
</tr>
<tr>
<td>One Job experience</td>
<td>48%</td>
<td>19</td>
</tr>
<tr>
<td>Two or more job experiences</td>
<td>15%</td>
<td>6</td>
</tr>
<tr>
<td>One Job experience with one internship</td>
<td>48%</td>
<td>19</td>
</tr>
<tr>
<td>One Job Experience with more than one internship</td>
<td>20%</td>
<td>8</td>
</tr>
<tr>
<td>More than one job experience and internship</td>
<td>8%</td>
<td>3</td>
</tr>
<tr>
<td>No job or internship experience</td>
<td>2%</td>
<td>1</td>
</tr>
</tbody>
</table>

(Source: Author’s Field research work)

Table 22: Work Experiences of Interviewees (students/graduates) who are living in Paris

<table>
<thead>
<tr>
<th>Current Employment Status in Paris</th>
<th>Number of Persons</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Currently in an internship / job</td>
<td>6</td>
<td>30%</td>
</tr>
<tr>
<td>Already had one internship / job</td>
<td>4</td>
<td>20%</td>
</tr>
<tr>
<td>Already had more than one internship / job</td>
<td>5</td>
<td>25%</td>
</tr>
<tr>
<td>Already with confirmed internship / job offer</td>
<td>2</td>
<td>10%</td>
</tr>
<tr>
<td>Currently applying for an internship / job</td>
<td>2</td>
<td>10%</td>
</tr>
<tr>
<td>Plan to apply for an internship / job</td>
<td>1</td>
<td>5%</td>
</tr>
<tr>
<td>No internship and no intention for internship</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>20</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

(Source: Author’s Field research work)

There are a few reasons for explaining this: academic merit and knowledge, language and communication skills, contacts and networks etc. During an interview with Madame Stephanie Rouelle-Mourot, Head of Alumni relations at ESCP Europe, who sums up the success factors for Chinese students in finding job placements:
‘Chinese students are very hard working comparing to our French students in the Grande École. Our French students want to have fun (by participating sports, ballroom dancing and other social events and build up networks and melt into the social activities) in their first year and do not give enough mental importance to the studies. On the contrary, Chinese students are already checking about career and stages in their first year. For them, it (the education at ESCP Europe) is a big investment and they could not afford to relax for the next two years (due to the tuition fees and living costs).’

In her view, Chinese students are very hard working both in and out of the classroom, attending every job forum and career seminar whenever possible. She explained that for Chinese students, as non-EU citizens, there are more legal restrictions on employment in France. However, Chinese students are highly motivated in seeking an employer who is willing to jump the hurdles and obtain the right paperwork for visa and resident permit.

‘I know one student who applied for a lot of jobs, but most of the companies liked her profile but decided not to employ her because of the French bureaucracy on employing foreigners. These companies are small and medium sized, and do not have the adequate resources and personnel in handling the administrative papers. We felt really sorry for her because she was an excellent student and spoke very good French. However, she never gave up and kept applying, and eventually she went for a long stage at a bank who later managed to overcome the government ‘red tapes’ and kept her as a permanent staff. We were all impressed by her determination…’

This case mentioned is not rare among the interviewees. Many of them explained similar challenges they faced during the internship period, which included language and cultural issues in addition to the paperwork problem listed above. Reputation of the schools and academic results are of course important, however, various strategies were also employed by Chinese graduates and students to overcome these difficulties and sometimes turn these disadvantages into selling points. These strategies mainly include detailed information searching and reliance on various connections inside and outside the school as well as transnational networks in China and France.
Figure 26: Primary Internship Channels and number of students who used these channels (who have done/found internships/job experiences)

(Source: Author’s Field research work / interview, n=56)

Firstly, the detailed information search starts from the career office in the business schools, where vast information regarding hiring companies and business directories are available. A total of 22 interviewees have used school’s career services as the main channel for getting internships or finding job opportunities. These information databases are used to identify companies which have business operations in China. Chinese students will then target these companies as potential employers and look out for the key contact person in their Human Resources Divisions. Secondly, contacts within the campus. Professors and classmates are the primary contacts for getting information about internships and jobs. Professors in most French business schools have working experience in the corporate world and some of them even have part-time positions or serve as advisors for French and other multinationals. So their recommendation and advice are very important for getting an interview. One graduate from ESSEC’s MBA in International Luxury Brand Management said:
‘The first thing I do when I plan to do an internship is to talk with my professors. In my programme, we have academic faculty and professional faculty, both with extensive experiences in fashion, watch, wine and other luxury sectors. In fact our programme director and also a professional faculty member, Professor Denis Morisset, who had worked over 20 years in the fashion industry and was CEO and COO with leading companies like Polo Ralph Lauren and Giorgio Armani, and now has his own consulting company, specialized in luxury brand management and international luxury distribution, with a particular focus on emerging markets. As you can imagine, he has loads of contacts in the fashion business, and when I asked him for help, he immediately gave me advices and forwarded my CV to some of his former colleagues.’

(ESSEC graduate, male, 31 y/o)

Professors are also an important channel for finding employment experience, as 6 interviewees (11%) indicated that their professors have helped their job search. Being the specialist in the subject they teach, professors have their strong networks with the private sector through their research and teaching, and are often asked by colleagues and friends in the industry to propose interns and facilitate job applications. As the professors also have some knowledge of the students’ academic performance and aptitude, they are in a position to direct the students to the appropriate person and department in which the students is interested or specialised in, thereby making applications more efficient and effective. One of the interviewees wanted to work in the area of corporate social responsibility but found very few offers on this subject. It was his professor who eventually helped him to locate an internship in a French multinational:

‘During my studies, I have developed particular interest on the corporate citizenship and responsible business. I wanted to work in this area in China which is still underdeveloped. So I was hoping to find a traineeship in France to learn more about the current practices. However, as it is a specialised subject, there are very few offers in the career office and on the net. Then I thought of our professor of Business Ethics. After I spoke with him about my plan, he was very happy and promised to keep an eye on this for me. A few
weeks later, he told me after our class that a French energy company was looking for someone to review their corporate social responsibility practices in China. Through his help, I managed to have a private meeting with the manager in that French company and got 6 month internship. All I can say is that without the help my professor, I probably won’t even know about that opportunity. It was indeed a ‘fast track’ application.’

(ESCP Europe graduate, male, 29 y/o)

Professors also provide good guidance on preparing for an interview for a specific company or industry. One interviewee stressed the importance of consulting with his finance professor before her interview with BNP Paribas:

‘When I was informed about my interview with the French bank (BNP Paribas), I was very excited and yet worried. I was panicking about my interview, as it was my first one in France. So I arranged a meeting with my finance professor after the class. She was very understanding and told me that I should not worry because I have good scores in her finance class, and more important she told me what I need to be careful during my interview. She even emailed me some latest newspaper headlines and analysis of the Bank for my interview preparation. Last not least, she shared her experiences of working in a bank as a senior female executive, which was a good encouragement for me as a female finance student.’

(HEC graduate, female, 30 y/o)

Classmates are also seen to be a good source of information and contacts. A total of 4 interviewees have used classmates as main job channel, and regard their French and international peers as ‘good informant’ who gives contacts of their previous and/or current employers, tips on every aspect of interview, and proof-reading application letters and CVs etc. One interviewee recalled how her classmate helped her to obtain an internship at Sodexho:

‘As newcomers to the French business school and job market, we do not have many contacts with companies. Our French classmates, on the other hand, had already been with the school for many years or have done traineeships before they join the master programme. They have both experiences and contacts
which I am lacking, so it is very helpful for me to ask them for helping with my cover letter and CV. One of my classmates even taught me how to do the right make-up for my interview.’

(Sciences Po graduate, female)

Another interviewee also benefited from the help of his classmate when he searches for a finance internship:

‘One of my best French friends and classmates used to work for an American bank in Paris for his summer internship. When he learned that I still have not found an internship, he gave me the contact of his former departmental manager, and even wrote an introduction letter for me. Through this connection, I got an interview with that bank and later was offered an internship there. So in this case, I am very thankful for my friend, without him, I could not have got that opportunity.’

(ESSEC student, female)

Besides current classmates, school alumni (former graduates of the school / programmes) also play a very important role in the search for employment experience. French Grandes Écoles (business and engineer schools in particular) have a very good network of former graduates (in French: anciens élèves de l'école). Graduates from leading business schools occupy key management positions in French companies and other multinationals. For example, the alumni association of HEC has over 23,000 graduates, 30 professional associations, 25 regional groups, 53 groups outside of France and 165 active graduating classes. With such a wide network and connection with the industry, it is not surprising that 13 interviewees used alumni directories and contacts as their main method for securing work experience, thereby making it the second most important channel after Career Services. One of the 13 interviewees, who used the alumni network to find her internship in a French bank said:

‘Alumni network is like a big umbrella - it covers and protects everyone who comes from the same school. As you know, it is not easy to enter a renowned business school, so once you are inside it, you have a strong affiliation with the school even when you graduate. Alumni network is very important for the reputation of the school, and also equally important for the new graduates who look for an internship or job. As a student of HEC, I have already limited access to alumni network even before I graduate. When I decided on which industry I want to work, I checked on the profiles of alumni who are listed in my chosen industry. I then sent them emails to ask whether there is opening in their companies or advices for interviews. I have got very good response rate, I think only less than 5 people did not answer out of around 23 emails I have sent out. Within few weeks, I got an interview and later my first internship in France.’

(HEC graduate, female, 30 y/o)

Another interviewee who graduated from Sciences Po and found her job at a publishing house suggested, ‘when it comes to job hunting, contacts – who you know are sometimes more important than what you know’. Her employment was purely thanks to the recommendation of a Sciences Po alumnus, as she explained:

‘I spent a lot of time going through the alumni database for my job searching. At first, I wrote to everyone, but it was not very successful. Then I started to target those alumni who are in their late 30s and 40s, because these people have usually worked a few years in their current employment and in most cases in medium and senior management roles which have decision making powers. Yet they are reachable and have time for responding to job inquires from his/her former school. If I write to younger alumni in their late 20s or early 30s, they will be too junior in the company and is not in the position to make any hiring decision; on the other hand, if I contact older alumni (over 50s), who are in top management, like CEO or Vice President, these alumni will be too busy and too difficult to reach.’

(Sciences Po graduate, female)
Her tactic of contacting medium level alumni worked very effectively, as this resulted in more prompt and detailed replies. Among them was the job offer which she accepted. Another interviewee shared her experience for an internship interview and emphasised how alumni connections helped her to get the internship:

‘I was in the second and final round of interview for the internship. There were three shortlisted candidates and we were interviewed by the Division Manager as well as Human Resource Director. During my interview, after I introduced myself, they (the two managers) told me they actually graduated from the same school as me. The tense atmospheres suddenly became relaxed, as they started to ask me if I liked my studies and how are the new developments in the school. This unexpected surprise made my interview much easier and I was more confident in our conversation. At the end of interview, I got a good feeling that I may be the lucky one to be chosen, and indeed I was right. I do not know if the two managers chose me because I study at their former school or on the basis of my own merit, but I do think being linked to them (the same school) helped a lot.’

(ESCP Europe graduate, female, 27 y/o)

Because the majority of alumni contacts are based in France, they are of particular interest for those interviewees who plan to undertake work experience either in France or for French companies. How about those who want to have a more international career? An interviewee from INSEAD confirmed that alumni networks are also vital for those who want to live and in different countries or to change industry:

‘I have been working too long in finance and wanted to change for consulting after my MBA. INSEAD’s extensive alumni network is particularly famous for the consulting business. I have found alumni at top consulting firms in McKinsey, Boston Consulting Group and Roland Berger. These alumni gave me a lot of insights about working in the industry and one of them even taught me how to negotiate my salary!’

(INSEAD graduate, female, 31 y/o)
Besides the alumni network in their French schools, one interviewee even dug out the contacts from her former university in China:

‘I graduated from Fudan University in Shanghai, as you know, it is a top university in China and we have a lot of famous alumni living around China and in other parts of the world. So when I was searching for contacts in the alumni book of ESSEC, I suddenly thought of my former classmates and other alumni from Fudan University. In China, the alumni relations is still not as developed as in Western universities, so it took me some time to get on hold of them, however, my hard work paid off, as I found a Fudan alumnus who is in charge of a French subsidiary of a Chinese state-owned enterprise. I wrote to him and asked him whether there are internship opportunities, and that same weekend, we were already having dinner together in the China Town. As you can imagine, then the internship was not too difficult to get…’

(ESSEC graduate, female, 28 y/o)

With the rapid development of information technology, websites have also become effective tools for job application. Virtual job platforms, recruitment agency sites and online career fairs are now frequently used by students and job seekers. 4 out of the 56 interviewees in fact found their employer through these online tools. Online applications are fast and efficient; one interviewee (Université de Paris student, female, 27 y/o) said she can send up to 20 application emails per day. She also said: ‘web applications are also cheaper than sending CV and application dossier in the traditional postal service. Also job websites are also good places to get background information about the employers and get to know people who are working there’.

Another interviewee told the story how she used online social media to network and look for a job:

‘I spent a lot of time on surfing on the net, to read news, to chat with friends as well as to find a job. You know, there are so many social media and social networking websites. You can blog, you can reconnect with old friends and you can meet new people. I regularly use LinkedIn, a social networking website targeted at professionals who want to maintain contacts and explore
new ‘connections’. Since using LinkedIn I have gradually expanded my contacts network bit by bit, for example, I was invited by my classmate to become their ‘connection’, through this, I also got to know their contacts. In fact my former internship supervisor was one of the ‘connections’ I made on LinkedIn!’

(HEC graduate, female, 30 y/o)

LinkedIn now has over 43 million web users in over 200 countries and territories as in 2009. Among them are executives from Fortune 500 companies and many interviewees in this research. Another website repeatedly mentioned is Facebook, another social networking website which offers users the possibility to add friends and keep in touch with them by sending messages, updating profiles and other applications. Facebook claims to have more than 250 million active users worldwide. Another interviewee compared LinkedIn with Facebook:

‘I use Facebook for personal contacts and close friends, because it is more informal and casual, you can put pictures and share your sadness or happiness with friends. LinkedIn is more formal and business oriented, I use it for develop my professional network. They are both well helpful in my social life, but serve different functions. For example, I cannot imagine posting my party pictures on LinkedIn, it would not be appropriate. However, nowadays companies are also checking applicants’ online profiles (and even images) on different websites, so people are more careful in posting personal stuff online.’

(INSEAD graduate, male, 30 y/o)

Compared with traditional application media like postal or telephone applications, online applications are also relatively easier for those interviewees with less perfect French language skills. One interviewee who applied for an internship with L’Oréal explained:

‘I like very much online applications, especially a lot of the sites are bi-lingual or multilingual, so I don’t need to worry about my French language skills. Because you can save and submit your application letter, you can ask your

53 LinkedIn – About us (latest facts): http://press.linkedin.com/about
friends to check your application first. Because of online application and correspondence, a lot of the work is done without telephoning, so I don’t need to speak French (on the phone) before the final stages of application, you know, for Chinese, it is easier for us to write than speak a foreign language. Nevertheless, I still need to improve my spoken French, which I did, that is why I managed to get the internship.’

(ESCP Europe graduate, male, 28 y/o)

Friends, families and former employers are other channels used by interviewees. Interestingly this cycle of contacts are not limited to one place such as Paris, but located in different places, cities and countries. Because the interviewees have moved to new cities and countries for studying and working, their contacts are also of a transnational nature. For example, an interviewee’s main residence is in Paris during his MBA, but most of his friends and family members are in Shanghai, while his former employer is based in Hong Kong. This transnational web of contacts is considered very important by all interviewees, especially those who actually found their internship during their studies in Paris. One of these seven interviewees stated:

‘Though I live in Paris, I still keep good contacts with family and friends back home. I am also working some joint projects with some friends in China to export some European products (cultural items) to the growing middle class in China. This is mainly due to my personal interest in culture and to make some extra revenues. Sometimes, the business is difficult for me, as I am physically here in France and cannot commit too much time for working on it. But because of the growing business, I was asked by my friends to set up a small company to deal on this export on more institutionalised basis. As I applied to my school to make this new business as my internship project, in this case, I do not need to spend time on looking for an internship but concentrate on my China-France export business.’

(ESSEC graduate, male, 31 y/o)

Another interviewee also managed to obtain an internship opportunity at L’Oréal, the same company she was working before she went for her MBA at INSEAD. She explained how she got the internship at L’Oréal’s headquarters in Paris:
‘You know, I was recommended by my former boss at L’Oréal in Shanghai for my MBA in Fontainebleau. Since my arrival in France, I have been in staying close touch with him (the former boss), as he is also from Paris, he gave me a lot of tips about finding a flat and where to go, what to do in Paris. He is also like a mentor for my studies, and I always ask him for help when I have problems with my case studies. Because I wanted to go back to L’Oréal once I finish my MBA, he suggested me to apply for an internship at the Paris headquarters during my stay in France. Since he is very connected with the senior management in Paris, it was quite easy for me to get an internship in the operations department in the headquarters. I am really grateful for his help…’

(INSEAD graduate, female)

Another interviewee (ESCP Europe student, female, 26 y/o) who had just got a confirmation of internship in Shanghai also said her success was due to the constant contact with her former colleagues back in Shanghai. Even those interviewees who did not get employment opportunities via friends, family or former employers, stressed the importance of transnational contact networks in China, France and elsewhere for their daily life, to obtain news and information, keep in touch with friends, and other personal issues, like introduction of potential girlfriends and boyfriends.

From the analysis above, it is worth noting the various channels and methods Chinese students and graduates have employed in their search for employment opportunities, from online to offline, inside and outside the school, and even through transnational links and networks. What kind of specific human capital have they gained through these methods? Here is a breakdown of the 56 interviewees’ internship during their study in Paris:
From Figure 27, it is clear the majority of interviewees engage in APS (advanced producer services), such as financial services, banking, accounting, legal, media and consulting industries. Those who are working for fast moving consumer goods (such as food & drink, fashion and cosmetics etc.) and those in the industry (nuclear, machinery and construction etc.) also perform similar service functions like accountant, marketer, auditor, project consultant/management and advertising executive. The interviewees’ employment experiences in these sectors and functions complement the academic knowledge they have accumulated in the business studies. One interviewee who specialised in competition law said:

‘European Union has some of the most advanced and complicated regulations, such as anti-trust and consumer protection. You can learn pages and pages of legal texts and cases from the classroom, but at the end you need to put them into practices. Through my internship at an international law firm, I can work on new cases in the field of EU competition law, and working with colleagues, our clients and government officials from different European countries. These experiences are very important for me to comprehend the competition regulations and how they are used in the business world.’

(ESSEC graduate, male, 32 y/o)
Another interviewee worked in the cosmetics industry also agreed on the importance of working experiences:

‘We learned a lot about marketing research and have done some marketing case studies and team projects in the school. However, these are more on the academic level, when you do a marketing research in a real business environment, you are responsible for the management, operations, financial and technical aspects of your project, and you are accountable for the results and how they can benefit for your company. In short, you have much more responsibility and you have high expectation from your company. In my internship, I was given such responsibility and I had to work hard to complete my marketing assignments and fulfil the expectation of my colleagues. But luckily I got a lot of help from my experienced colleagues and line managers. You can apply everything from the textbook to the marketing practices, and this you can only learn from daily work in the industry.’

(HEC graduate, female).

Indeed, all 56 interviewees agree on the importance of working experiences, especially on how to apply learned knowledge to business practices and first hand exposure to the real business world. They have also stressed on the specific knowledge learned through their job, such as expertise on EU competition policy as shown above. For example, another interviewee working in the field of Human Resources spoke about how she learned to deal with campus recruitment during her internship at a manufacturing company in Paris:

‘During my internship, I participated in a lot of campus recruitment events on behalf of my employer. We visited many engineering and business schools in Paris, other parts of France and in the UK and Germany. Campus recruitment is not new in China, as I have done it in my previous jobs in China. But here in France and Europe, it is much more interactive, you even organise golf sessions and gala dinner for potential talents. This has never been done in China, as far as I know. As I have learned these new tools and methods and saw how they are used in real environment, these experiences have broadened my horizon and will remain very valuable for my future work.’

(Sciences Po graduate, female. 29 y/o)
6.4 Economic Capital

Studying abroad is not only a big investment for student migrants themselves but also for their families. In some cases, even relatives also contribute financially in order to make overseas studies possible. The majority of the interviewees are self-financed, as most business education programmes are not subsidised by the government, for example, the Grandes Écoles are mostly private and charge high tuition fees for their master degree courses. As shown in Figure 28, besides a small group of students (25%) who received scholarships for their studies either from government or school funding, and sponsorships from their employers, three-fourths of the interviewees paid for their tuition by their own funds or bank loans.

![Figure 28: Source of Funding for tuition fees for study in Paris](Source: Author’s Field research work, n=60)

When it comes to living costs, an even smaller number of interviewees can rely on a scholarship, because the funding they have received does not cover living expenses. For instance, an interviewee (Sciences Po student, female, 26 y/o) who got a full
tuition fee waiver for her master degree was required to pay for other costs, from books to accommodation and food. A wider range of sources had to be used for living maintenance, this included personal savings and family support, which were also the main source of funding for tuition fees. Also included is new income generated while studying in Paris, such as part-time jobs or internships/employment.

As shown in the previous section, the majority of interviewees have taken internships during their studies as it is required by most business education courses. In France, internships are often well paid in comparison with some other European countries, and are used by students as a way to finance their studies. On the website of ESSEC business school, it is listed as a financing option saying: ‘The four to six month internship (from 1000 to 1300 euros a month). It contributes to finance studies up to 40 %\(^\text{54}\).’ It has also a special ‘Apprentissage’ Track (apprenticeship) as one way to finance a degree - tuition fees are covered by the companies who sign the ‘Apprentissage’ Track contract with their selected students. On ESSEC’s website it listed the following advantages of such a contract\(^\text{55}\):

- Better structuring of the academic and professional paths that take into account the student’s projects;
- Value of long experience on the CV as a salaried employee;
- Financial compensation (salary, exoneration from tuition fees, acquisition of retirement credit, etc.);
- More interesting dialogue with corporate directors and experts

The master programme in European Business at EAP-ESCP in Paris also suggests that salaries from internships will bring income to students for financing their studies: ‘the Master in European Business (MEB) programme also includes a company placement of at least 12 weeks which is usually paid. The salary received by the student during


their internship (between €1,200 and €1,500 per month) usually covers part of the cost of the MEB programme.’

The interviews with students and graduates from these two and other schools confirmed their claim. As shown in Figure 29, 11 out of the 60 interviewees said internships have been their main source of financing for the living costs during their studies. One interviewee even suggested that his internship was over 2000 euros per month, which is well above the minimal wage (Salaire Minimum Interprofessionnel de Croissance – SMIC) in France for a full-time staff which is just over 1300 euros in 2009. Having such a high internship salary has not only enabled him to pay his daily expenses but also to save some money during his studies:

‘Since we are students, our housing are subsidised by the French Government. So we do not spend much money besides food and clothes. I do not go out much, and cook most meals by myself, so 2000 euros is really more than enough for me to spend every month. I started to save money and opened special savings account in my bank. The savings can be used as my back-up money, for example, to support me during the time I look for a job.’

(ESCP student, male, 26 y/o)

In addition to internships, four interviewees also took part-time jobs in Chinese restaurants, the Chinese embassy and a travel agency in Paris. The pay is relatively less than the regular internships, and the money earned is used to supplement other sources of funding, like personal savings and scholarships. One interviewee who worked at a specialised travel agency for tour groups to China said:

‘You do not earn a lot of money from part-time job. These are quite tiring jobs and you cannot always work on a regular basis as it may conflict with your study schedule. But they are good pocket money and help me to pay for my everyday’s bills. Although in most cases, part-time jobs will not bring you regular full-time job afterwards, it is a good way to know new people.’

(ESCP Europe student, female, 27 y/o)

Another interviewee who took a part-time job at a Chinese takeaway recalled his job as dirty and tiring, but said he was happy to get free meals every day and used the money to pay for his accommodation.
'I know from the beginning, the job at the restaurant is only temporary. Once I have my internship, I will give it up. It is not very good for my studies, we came to France not to work in a Chinese restaurant but to learn about business. But meanwhile it is good to avoid cooking everyday and have nice Chinese food from my work.'

(Sciences Po graduate, male, 29 y/o)

The analysis of interviews suggested that most income generated during studies abroad was used for immediate consumption such as housing, food, clothes and travelling among others. Some interviewees also suggested that they used some of the savings as seed money for opening a new business. As written above, the interviewee who was exporting European products to China, in fact used his savings from an internship to purchase small quantities of samples to Chinese buyers:

‘As a student, I do not have money to buy large number of products directly to China. The only money I have was savings from my 5 month internships which I used to buy product samples then shipped them to potential Chinese buyers with the help of my friends in China. If the buyers are interested, then they will have to make a deposit for their shipment, only in this way I can get the money to buy and eventually export them to China.’

(Université de Paris graduate, male, 29 y/o)

Another interviewee who co-founded an environmental hedge fund in Shanghai has worked in Paris many years. He used his savings from his overseas employment as the start-up funds together with a few other friends to set up their environment hedge fund. He said that although the money he had were mainly salaries and gains from the stock market, they were needed for ‘snowballing’ and attracting external investors, saying:

‘You cannot start from ‘Ground Zero’. If you only have a good idea but no money means, nobody is going to invest in you. But if you can show that you have some financial basis and you are putting your own money in the pot, then it is more likely they are going to do the same.’

(HEC graduate, male, 40)
From these few cases, one can observe that student migrants cannot only gain work experiences and sectoral expertise, they can also gain financial capital. Living in a global city, for example Paris, allows student migrants to access such employment opportunities because of the high concentration of business and corporations, helping them to gain human as well as economic capital at the same time.

6.5 Cultural Capital and Transnationalism of Student Migrants

In Beaverstock’s (2002:529) research on British expatriates in Singapore, he argued that ‘highly-skilled transient migrants are transnational elites’. As a layer of human flow within the Network Society, he pointed out that ‘their wealth, cosmopolitanism and cross-border organisational, social and cultural ties, and connections make significant contributions to their transnationalism and 'elite' status in the city (as also discussed by Hannerz 1996, Bailey 2001, Smith 1998, Vertovec 2002).

Having addressed human, economic and social capital accumulation in Paris, this section will explore the acquisition of cultural experiences by student migrants living in Paris and their transnational relationships. Hannerz (1996:129–198) suggests that the transnational practices of people (in this case student migrants) ‘play major parts in the making of contemporary world cities’ because they have ‘hyper-mobile international careers and cosmopolitan cultural distinctiveness’ (also in Beaverstock 2002). For these types of migrants, it is relatively easier to relocate between global cities with very little personal dislocation. Bourdieu’s (1984) use of the term ‘cultural capital’, referred to the knowledge, experience and connections one has had during their course which enables them to succeed more so those from a less experienced background. He also differentiated three subtypes of cultural capital, known as embodied, objectified and institutionalised cultural capitals respectively. Building on this, McDowell (1997:23) notes that ‘the possession of cultural capital by high-status employees is evident not only in their educational and professional credentials and in the types of goods and possessions that they choose to purchase, but also in ‘the embodied status, as modes of speech, accent, style, beauty and so forth’ (Bourdieu, 1984:243).
In the case of student migrants, one can observe distinct embodied and institutionalised cultural capitals gained from overseas studies and work. In Bourdieu’s (1986) work on embodied cultural capital, it consists that which is consciously acquired and those that are passively ‘inherited’ properties through the socialization of culture and traditions. As Chinese student migrants left China to study in France, they also moved between significantly different cultural contexts. Life in France gave them access to a new set or even more sets of culture, ranging across attitudes, norms, customs, and beliefs to language, food and behaviour. All interviewees agree that interaction with French culture and society has been positive and useful for daily life, and has provided them with new perspectives in looking at things.

One form of the cultural capital - linguistic capital - defined by Bourdieu and Passeron (1990:114) as ‘the mastery of and relation to language’, can be understood ‘as a form of embodied cultural capital in that it represents a means of communication and self-presentation acquired from one's surrounding culture’. As written in the previous chapter, learning French has been a main reason for Chinese students to study in France. Parisian life has given them ample opportunities to learn and practice French language skills. When asked how they learn and improve French, all of them have used French on a daily basis, which is said to be the most effective way of gaining proficiency. One interviewee who did not speak any French before coming to Paris shared his experience of learning French:

‘Honestly speaking, I was a bit worried about not speaking French when I applied for studying in Paris. I know it is okay for my studies, as my programme is taught only in English, but for day to day life, I cannot avoid using French. My worries proved to be right, as I found so few people in Paris speak English (I guess some of them do not like speaking English). But luckily, French is not like Chinese, with my knowledge of English, I sometimes I can understand French words and as they are a bit similar to English. My motto for learning French is to speak wherever you can, just don’t be shy! The first week of my arrival in Paris, I already managed to go to supermarket and buy a mobile phone SIM card, using my French language book and ‘hand language’.

(INSEAD graduate, male, 29 y/o)
Table 23: Different Methods of Learning French Language (Total = 60)

<table>
<thead>
<tr>
<th>Methods of Learning French</th>
<th>Percentage of Interviewees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Read French Books (novel etc.)</td>
<td>30%</td>
</tr>
<tr>
<td>Read French Newspaper / Magazine</td>
<td>45%</td>
</tr>
<tr>
<td>Attend French Class</td>
<td>55%</td>
</tr>
<tr>
<td>Listen to French Radio</td>
<td>60%</td>
</tr>
<tr>
<td>Speak with (French) friends / colleagues</td>
<td>80%</td>
</tr>
<tr>
<td>Daily Use of French (supermarket, bank, post etc.)</td>
<td>100%</td>
</tr>
<tr>
<td>Watch French TV</td>
<td>100%</td>
</tr>
<tr>
<td>Online</td>
<td>100%</td>
</tr>
</tbody>
</table>

(Source: Author’s Field research work/Interviews)

Table 23 above reveals that all interviewees also watch French TV on a regular basis. Although most interviewees also agree that they cannot understand everything on the TV, they nevertheless suggest TV to be an excellent medium for learning French by both images and sound. *France 24*, a 24 hour news channel (similar to *CNN* and *BBC World Service*) is voted as the most popular channel as it is said to be ‘broadcasted in standard French’, ‘easy to understand’ and ‘with no regional accent’ by the interviewees. One regular watcher said:

‘*France 24* is my favourite TV channel. As France’s international channel, the TV presenters speak a bit slower (at least in my opinion) than other French Channels such as France 2 or M6, which is very helpful for a non-French native like me. They also have a sister channel, France 24 in English, so I can sometimes watch the news again on the English version if I do not understand the news.’

(INSEAD student, male, 29 y/o)

News, documentaries and variety shows are among the most popular programmes as they tell ‘what is going on in France’ and give ‘useful insight into French society’ as suggested by many interviewees. One interviewee, who regularly watches news programmes called the TV as ‘a window to learn about France’, saying he has learned about politics in France and Europe, social issues (such as migration and integration), sports (football, tennis and Tour de France) and many other faces of France. He
suggested that by watching TV, he knows more how French people think about themselves and the world, and conversely, it also makes him to look at China and the world in different perspectives:

‘Before, when I look at issues and matters in one view, a Chinese view, now that I have lived abroad, I look at things from more than one view, I can say, an abroad and global view.’

(Sciences Po graduate, male, 29 y/o)

Traditional ways of learning French, such as speaking with friends, reading newspapers, magazines and books are also among the common steps taken by the interviewees. The majority of interviewees frequently speak French with their friends, classmates and work colleagues. They indicate that they take the chance to chat in French during coffee breaks in the school / office or on other occasions, and receive a lot of encouragements and support from their friends. One interviewee explains:

‘France is a very proud nation, and French people are happy to see you are making an effort to speak their language. So no matter how bad your pronunciation is, or how many grammar mistakes you make, they are willing to help you (if they have time of course).’

(ESCP Europe graduate, female, 28 y/o)

Another interviewee also states that ‘speaking French with her colleagues not only improves her French but also integrate to social life in France’, she adds:

‘When you talk with your colleagues or friends, or you join the Student Council (Bureau des Élèves in French or BDE), you learn a lot about different things happening in France, such as the grève (strike of public transportation), holidays and where to go, discounted shopping and sale, new films and concerts…you just need to be proactive in approaching your colleagues, do not be shy, coffee break is an important part of working space in a French company, and you will learn a lot about your company and colleagues, as well as other things about France.’

(HEC graduate, female, 29 y/o)
Leading broadsheet newspapers like *Le Monde, Le Figaro* and free newspaper *Metro* are the popular reading materials for Chinese student migrants, and some female interviewees also suggest some French fashion and home decoration magazines as useful and interesting casual reading. However, as internet is changing the ways people read news, many interviewees have also switched from reading a printed newspaper to the online edition. This is also in the case of radio, few people are still using radio as a way of learning French, saying that there are so many more multimedia sites on the internet than simply listening to radio. The exposure to French and other cultures, through interaction with individuals from different cultural boundaries (in studies, work, travel and living together) has given student migrants abilities in foreign languages, interpersonal communication skills and cultural knowledge necessary to develop and nurture their international career trajectory, in France, China or elsewhere in the world.

In terms of institutionalized cultural capital, suggested by Bourdieu (1984:183) as the institutional recognition, in most cases ‘in the form of academic credentials or qualifications, of the cultural capital held by an individual that gave them exposure to different cultures’. For many student migrants, the very fact that they can afford an overseas education is an indication of their social position of their families and indicates the cultural capital accumulated before their departure. The foreign degrees (MBA, Masters) they process or are currently studying for are desired objects in China to improve prestige. For a long time, overseas education was only accessible by the very talented or privileged families in China, who had the necessary wealth and connections to secure entrance to elite institutions abroad. The study abroad is often associated with top-ranked government posts or highly paid positions in the private sector, once the student migrants return home. Although this immense faith in and expectations of overseas education has diminished as more and more returnees are finding it hard to get an averagely paid job in China and despite negative reporting about overseas education (such as fake schools and diplomas), notwithstanding this, foreign educational qualifications are still, in Bourdieu’s words (1986:248, institutionalised cultural capital – that is, of ‘conventional, constant, legally guaranteed value’ within Chinese society.
The admission to a top business school in Paris is seen as the entry to the ivory tower (academic elitism), as they are joined by other talented students who were selected through a competitive entrance examination. One interviewee said when his family learned about his news to that he had obtained a place to study in INSEAD, it was like a ‘dream come true for many generations’ (INSEAD graduate, male, 31 y/o). He comments that his whole family was putting their hope on him. When the student migrants graduate, they also join an elite group who hold laminated diplomas and occupy key positions in their world place around the world. As discussed in the early section on alumni relations, former students form clubs and networks to ‘take care of each other’ and new members of their school, by offering job advice, coaching and other facilitations. It is indeed like ‘an umbrella’ or ‘net’ of elites, who share privileged membership credentials – their diplomas. The value of overseas qualifications can also be seen as institutionalised cultural capital recognised by the government concerned. For example, in the case of China, both central and local governments have been actively promoting and encouraging Chinese students to study abroad and facilitating their return to China (Shen 2008, Xiang and Shen 2009). As a result, such a policy further strengthens and highlights the credibility and transferability of overseas qualification as an institutionalised cultural capital.

The globalization process is articulated in ‘an endless interplay of differently articulated networks, practices, and power relations best deciphered by studying the agency of local, regional, national and transnational actors’ as Smith notes (1999:123). By studying urban transnationalism, he argues that the globalization–localization processes articulated in the global city are manifested in ‘transnational social space’ or the ‘translocality’, through the agency of ‘transnational migrant networks’ (also in Beaverstock 2002). The concept of ‘transnational social space’ is also discussed by Pries (2001:5–6), suggesting the establishment of such space is due to the ‘new forms of international migration and the intensified activities of international companies’. Furthermore, Beaverstock (2002:531) points out, ‘elites are not only important flows into and through the city, but the territorialization of their cosmopolitan practices and discourses are deeply embedded in specific transnational space, which are at the intersecting points of particular corporate, capital, technological, information and cultural lines of flow, and connections’.
In order to remain competitive in an ever changing and globalized market place, multinational corporations are targeting those talents who can navigate freely across cultural and geographical boundaries, assisted by language skills and cultural embeddness. In this case, student migrants who process the academic and professional expertise, as well as cultural and social capital are most sought after. In the analysis of 56 interviewees who have internships or jobs during studies in Paris (as shown in Figure 30) observation can be made on the notable transnationalism of their activities.

Figure 30: Types of Employment Requirement of Chinese Student Migrants

(Source: Author’s Field research work, n=56)

The two major employers of Chinese student migrants are the finance industry (as shown in the previous section on human capital) and those who have business contacts with China. For the finance industry, it is clear that strong numeracy or at least ‘being comfortable with maths’ is required, as almost 29 interviewees responded that numeracy was an important reason why they were selected for the job. Traditionally, mathematics has been a strong subject for Chinese students. Recently the Royal Society of Chemistry compared maths education in both China and the UK, and revealed that the maths teaching in China, is much more advanced, with children learning the subject up to the age of 18, calling mathematics as ‘integral to the
sciences in China and its economy. One interviewee commented that a finance job is one of the ‘fast track’ employments for Chinese students, as it requires rather less cultural understanding but rather more numerical skills (HEC graduate, female, 30 y/o).

In terms of language requirements, English as the lingua franca for international business is required by all job offers taken by the interviewees. 48 out of the 56 interviewees suggest English is critical for their job requirements. Furthermore, French and Chinese were also important criteria. Out of these language requirements, at least half of employment opportunities offered to Chinese student migrants requires trilingual proficiency in English, Chinese and French. This illustrates the importance of the globalized nature of the work and hyper-mobility of the post holder, who possesses language skills and understanding of three distinct cultures, Anglo-Saxon, Chinese/Asia and Francophone.

A recent job vacancy at L’Oréal (as seen in Figure 31, a leading French multinational confirms the importance of transnationalism for management positions in a global firm, as the candidates are required to speak at least two languages, Chinese and English, plus preferably French, and other Asian languages will also be desirable. In the detailed job profile, it is stated that ‘working in our offices in Clichy (France), you will be in daily touch with countries in the Asia zone’. Indeed, nowadays, expertise and knowledge of one country is not sufficient, in certain sectors and functions, employers are expecting staff to be more mobile and transnational. That is also why mobility and internationalisation have become a major issue for business schools around the world. Some academic institutions (especially business schools) are setting up multiple campuses, exchange programmes and training sessions around the globe to meet the demand from the business world.

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Among the 56 interviewees with internships/job experiences, 39 said their job was closely linked to China, while 10 interviewees’ work was partially linked to China. Already at the stage of seeking an internship, student migrants have used their transnational cultural and social capital as their ‘selling point’, as one interviewee recalled his application strategy:

‘When I was looking for the internship, I was focusing on the French companies who are already doing business in China or plan to exploit the Chinese market. I made this decision because I am from China, I know my country and market well, and now I also know about France, so I can be the ‘bridge’ between the two countries.’

(HEC student, female, 27 y/o)

Many other interviewees also refer themselves as ‘bridges’ or ‘links’ between China and the external world. They are often hired as interns to conduct market research or product analysis for the Chinese market. Based in Paris, they have close contacts with colleagues in China, and travel frequently back to China for business meetings and negotiations. While most of the interviewees engage in a Sino-France business network, one interviewee also transferred her knowledge expertise on China and transnational practices to other emerging countries and new assignments:
‘I started to work for Sodexho from 2003 after my studies at EAP-ESCP. In fact my work with them started with a stage first during my studies, I was doing a market research on Greater China region. I was then transferred and charged to develop Chinese business and the set up of sub-company for group catering (lunch coupons etc.) in China. After my project in China, I returned to our HQ in France because of personal reason. I joined the marketing department to capitalise my knowledge of our operation and working methods in China, and to develop strategies for other emerging markets, as part of our company’s internationalisation.

Lately I also joined a few other projects within our company, and now am working on corporate strategy and knowledge management, based on our local practices across the world. I am pleased to have the chance to work from local market and single country to plural levels and now on the global scale. This is thanks to my international professional experience and education. My global exposure allowed me to have an integral and wider horizon when dealing with different issues and easy for me to adapt and absorb to new cultures, such as co-existence of knowledge and mixed cultural environment.’

(ESCP Europe graduate, female, 30 y/o)

6.6 Conclusion

This chapter has discussed the accumulation of various forms of capital of student migrants through their sojourn in Paris, with respect to both specific academic or technical expertise from their studies, and the know-how of applying such knowledge to real business world through their work experiences. A key agent of ‘transnational social and urban space’, student migrants benefit from the immersion in an overtly international and intercultural environment during their overseas studies and work in global cities (Shanghai and Paris). This allows them to acquire social and cultural capital (such as language skills and cultural understanding) to navigate in the business interaction between China and the West, and the ability to relate knowledge and expertise in different working and cultural environments. By analysing their employment patterns and job profiles, it also shows strong transnational connection between France and China, which depicts student migrants as the ‘bridge’ and linkage
in world economy. The following chapter will analyse the reasons for returning back to China or for staying in Paris, and the respective implications.
7 ‘Living in Paris, Thinking of Shanghai’ - the economic and non-economic reasons for return migration

7.1 Introduction

The previous chapters presented the accumulation process of human/intellectual, economic, transnational social and cultural capital of student migrants in China and during their overseas study as well as sojourn in Paris. In their migration flows, global cities are both sending and receiving points in ‘transnational urban space’. As the key agents of this transnational network, student migrants, to use Bourdieu’s words (1986), have developed the proper ‘competence’ for capital accumulation and conversion. However, once the accumulation is completed, do they remain in Paris or go back to China? What are the motivations for them? This chapter aims to answer these questions and find the rationales behind return migration. It first theories the contemporary return migration of Chinese students and professionals in a general context. Following this contextual background information, it applies detailed analysis of the economic and non-economic factors influencing their decision making and their return migration of Chinese students and graduates from elite French business schools.

7.2 Theorising Contemporary Student Return Migration to China

Despite the fact that for a long period in Chinese history China’s overseas nationals were denied any rights or attention, especially with the Mao era ensuring China set a clear distance between the motherland and her overseas diasporas, notwithstanding this, China has also tried for more than a century to lobby for financial and political support from those Chinese living abroad (Le Bail and Shen 2008). The rehabilitation and integration of Huaqiao (overseas Chinese) was a step by step process. The first step was to renew the links with the wealthiest overseas Chinese and to attract their investments. The second step was to put an end to the stigmatisation of overseas Chinese. The final step was to upgrade the image of the emigrants by the means of
creating a new paradigm: the *xin yimin* (new migrants), which would include Chinese students and professionals studying or working abroad.

First, China launched a rapprochement policy with wealthy overseas Chinese. Exit and entry administration rules were relaxed for nationals who had family members abroad and for foreigners with family in China. A special tax system was also introduced for transfers and donations in foreign currencies. With regard to investments, *huaqiao* enjoyed special privileges, such as reserved locations inside the Special Economic Zones (SEZ), additional tax exemption compared to other foreign investors, tax deductions when investing in poor areas, as well as tax exemption on profits transferred abroad (Guérassimoff, 1997:180).

In 1977, Chinese authorities officially changed the status of the overseas Chinese. During a preparatory meeting of the Overseas Chinese Affairs Commission, the leaders criticized the policy pursued by the former government. They condemned the treatment inflicted upon the Chinese back from abroad (*guiqiao*) and *huaqiao* family members. The revision was backed by the idea that the concept of ‘capitalist’ hardly described the reality of emigrants, who were often poor before they left China and remained poor in the host country (Guérassimoff, 1997:131-132). In fact, the class struggle terminology was quickly abandoned, and the *huaqiao* were generally perceived as deserving persons with economic success and a real attachment to their homeland.

The Chinese government also tried to clarify the judicial status of the overseas Chinese. The 1980 Nationality Law clearly rejected dual nationality, stating that any national who voluntarily or involuntarily obtained another nationality would automatically forfeit their Chinese nationality. The law formalized the position China adopted in 1954. It clarified the categories of Chinese overseas, and *huaqiao* should then only be applied to Chinese nationals abroad. The new law aimed at easing relations with South-East Asian countries, but in reality China was still concerned with keeping links with the whole of the ethnic Chinese population abroad. Again, since the 1990s, the boundary between Chinese nationals and ethnic Chinese has been blurred. The policies targeting the overseas Chinese tend to enlarge their field of action, and not specify if the term *huaqiao* must be understood in the strict sense of
the word (i.e. the Chinese nationals) or if it includes the *huaren* (naturalised Chinese) and the *huayi* (Chinese descendants) (Xiang, 2003:27).

This tendency is even more manifest in the discourse than in the policies themselves (Nyíri 2001). A new term has appeared, to designate the Chinese who have left China since the ‘opening up’ of the country, with officials and the media speaking of *xin yimin* (new migrants). As such, the migrant’s image has been transformed yet again. The stereotypical emigrant of the past was a person from South China with no education who nevertheless achieved economic success abroad. The new stereotype, however, is that of a well educated poor emigrant, who volunteers to study or be trained in a foreign country in order to come back and participate in his homeland’s development (Le Bail and Shen 2008). The word *xin yimin* ascribes value to the Chinese population overseas. The new migrant is supposed to keep one foot in China and even tighten the links between the old overseas Chinese communities and China. Because the new migrant is better skilled, s/he is supposed to upgrade the image of the Chinese in the host countries, and be a factor for unification among Chinese abroad. Thus the *xin yimin* paradigm tends to further blur the distinctive categories of *huaqiao*, *huaren*, and *huayi*. *Huaren*, which has a broader meaning (Xiang, 2003:27).

The inclination to rub out the distinction between overseas nationals and foreigners with Chinese origins is not peculiar to China. Like China, many other emigration countries have carried out policies and campaigns to attract awareness or to enhance patriotism among its own emigrants. Since 1978 when China kicked off economic reform, more than 1 million Chinese went abroad to pursue academic studies and research. One must wonder, how many among these *xin yimin* have actually returned to China?

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59 Peggy Levitt mentions the case of the Irish President Mary Robinson, who in her inaugural address in 1990 declared that she was the representant of all the Irish people including migrants and their descendants. “More and more states, like Ireland, are decoupling residence and membership and extending their boundaries to those living outside their borders. They are creating economic, political and social mechanisms that enable migrants to participate in the national development process over the long term and from afar.” See Peggy Levitt and Rafael de la Dehesa: “Transnational Migration and the Redefinition of the State: Variations and Explanations”, *Ethnic and Racial Studies*, 2002. Vol 26(4), p. 588-01.
As the sending country, China is concerned about the enormous outflow of students, which could result in huge potential outflows, in terms of both financial and human capital. The foregoing account has shown the important accumulation of different forms of capital throughout the migration process. When self-financing became the main channel for studying overseas, the Chinese government shifted its policy focus from direct, all-encompassing control to indirect and selective intervention. New policy methods include providing scholarships, working with student associations, and most importantly, offering generous incentives to attract graduates back to China. If we regard the policy of sending students out as a plan of cultivating human capital for the long term, then attracting the internationally educated graduates back can be seen as a short-term strategy to ‘purchase’ mature human resources. Statistics show that only a quarter of these students have returned. However, the number is on the rise, as the return speed is increasing by 13 to 15 per cent each year, as shown in Figure 32. However, since the late 1990s, the number of returnees to China has been increasing at almost the same speed as outmigration (see Figure 32). By the end of 2007, nearly 320,000 graduates had returned to China (Shao Wei 2008, Xiang and Shen 2009). An increasing number of the returnees were self-financing students: more than 80 percent of the total 44,000 returnees in 2007 (Ministry of Education 5 April 2008).

What are the reasons for more and more Chinese students coming home after their studies or being willing to give up job opportunities abroad? In order to comprehend contemporary Chinese student return migration from Paris to China, both economic and non-economic factors must be considered. The analysis of forty interviews with Chinese ‘sea-turtles’ who came back from Paris to Shanghai reveals the twelve most frequently mentioned factors in determining their decision to return as summarised in Table 24.

Table 24: Economic and Non-Economic Determining Factors for Return Migration

<table>
<thead>
<tr>
<th>Economic Factors</th>
<th>Non-Economic Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment Opportunities</td>
<td>Family and Kinship</td>
</tr>
<tr>
<td>Prospects of Job Promotion</td>
<td>Immigration Control / Paper works</td>
</tr>
<tr>
<td>Business Opportunities</td>
<td>Lifestyle</td>
</tr>
<tr>
<td>Cost of Living</td>
<td>Environment</td>
</tr>
<tr>
<td>Family Resource</td>
<td>Social Networks</td>
</tr>
<tr>
<td>Job Transfer</td>
<td>Personal Plan</td>
</tr>
</tbody>
</table>

(Source: Fieldwork/Interviews analysis)
7.2.1 Economics Factor

The single most important reason for the return decision is employment opportunities in China. As can be seen in Figure 33, over half of the 40 returnees said they came back to Shanghai because there are more and better job prospects than in France. One returnee said:

‘Everyone can see that the economy in China is booming, and all the companies are moving to China. There are much more job opportunities for me, as I know both China and the West. I had been contacted by a few headhunting firms even before I finish my MBA. Honestly speaking, I have never hesitated about returning to China.’

(Sciences Po graduate, female, 28 y/o)

Figure 33: The Most Important Reason for Return

(Source: Author’s Field research work, n=40)

Another interviewee who works in the financial sector also selected the option of Better/More job opportunities commented:

‘There are so many new job offers in China every day, you can find loads of interesting opportunities if you surf the major recruitment sites, such as ‘www.Zhaopin.com’ or ‘www.51job.com’. Once I saw the news of HSBC’s
plan for recruiting 1,000 staff for its Shanghai Headquarters, can you imagine this for Paris? I think this will probably never even happen in HSBC’s global headquarters in London or Hong Kong!’

(ESSEC graduate, male, 28 y/o)

Figure 34: Inward Foreign Direct Investment (FDI) to China (excluding Hong Kong and Macau) and Stock of FDI in China

Furthermore, a few interviewees also pointed out there are more diverse opportunities for them in China than in France. For example, one mentioned:

‘In China, there are many different types of company, joint-venture (JV), wholly owned foreign enterprise (WOFE), state-owned enterprise (SOE), and of course you can also start your own company. All these companies offer various working environments and management styles, so you can choose your preferred type depending your own personality and career interest. For me, I chose to work for state-owned company, because, Chinese government is pushing domestic SOEs to ‘Go Global’ and there are a lot of challenging work

61 Full UNCTAD statistics can be found: http://stats.unctad.org/FDI/TableViewer/tableView.aspx
in our company’s foreign expansion. So, for me, it is a good opportunity not to be missed.’

(HEC graduate, male, 32 y/o)

Interviewees also emphasised on the possibility of opening new business in China. One interviewee, who eventually founded an environmental hedge fund, recalled his various plans before coming back to Shanghai:

‘Although China is a Communist Country, but in fact it is the best place for capitalists and investors. If you have a good idea, there you will have a giant market waiting for you to explore. I had many business ideas when I was deciding whether to go back or not, for example, opening an e-commerce site or technology transfer of solar system. However, at the end, I chose neither of them. I worked a few years for a French environmental company before setting up an environmental hedge fund with some friends. It was not easy at first, because I already have French nationality, but eventually after sorting out some ‘red tapes’, our fund finally kicked off. My impression about China is, if you are determined to do something, you can make it happen.’

(HEC graduate, male, 40 y/o)

‘Everything is possible in China’, says another returnee (INSEAD graduate, male, 31 y/o), who exports quality wines from France to China, ‘I had the business idea to export good wines from France to China, when I saw average quality wines were sold at ridiculously high prices in Shanghai. I thought to myself, there is a big profit margin as I know the price wines in France and Europe. The growing middle class in China are demanding quality life, and such demand has not been fully met in the market. So I wanted to make upper class wines as my niche market. So I did…’

The high expectation for more and better employment opportunities in China by these returnees is the key factor reflecting their confidence in the Chinese economy and China in general. That is why it is not hard to see the 7 out of 40 interviewees chose the economic climate in China as their top reason for the journey back home.
‘China is changing - it is changing so fast and giving a lot of surprises to the world and even to Chinese people. When I was studying and later in Paris, I feel I am missing this golden moment in China! I was very frustrated, I do not want to be an outsider, I want to be part of this history, and I want to join the revolution!’

(Sciences Po graduate, female, 28 y/o)

The quotation above is from a Chinese returnee who came back to China after obtaining a master degree from Sciences Po, and two years of working in Paris. Her account gives a good summary for the other returnees’ anticipation of China and its economic development. The return in her view is even considered as an ‘historical mission’ that she needs to fulfil in order to join the new ‘economic revolution’. From the world factory to the second largest economy by purchasing power parity, China’s economic growth at double-digit rate not only caught the eyes of foreign investors, but also drew the attention of Chinese students and professionals abroad. A sense of confidence in China’s future is very evident during the interviews with returnees. To them, China is said to be the country full of opportunities and with room for career development, often labelled as the ‘the place to be’ in the 21st century, as one current MBA student at INSEAD said:

‘Everybody is talking about China, I feel very proud to be a Chinese and I am very confident about Chinese economy. Unlike in the West where people spend, spend and spend, people in China, on the contrary save lot. So I think the economy is more sustainable and safer. Of course, we are still a world factory and we still have a lot to improve, but I have no doubt that the 21st century is the China century!’

(INSEAD student, male, 29 y/o)
Another interviewee also said his sector of interest - luxury business, is booming in China:

‘Well, there are a few reasons why I returned to Shanghai after my graduation. Firstly, I have the service bond which I signed up for the partial sponsorship I signed up with Roland Berger which I must fulfil. Secondly, and more importantly, in terms of development opportunities, there are more potential in China. There are no ideal offerings abroad which match my skills and so far my business focus has always been on China. In addition, the sector I am most interested is luxury products, at this moment, there is no better place than China to study such an industry.’

(INSEAD graduate, male, 29 y/o)

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62 World Development Indicators database, World Bank, 1 July 2009:
This confidence in the Chinese economy is in contrast with the interviewees’ doubts over economy in France and Europe. One interviewee speaks about her worries over the decline of the European economy, saying that China is now the second largest economy in the world, just after the United States (as seen in Figure 35) and the employment rate is more favourable for China too (Figure 36 below):

‘In recent years, the European economy is not working very well and there are a lot of social problems and uncertainties. On contrast, the Chinese economy is booming it has been tested by the Asian Financial Crisis in the late 90s and other international incidents like SARS and 911 and I have a lot of confidences for its future. Therefore it was a very wise choice for me to return home I feel. Even my French husband also agrees with me and we moved back together.’

(ESCP Europe graduate, female, 28 y/o)

**Figure 36: Unemployment in Selected Countries (%) estimated figures for 2008**

<table>
<thead>
<tr>
<th>Country</th>
<th>Unemployment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>European Union</td>
<td>7.5</td>
</tr>
<tr>
<td>France</td>
<td>7.4</td>
</tr>
<tr>
<td>United States</td>
<td>7.2</td>
</tr>
<tr>
<td>Canada</td>
<td>6.1</td>
</tr>
<tr>
<td>Australia</td>
<td>4.5</td>
</tr>
<tr>
<td>Japan</td>
<td>4.2</td>
</tr>
<tr>
<td>China</td>
<td>4</td>
</tr>
</tbody>
</table>

(Source: United States Central Intelligence Agency (CIA), The World Factbook 2009 online)

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This data entry in the figure contains the percent of the labor force that is without jobs. Substantial underemployment might be noted, for more detailed information, please refer to CIA the World Factbook:

Their sense of confidence is supported by the economic statistics on China’s growth. Figures 36 and 37 show the comparison on estimated unemployment rate and real growth rate of GDP among major economies and immigration countries. Figure 36 shows China enjoys the lowest unemployment, at 4%, much lower than average unemployment rate of the European Union. China’s performance is also healthier, when compared with other traditional destination countries for Chinese migrants (Australia, Canada, Japan and the United States). In terms of the real growth rate for the gross domestic product (GDP), China also enjoys a much superior position, and although the long period of double-digit growth was interpreted in the end of 2008, nevertheless its performance of 9.8% is far better than the others. For example, the rate for Japan is estimated at minus 0.4%. When compared with France, China’s growth rate is approximately 14 times of the French figure (0.7%). Even in time of financial crisis, China is said to continue higher growth than other economic powers, like Japan, European Union and United States. An interview with a senior officer of MBA programme at INSEAD also confirms a growing confidence among Chinese students and graduates on development opportunities in China. As suggested, Chinese

64This data entry in the figure gives GDP growth on an annual basis adjusted for inflation and expressed as a percent. for more detailed information, please refer to CIA the World Factbook: https://www.cia.gov/library/publications/the-world-factbook/rankorder/2003rank.html.
students are now hesitating before doing an MBA abroad - even at some of the most elite institutions saying:

‘They feel there are greater opportunity costs for studying abroad. They have good jobs in China and the fast growing Chinese economy keeps them busy. So they’d rather work in China to than giving up their current jobs for spending one or two years to study a MBA. The market is just too attractive for them and their companies. Many of them therefore have chosen to do part-time or executive MBA in local schools, such as CEIBS and other leading universities.’

(INSEAD staff, interview in Paris)

**Figure 38: Comparison on Chinese and French GDP (Gross domestic product, constant prices, Annual percent change)**

* figures for the period 2009-2014 are by IMF staff estimates

(Source: International Monetary Fund (IMF) World Economic Outlook Database, April 2009)

The latest statistics from the International Monetary Fund (IMF) also show the trend that Chinese economy growth will still surplus the recovery speed of French economy. Its forecast for 2009 to 2014 shows China will gradually recuperate to double digit growth in 2011 (10.249%), while France will only just end negative growth in 2010, and raise to the rate of 1.675% in 2011. As shown in Figure 38, the GDP growth also

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65 IMF World Economic Outlook 2009:
correlates with the growth in FDI to China. Both statistics indicate positive prospects for employment opportunities in China. Furthermore, an international career advisor from Sciences Po points out many French companies are now recruiting Chinese students directly in France, as the competition for talents is so fierce in China. She talks about the many requests they have for hosting recruitment fairs in Sciences Po, from big French corporations, from fashion companies, to banks and nuclear industry. She said:

‘France is selling a lot of products to China, like Airbus, TGV trains and has substantial investments all over China at the same time, so these companies need good job candidates for expanding their business. The Chinese students at Sciences Po and other Grandes Écoles naturally become the target groups’.

(Sciences Po staff, interview in Paris)

Corporate transfer is also marked as an important reason for return migration. Indeed, the business opportunities in China have also led the private sector to engage in Chinese student migration and returnees, to again offer privileged access to a pool of internationally trained Chinese talents. For the private sector, human resource is vital for a business’s success or failure. Therefore corporations are working hard to keep an adequate supply of educated talents. Three interviewees returned to China under an inter-company transfer. One said:

‘My first stage (internship) was with EDF in Paris, and then I worked for L’Oréal for another stage. The initial period with L’Oréal was 3 months on finance control but I was taken as a permanent staff member after my graduation. However, Asia region has become our company’s fastest growing region and they need more people in our Shanghai office. As I am Chinese and have experiences at the Paris Headquarters, I was asked to be transferred back to Shanghai...’

(ESCP Europe graduate, female, 28 y/o)

Some companies now have specific programmes through a three step approach, sponsor, train, recruit and transfer. The corporate apprenticeship scheme at ESSEC, detailed in chapter 6, is an example of partnership between educational institution and the private sector. They are now firstly facilitating talented students to pursue
overseas studies by providing them with scholarships. At the second stage, they give internship or other in-house training opportunities / projects for their sponsored students to gain working experience with them. After their graduation, they will then recruit these talents, and eventually transfer them back to the country of origin to work in the joint venture or a subsidiary.

The majority of INSEAD graduates found their jobs through on-campus recruitment. When top consultancy and banking firms come to INSEAD, HEC or elsewhere, they all have global recruitment strategies and plans for their individual offices. This certainly includes increasing demands from the booming China region. One HR officer from the French luxury products group, Louis Vuitton said during an interview that, ‘despite the financial crisis, we are not freezing our investment and commitment to the Chinese market, we will need to fill 70 or more new management positions in China in 2010!’ (interview in 2009).

One of the Chinese graduates from INSEAD got her job with the Boston Consulting Group during a campus event, then returned to Shanghai. She commented: ‘When BCG comes to INSEAD, they have recruitment plans for their offices. Greater China Office is of course focused on Chinese students and has a quota for that. (INSEAD graduate, female)’ Her INSEAD colleague shares similar thoughts about her offer from A.T. Kearney:

‘AT Kearny’s requirement is similar to Accenture but even higher, i.e. analytical and logical thinking plus communication abilities. At campus recruitment they compare more personal qualities rather than qualifications; I may have different ideas basing on my experiences in China and France.’

(INSEAD Graduate, female, 31 y/o))

Going back to China is also regarded by returnees as being to a place where they feel their values and cross-cultural competences can be maximised, because they can combine Chinese traditions and Western business practices. One returnee said:

‘Without doubt, the world is looking at China right now. Even more and more foreigners are willing to work in Shanghai at local terms of contracts. For us,
born and bred here, we have solid local knowledge and we also have the education from both China and Europe. Comparing to local staff and expatriates, we have the right knowledge and experiences between the East and West. Therefore, I did not hesitate when I graduated and chose to come back immediately. China is the place actions take place and for us, as young careerist, you ought to be here.'

(INSEAD Graduate, female)

Also, for those who do not hold high level proficiency of French, going back to China also reduces the language barriers in their work. One interviewee said:

‘Although I speak English and Chinese well and some French, but it is still difficult for me to participate fully in the casual chats during coffee break or lunch with my colleagues.’ He said he was happy to be back in China, where he can speak freely, without needing to phrase the sentences first in his mind.’ He continued, ‘My limited language and cultural knowledge about France has not only created troubles for my contacts with colleagues, it also became an obstacle for my promotion in the company. As I work for a French company, the working language is French and if I want to get promotion for higher position, I have to improve my French and know about France in order to communicate and socialise with other members of senior management. Unfortunately I did not have time to practice French due to my heavy workload; as a result, my promotion has also been put aside. So at the end, I decided it will in the best interest of my career to move back to Shanghai, where the office language is English and I have the extra advantage of speaking Chinese in addition to English and some French.’

(ESCP Europe graduate, male, 29 y/o)

There are similar cases where returnees consider the prospects of job promotion as a determinant for returning. The issue of ‘career ceiling’ is again often mentioned in these interviews. In the earlier chapter, interviewees said one of their reasons for studying abroad is to ‘get beyond’ the career ceiling in their jobs in China, by acquiring new knowledge and experiences abroad. In the case of return migration, many returnees indicated the development space abroad is much more limited than in
China, especially in those jobs which require deep cultural and linguistic knowledge. One interviewee, who works in the field of marketing, said:

‘After a three years working in Paris, I do not see myself getting any promotion in the near future. Things are slow in France, and there are a lot of hierarchy in French companies. Also, my expertise is marketing which requires me to need to deal with the French and European consumers. Although I speak good French and English, but they are not on the level with the natives, as they have linguistic advantages over me. As natives, they also know their people and cultures better, some of them even speak 3 or 4 European languages. So when it comes to promotion, I feel I do not stand much chance against them.

On the other hand, our company’s business is developing fast in China, and there are many new senior job openings. I thought to myself, if I work in China, my Chinese will be better than the French expatriates and my English and French will be better than the locals, and I know both cultures well, especially my own Chinese culture, people and marketing. I am now already a department manager in our China Headquarters in Shanghai. If I had stayed in Paris, probably I am still a junior manager.’

(ESSEC graduate, male, 29 y/o)

As described earlier, financial institutions are the most popular sector for Chinese students and graduates in Paris. It is a sector which requires high numeracy skills, and relatively less cultural comprehension and language skills. Can the job promotion prospect factor apply to them too? Another interviewee working in the finance sector shared this opinion:

‘After finishing my MBA, I worked at an international bank at La Défense, the pay is good and I enjoy my work and life. But gradually I feel the working speed is too slow in France and Europe in general. There are a lot of holidays, one of my Chinese colleagues joked that, French people work two days and then take one day off. I mean it is good to have so many holidays, especially if you compare the 15 days of annual leaves in China. But on the other hand, when you are young, you want an intense and challenging work, where you
can show your ability and bring profits to the company. The financial sector is developing very fast in China, and it is the best time to benefit from it. For example, the IPO (Initial Public Offering) is so attractive that many foreign firms are eyeing to get a share of the pie and be listed in the Shanghai Stock Exchange. There are a lot of new works to be done, for young people like me, these mean better job prospects and fast track to management positions.’

(HEC graduate, female, 30y/o)

These two interviews reveal that the ambition for better employment prospects in terms of job promotion and ‘overcoming career ceiling’ is a considered factor for making the choice to return or not return. Also worth pointing out, is the desire among some returnees for ‘doing something new’ or ‘working something challenging tasks’. As the interviewee above pointed out, the ongoing reform and opening-up of the Chinese economy is said to bring the creation of new jobs:

‘China’s special economic and political system means you need to start many things from the beginning, nothing you can take for granted. This is challenging, but you are doing something totally new in the business world. We have only seen one side of China’s rise, and it will have more impacts on the global economy in the coming decades. So it is really a golden opportunity, to do something that has never been done in the past and elsewhere, simply speaking, working in the capitalist market in a communist country, which means the only way to learn how it works is by doing it.’

(ESSEC graduate, male, 28y/o)

This notion is linked to the overall confidence about the Chinese economy, or in some cases, a pride in the economic development over the past three decades, contrast to the ‘pessimistic’ feeling on the European economy. Furthermore, other practical economic benefits of returning also contribute to their final decision. The most obvious and talked about is the cost of living in China. Macro data shows that overall China is still one of the cheapest countries to live, in spite of its position as the 2nd largest economy in the world. As shown in Figure 39, the average cost of living in China is not only much less than in the industrialised countries of the West, but much cheaper also than other emerging economies, like Brazil, Mexico, Thailand and
Central and Eastern European countries. There is a wide gap between China (0.217) and France, 8th highest place (1.161) in terms of living costs. Although on the whole living costs for China on the national average level (this includes the much poorer areas in the rural part of China) are low, living costs in some of the most cosmopolitan cities, like Shanghai, Beijing and other more developed coastal cities are also cheaper than other internationally recognised global cities like Paris, New York, Tokyo and London (as shown in Figure 39). What are the practical implications for this gap? One interviewee analysed the price differences in China and France:

![Figure 39: International Cost of Living Comparison (2005)](Source: World Salaries.org 2006)

(Source: World Salaries.org 2006)

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66 More detailed result and methodology can be obtained at website of World Salaries: http://www.worldsalaries.org/cost-of-living.shtml.
‘One of my reasons for return is the high living costs in France. It (price) is just getting higher and higher, especially when they changed from francs to euros. For example, I seldom take taxi except for urgent matters, as it is ridiculously expensive. So when you finish work late, you still need to walk to the metro station and endure a long journey home. But now I am back in Shanghai, I take taxi almost every day. It is even cheaper than having your own car. I can never image doing this in France. Of course, I do sometimes take metro as well, but not to save money, rather in order to avoid traffic jam.’

(ESCP Europe graduate, female, 28 y/o)

Table 25: EIU Worldwide Cost of Living by cities (2009)\textsuperscript{67}

<table>
<thead>
<tr>
<th>Rank (original)</th>
<th>City</th>
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<td>20 (20)</td>
<td>Madrid</td>
<td>Spain</td>
<td>102</td>
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\textsuperscript{67} The full ranking can be obtained from the Economist Intelligence Unit Worldwide Cost of Living site:
Taxi is among one of the many things discussed by the interviewees, others frequently mentioned are food, electronics, clothes and DVD etc. The high living costs especially in the service sector (like babysitting and housekeeping) due to the high labour costs are of concern in the interviews - as one returnee pointed out:

‘Now I have an ‘A-Yi’ (domestic helper) to assist with household work, such as cleaning, ironing and cooking. Don’t take me wrong, I am not a lazy person, but my work consumed a lot of energy, and often I need to work overtime in the office. I am sure you will agree, the last thing you want to do when you are back home late is to clean last night’s dishes or iron your clothes for tomorrow’s business meeting. Having a domestic helper in France will cost a fortune, but in Shanghai it is not a luxury thing to do, as it only cost a small fraction of my wages. A-Yi helps me to do the things I don’t have time for, and spare me precious time to have joie de vivre.’

(HEC graduate, female, female)

Some interviewees also have either a special employment contract or expatriate package, which makes relocation to China even increasingly more attractive. For
example, two interviewees, who worked in the consulting business, explained their companies all have a ‘global pay’ policy, so when they finished their MBA degrees, their salaries in Shanghai were ‘more or less the same as other offices around the world.’ One interviewee commented:

‘I don’t think there is much difference at least in terms of pay scale between our post in Shanghai with another associate in Paris or London Office. However, as you know, with our money in Shanghai, we can enjoy much more. Our money goes further…I sometimes feel sorry for our colleagues in London, because they really often overworked, but of course there is also bonus, and that really depends on your performance.’

(INSEAD graduate, female, 31 y/o)

Another interviewee also added he was ‘fortunate’ to get an expatriate contract, saying that:

‘There are now fewer companies which offer expatriate contracts nowadays, as most organisations implements policy of localisation even among the cadres of senior management. I was able to manage to negotiate an expatriate contract, which gives me more pay and free accommodation. For me, since I am Chinese, I know the language and where to shop and to eat. In this case, Shanghai is much cheaper than Paris, and I spend much less than before and can save a lot of money.’

(HEC graduate, male, 28 y/o)

As shown in the latest Economist Intelligence Unit (EIU) 2009’s Worldwide Cost of Living ranking, Chinese cities have climbed very fast towards the list of super-expensive cities. For example, Shanghai was ranked at the 49th place in 2008, and in only one year’s time, it has raised 20 places to 29th position, only 2% cheaper than New York. Similarly, Beijing was also up to 36th place from 66th. However, this is mainly due to the currency dislocation, according to the Economist Intelligence Unit. The Chinese renminbi is tightly linked to the US dollar, so making the relative cost of living in these cities rise as the currencies of other countries fall. In a follow-up meeting with interviewees following the financial crisis in the summer of 2009, living costs were discussed. However, all three returnees said they are not concerned with
these results in EIU’s survey. They suggested that most returnees are paid in local currency of China – renminbi, ‘life is going normal’. Two of them even said they could afford longer holidays and better hotels since the renminbi is strong:

‘This year, my friend and I (the two returnees from ESSEC) went back to Europe for holidays this Chinese New Year (2009). At first we only decided to go to Southern France like Cote and Aix-en-Provence. But since our renminbi was so strong against the euros and pounds, we spent less than we thought, so we even took an extra shopping weekend in London. In the past the British capital was always very expensive, but this time we could even afford to stay at a four star hotel in the centre of the city close to the Covent Garden. So overall, the high exchange rate for renminbi does not make our life more expensive but even helped us to reduce travelling costs on the contrary.’

(ESSEC graduate, female)

While the other returnee agreed on the cheaper foreign travel, she said she has partially felt the touchdown of financial crisis in China:

‘While the whole world is talking about the economic crisis and recession, in China, we only regard it as a financial crisis from the western countries. Because for China, we dot yet have credit problem like those we saw in the US or Europe. But it is touching on our economy and daily life. My two friends are right about saying it is now cheaper to buy foreign goods or travelling to the US and Europe, but it also makes our export more difficult since renminbi has appreciated. For example, our company has encountered problems with orders from abroad. And as a cost saving strategy, our taxi allowances were cut by half. I mean still it is cheap to travel by taxi, but it is impossible ignore the troubles the financial crisis has brought to our economy and daily life.’

(ESSEC graduate, female)

From the above analysis, we can see that economic factors are the main rationale behind return migration. Their return migration can be mainly analysed in the theoretical framework of New Economics of Labour Migration (as listed in theory section). This scholarly approach indicates the return ‘is part and parcel of the migration project (seen as a ‘calculated strategy’). It occurs once the migrant’s
objectives are met in destination countries’. Their return was not a failure of the migration plan, as described in neo-classical economic theory on return migration. For those returnees in Shanghai, their main objectives were to acquire academic knowledge, professional skills and international contacts, as well as, for some of them, financial resources. One student migrant (ESCP Europe student, male, 26 y/o), who was interviewed when he was still studying in Paris, mentioned that it was part of his career plan to study in Paris, then return home, because of the business opportunities at home and the add-value an overseas degree brought him. Therefore, after they completed their studies, and their job experience (their objectives) in Paris (or other internship places, their destination countries), they returned to Shanghai as part of their migration project. Yet these returnees are also highly transnational, as they maintain their contacts and acquaintances abroad, through work and through personal relations, which will be explained in details later.

However, interviews with those Chinese graduates who chose to work in Paris also revealed their decision to stay. There are three main explanations for this counter argument to economic factors for staying in Paris: experiences, salaries and social security. The most important reason for staying in Paris is to gain experience from employment in France. One interviewee, who is currently working at a French bank, said:

‘I am staying in Paris because I want to gain some more experiences in an international bank. Now there are many returnees in Shanghai with foreign degrees. Many of them do not have working experiences, like those who graduated one year master degree from British universities. Since I only graduated one year ago, I wanted to stay another 2 or 3 years in Paris to know my company and job better. I think if I have 3 years or more experiences, I will stand out better in the job market.’

(ESCP Europe graduate, male, 27 y/o)

For many of those staying in Paris to work, or who are currently still students in the school, the optimal working experiences they aspire to have are in the range of 2 to 4 years. Many of them say that in this case, one can gain substantial professional expertise and business know-how, yet do so without being ‘too long away from
China’. For them, they are yet in the stage of meeting their migration objectives, and will return after their capital accumulation process is accomplished.

Salaries are also often spoken as a main reason for staying in Paris. Although the living costs are considerably cheaper in Shanghai than in Paris, the salaries in France are relatively higher than in Shanghai. One Chinese interviewee, who stays in Paris and works for a hospitality company, says:

‘It is no doubt that the average salary is higher in Paris than in Shanghai. I know, it is cheaper in Shanghai for food and transportation, but the nightlife and housing are not really cheap. When I was in Shanghai for business trip, the meals at a French restaurant were much more expensive than in a good bistro in Paris. I think except you have a good contract, like expatriates, you will earn less than in Paris. I don’t think I could get an expatriate package for going back to Shanghai, so I am happy with my pay and life in Paris. In any case, I go back to Shanghai and Beijing a few times for business trips which I can also meet my family. Who knows, maybe I will return to China one day, when there is a good offer.’

(Sciences Po graduate, female, 28 y/o)

The strategy of this interviewee can be explained in the theory of ‘transnationalism’ where it says ‘return is not necessarily permanent. It occurs once enough financial resources and benefits are gathered to sustain the household and when ‘conditions’ in home country are favourable.’ (Portes et al. 1999:225) This story is a quite typical case for some returnees, who want to keep their current salary, and will return when there is a suitable and well paid position available in China. Despite being physically based in Paris, they work on China-related projects, or maintain close interaction with operations in China.

Contacts in China are of particular importance for those with the plan to return to China. One MBA student at INSEAD said:

‘I have already decided to go back to Shanghai once my study is over in Paris. So I keep close eyes on the job market in China, and also on the Chinese
economy and business environment in general. I have already contacted some headhunting firms before I left Shanghai, and they send me regular job opening in Shanghai and other cities like Hong Kong and Beijing. In China, a MBA degree is not sufficient, you need to have Guanxi (connections) to get what you want, especially these senior management positions which are recruited ‘behind curtain’. So this is why I am in fact ‘living in Paris, thinking of Shanghai’.

(INSEAD student, male, 29 y/o)

The final main economic reason is in a way linked to the salary, which is to say, employment benefits such as insurance, pension and medical care. Comparatively speaking, as a welfare country, France has a more comprehensive medical and social security system than in China. While for some interviewees, the constant strike (grève in French) is annoying and indicative of the downward-going economy, some others consider them as symbol of France as a welfare society. One of those who agrees on this, decided to stay and work in Paris after his degree at ESSEC:

‘Personally I really admire these people who take on the streets to voice their concern over their welfare and benefits. I really like the French health care system, although we pay a lot for it, they are worthwhile. Look, I have free medical service when I go to a hospital, and I even got designer glasses or contact lenses every year. This is unimaginable in China. I would have to pay a lot for my medical bills as many of them are not covered or only partially reimbursed. Also the pension is better, and if I decided to become naturalised as a French citizen, I could also access to an unemployment allowance. All these extra-perks are important for me.’

(ESSEC graduate, male, 29 y/o)

Although his argument is not common - only one other interviewee mentioned this as an important reason - it is still noteworthy to understand the whole variety of economic factors on return migration. Just as most interviewees in Paris expressed the view that they have close contacts with China in their daily job, there was one exception:
‘I am now working for a Fortune 500 management and IT consulting company in the field of ERP (Enterprise Resource Planning). It is my first job after my graduation and I have been doing it since then. My original plan was to work for a bank or auditing firm, because of better pay and working environment, but I had troubles with the work permit. When I graduated from ESCP in 2001, there was the 9/11, and the economic situation in France was not good. Therefore I took my second choice and worked for this IT Company although I am still not very satisfied. My current job does not connect with China and I only use English and French for my work as it is a US company. For me, I don’t consider myself as someone who must work on China, because I speak Chinese, I can work on various projects in different countries.’

(ESCP Europe graduate, male, 27 y/o)

Just as there many economic factors for deciding whether to return or not, and some of them are even in conflict at the same time, there are also many non-economic factors, which drive behind that return decision. The following section will use the analysis of interviews to exemplify some of the main non-economic factors for return migration.

7.2.2 Non-Economic Factors

Though China’s impressive economic development and growing associated opportunities may seem to be by far the most important pull factor for attracting Chinese students to return home, as suggested earlier by the majority of returnees, an important role for many returnees are factors that relate to the family, when it comes to balancing the pros and cons of return. Non-economic factors, such as family ties, personal relationships, lifestyles are often far less tangible and quantifiable when compared to the economic factors listed above. In this research, family / kinship, immigration matters, lifestyle, environment, social networks and personal plans are most widely discussed during the interviews with returnees. Among these, one important factor for the decision to return is undoubtedly the family issue.
The Importance of Family

To understand why family plays such an important role, we must take the following into consideration. In China, family is an important part of the social structure. Under Confucius’s influence, China has developed a series of traditional values, among them, the most important one is Xiao, meaning to respect and take care of the parents). Persons, who do not observe the importance of Xiao, are despised in the society. Another important issue to recall is the single child policy in China. Implemented in the late 1970s as a way to control population growth, every family in China is only allowed to have one child; those who broke the regulation were fined. This policy has not only had a significant impact on the country’s demographic features by limiting the population growth, but also changed the family structure within China. Big families of 4, 5, 6 or even more children disappeared, as small families of three, two parents with one child, have become nationwide. This change has increased the kinship and interdependence within the family. Moreover, as now there is one single child in the family, parents invest disproportionally in the education and growth of their child, while at the same time holding massive expectation of the child's future.

Once contextualised with Chinese family and traditional values, it is now easier to understand the importance of family and intergenerational relations for return migration. In many cases, a return is often associated with feelings of guilt and a sense of responsibility for parents and other family members. For example, one returnee from ESCP Europe Business School, who quit his job at a French bank in Paris and joined one of the privately owned banks in Shanghai said:

‘I had a good job and life in Paris, but the thing I don’t have is my family. They are old now and the only thing they want is to be close to their child. When I was in Paris, I particularly missed and worried about my father, as he was already sick before I left Shanghai. I called them (parents) very often, but every time I called them, they only gave me good news about the family, such as my father is recovering well, and they are going to visit countryside…

They never tell me unhappy news and stories they have, sometimes even lied to me about what is really going on. It is not until once a friend of mine told...
me by chance that my father had been in the emergency room, otherwise I would have never known about it. They don’t want to share their worries or sorrows with me, now you see what I mean? …

As a son, if you cannot be with your father when he is in the emergency room, it is a very shameful thing! And that was how I felt when my father was in hospital while I was in Paris. I did not want to carry on living like this, so I decided to go back to Shanghai, find a good job and fulfil my duty to take care of my elderly parents.’

(ESCP Europe graduate, male, 28 y/o)

His story accurately illustrates how family ties and kinship are absolutely central to Chinese culture and traditional values. In his opinion, shared by many other returnees, paying respect and taking care of their parents remain the essential moral obligations for children. Therefore this explains the guilty feelings expressed by the above interviewee. This guilty feeling is also naturally linked with responsibilities required of children in Chinese society. As said earlier, it is the undeniable duty of children to be responsible for their elderly parents. This is particularly true in the case of student returnees, as in many cases, their overseas studies were sponsored at least partially by their family. One interviewee said her studies would not have been possible if her family have not given all of their savings to finance her master degree in Paris:

‘When I planned to study in Paris, I had some money from my job, but it was far from enough. Like many other students, my parents gave me all of their savings for the past years. We are not a rich family, and they have spent a lot of money in my education and buying an apartment. So what they have given to me is just about everything they have. I know in some cases, parents even sold their flats to let their child be able to study in the UK. I really owe too much to them, and the least thing I can do is to come back home and be there them as they grow older.’

(ESCP Europe graduate, male, 29 y/o)
Another interviewee said his parents were against his decision to return, and told him to devote more to his career rather than worrying about them, but notwithstanding this, he eventually came back to China. Talking about why he came back against his parents’ will, he said:

‘We all know, every parents love children. When the children are away, although they do not say ‘missing you’ in the mouth but it cries out loudly in their hearts. This is the same case as my parents. I know they want me to be closer to them. Our home is in the countryside, and if I want to travel from Paris to my home, I would need almost a full day. But now I live in Shanghai, it only takes me a couple of hours to home. So in case of any emergency, I can get back to them very quickly. We also see each other more regularly as the travelling costs are cheaper, not like flying to Paris.’

(HEC graduate, male, 32 y/o)

This responsibility is growing even more binding these days for many families in China, due to the one child policy. The pressure is increasing for the single child in the household, as he/she now faces greater responsibilities and obligations. For example, a married couple of two single children need to take care of up to twelve older family members, parents and grandparents from both sides of the couple. The responsibility is much higher than in previous times, when the elderly were taken care by their numerous children. Many returnees expressed the view that the more time they lived abroad, the more they realised how many sacrifices their parents have made to make their overseas studies possible - hence motivating them to go back in order to take up their duties on behalf of their parents. Some of them observe that in western countries children became relatively independent earlier than in China, as the Chinese relied more on family, financially and mentally. Therefore, Chinese children often have greater attachment to their parents, which makes the family factor a crucial consideration over their return choice. One interviewee jokingly said:

‘I came back, I got married, I gave birthday to their grandchild, and I am now taking care of my baby and parents. This seems to be a lot of responsibility, but it is nothing comparing what they (parents) have done for me! They had
much more difficult conditions when they raised me up and gave me what I have today…”

(INSEAD, graduate, female)

In addition, family reunification for married couples and people in long term relationships are also important. Some returnees already had family in China before they went to study in Paris. Sometimes their family members followed and accompanied the students in Paris, but most cannot do so because of study or work in China. To be united with family once studies or work finish is a personal decision based on calculating a balance between family and career. One returnee chose her family over job possibilities in Paris, saying:

‘I waited for some interviews for a while in France when I finished my studies. However, I feel (to find a job) I must learn and improve my French for at least half a year and then wait for job opportunities. On the other side, all of my European and French classmates have their families in Paris but it is difficult for my family as they are non-EU citizens. At the same time, I wanted to return home immediately because my three-year old daughter needs me a lot, so does my husband. I have been already ‘selfish’ in leaving them home for my MBA and could not ask them to wait for even longer. On the other hand, I think China has a lot of development potentials and I don’t feel I have to stay in Europe.’

(ESSEC graduate, female, 28 y/o)

As shown in the previous chapter, there was only one interviewee who did not have any sort of traineeship or job experience in France. The reason behind this was to do with family, he explained:

‘My wife was my former classmate and has lived in Shenzhen alone for many years because I was working in Shanghai. The distance grew further when I went to study in Paris. I do not think our relationship shall work if I continue to live in France, so I took time during the break of my studies to visit her in Shenzhen, hence I did not have any time for doing any job experiences.
Marriage is important for me, since she is now transferred to Shanghai, we could finally live together after many years of long distance relationship.’

(INSEAD graduate, male, 31 y/o)

This is also true for those who frequently travelled on business trips and relocated more than once in their studies abroad. One of the interviewees studied his MBA in INSEAD’s dual campuses in Fontainebleau and Singapore. Despite living in Singapore, which lies in closer proximity to Shanghai than Paris, he still decided to go back to China after his studies and work in both Asia and Europe:

‘In fact I first chose to spend a second semester in Singapore was to be close to my family who is living in Shanghai since travelling between Singapore and Shanghai is only half of the distance between Shanghai and Paris. After living a while in Singapore quite like the city and in fact I also found a job there. But when I thought about my family, whether my wife would be able to find a job, how much complication it will bring to my family, I decided to go back to Shanghai.’

(INSEAD, male, 38 y/o)

Two other family factors involved are the job transfer of spouse and children’s education. In the two cases of Chinese female returnees, their return was partly due to the fact that their French partners were transferred to Shanghai by their employers. One of them said the opportunity is ‘killing two birds with one stone’, as she wanted to work in China anyway, and now the opportunity would help realize his plan without being separated from her family.

For those interviewees with children, their decision was also linked to their children’s education. One returnee, the father of a 5 year old child, said:

‘I want my child to learn Chinese and get schooling in China. The education is good in France, but it is more disciplined in China. Both my wife and I are the testimonials of Chinese education, and we learned very good maths from elementary school. Also we both feel that our children should be educated in China and to learn Chinese. There are more and more people learning Chinese
in the world, and it will be a loss if he (our boy) cannot take good lessons on Chinese language and cultures.’

(HEC graduate, male, 40 y/o)

His view is also shared by the two interviewees who remained in Paris with their young children. Both of them also agreed that education is more rigorous in China, especially in maths, physics and other science subjects. They also wanted their children to learn Chinese, a language which has become more and more important because of the growing status of the Chinese economy. One of them said she and her French husband will go to China when their baby reached 5 years old:

‘Now I go back home to my family in China every summer holiday, they take care of my baby and my husband and I could take some time off and visit different parts of China. But both my husband and I agree that our son should learn Chinese and French, so we have planned to work in either Shanghai or Beijing in about 3 years time when he reaches 5. My husband is already learning Chinese to prepare for our relocation…’

(HEC graduate, female)

**Lifestyle and Social Network**

Besides family factors, lifestyles and social networks are also important non-economic reasons for return migration. Many interviewees emphasise the idea of ‘rootedness’ in their lives. One returnee depicts one's roots as basis of one’s life, lifestyle, personal contacts and cycles, saying:

‘We are all after all Chinese, we love Chinese food, movies, TV, and music…China is our ‘root’, where we have most of our family and friends. Of course, there are Chinese restaurants in France, but the food they serve cannot be compared with food at home, they were adapted to the tastes of French clientes.’

ESSEC graduate, male, 32 y/o

Furthermore, even those who do not have yet family, consider the idea of going back to Shanghai as a family strategy. The two returnees said they came back to seek a
partner and get married. They stressed the traditional values on family in Chinese philosophy lay behind their return motivation, and one male interviewee even said he felt it was part of his duty as a son. In the interview, he said:

‘My family always asks me if I have a girlfriend in Paris or not. You know, it is not easy to have a relationship and study for a master degree. I always kept telling them that I should have a career first before thinking about getting married. But they (parents) told me that they wanted to have a grandchild and this made me feel being selfish if I do not fulfil their dream. So I came back to China to find a girlfriend and get married last year. My parents were obviously very happy, but I also I have no regrets as it was better for my career to be back in China anyway.’

(ESSEC graduate, male, 29 y/o)

Return migration can also be explained by issues of gender, as getting married is more of issue for females. Three female interviewees returned for marriage as compared to one male returnee. The issue of gender is actually a factor behind the rationale of student migration in the first place. In previous research on Chinese student migration to the United Kingdom, it has shown that many Chinese female students went to study in the UK because of the shorter duration of the programme, which allows them time to get married after obtaining a degree (Shen 2005). It is also a fact of student migration to France. One interviewee was 27 years old before she went to study her MBA at INSEAD. She said the reason she chose INSEAD was because of the shorter course duration of INSEAD MBA, compared to similar business schools in North America:

‘One and half years are just perfect. When I finished my MBA, I was still 29, not yet 30. In China, women get married earlier than in Europe. Honestly speaking, older single women are not really ‘popular’ in our society, people think of you as ‘different’ or ‘strange’. And if you are old, single and well educated or have a well-paid job, it is even more difficult for you to find a husband. So I came back to China after my MBA to find a job and get wedded before I turn 30.’

(INSEAD graduate, female)
The perceptions of women overall and single women in particular play an important role in decision making by female returnees. In the eyes of some returnees, family is of course considered as more important than career, at least in the traditional way of thinking in China. One of the three female interviewees, who is in her late 30s, even went further, by saying she came back to avoid being seen as a ‘strange animal’ in the eyes of her family and relatives. She, an HEC graduate, called herself a confident and successful businesswoman, who never gives up in business negotiations, but gave-in to traditional values and family pressures:

‘It is hard to become a career woman in China. Like many Asian countries like Japan and Korea, women are assumed as a more household role than being successful in the professional fields. Of course I never buy this kind of theory, and that is why I decided to study abroad when I was already at the end of 29, an age that I should have already been married. As you can imagine, study abroad is also an exit strategy to get away from my family’s chase for my marriage. But they never gave up, and every time when I get back to China, they tried to fix me with blind dates and they even bought a cam to introduce me to their chosen candidates online. I told them that women in European countries like Holland and Scandinavia work as much as their husband and that is my dream to become a rising star in my company. Nevertheless, after being chased by them for many years, and seeing my relatives (cousins, nephews…) all got married one by one, I face the reality that I was the last one not to get married. So I promised them (my family) I will get married when I reached 35 years old and I kept my promise…’

(HEC graduate, female, late 30s)

Both of the two female interviewees got married with Chinese in Shanghai, the reason for choosing a Chinese husband was that it is easier to communicate and understand each other because of the same cultural heritage when comparing to French or foreign males. The third female interviewee said her family wanted her to get married with Chinese, saying that Chinese men are more traditional than the Europeans:

‘My family wanted me to marry a Chinese guy from the beginning. I can see their point, as you know, Shanghainese men for example are very good at
housework. Of course, we won’t have any language barriers either. So I came back to my home town (Shanghai) to find my Mr Right!’

(ESSEC graduate, female, 29 y/o)

Figure 40: Geert Hofstede™ Cultural Dimensions

![Geert Hofstede Cultural Dimensions](http://www.geert-hofstede.com/hofstede_china.shtml (2003))

According to business psychologist, Geert Hofstede, China is a 'high context society'. This means inter-personal relationships and *guanxi* (meaning 'connections' in Chinese) are important in that society. Hofstede’s ranking (see Figure 40) on Individualism (column IDV in Figure 40) shows China lower than any other Asian country. This, according to him, indicates ‘high level of emphasis on a Collectivist society by the Communist rule, as compared to one of Individualism’. Geert Hofstede’s Cultural Dimensions analysis on China also suggests that ‘the low Individualism ranking is manifest in a close and committed member 'group', be that a family, extended family, or extended relationships. Loyalty in a collectivist culture is paramount. The society fosters strong relationships where everyone takes responsibility for fellow members of their group.’

68 *Guanxi* is important for anyone who wants to do business in and with China, whether you are dealing with the government, private sector or both. Inter-
personal relations and guanxi are also important for social life. A number of returnees commented that their return was partly in order to maintain and reinforce their personal contacts and relations. One of them said:

‘I have many friends in China, some of them I have grown up with since our time in the primary school. These mates are very important to me just like my family members, those people are whom I can trust and reply on. Of course I met some new friends in France, but these are mostly temporary, as you need time to get to know each other and become close friends.’

(INSEAD graduate, male, 30 y/o)

A female interviewee suggested she will always feel as foreigner in Paris, even after many years of living and studying:

‘I think I will always feel living in France will be a foreign place for me. Even for girls, who are easier to integrate with French society, the sense of belonging is still difficult to get. Comparing to the booming opportunities back home in China, there are more career restrictions in France, not to even mention of migration control. I think we are different from US or Canadian expatriates in France in many ways. If you look at a British graduate working in Paris, at least they (British and French) have similar cultural roots. I think even Africans have closer links with France than us (Chinese with a French diploma) when it comes to integration.’

(HEC graduate, female)

Another interviewee described going back home as like putting the ‘fish back to the pond’, saying he is more at ease, and knows to where to go, or who to ask should he encounter any problems in work or life:

‘In China, you need to have the right contact to do business. I think that is probably what I was missing in France, not just business network, but also contacts within the government and media. These Guanxi can help you fast-track your license application or product launch. Now I am able to combine my contacts in France and Guanxi in China, making it a wider network.’

(ESSEC graduate, male, 32 y/o)
Besides family ties and social networks as two main factors for return migration, lifestyle and the sheer convenience of living are also mentioned frequently in the analysis of returnees' interview. As shown in the earlier section, the cost of living in Shanghai is substantially cheaper, which makes leisure activities far more affordable than in Paris. The relatively cheap labour costs make it possible to hire domestic servants, who can reduce the household workload, and allow more leisure time. An interviewee commented how much she missed the life in Shanghai when she was studying in Paris, complaining the shops close too early in France, and there is not much nightlife other than going to a pub or clubbing:

‘It is really inconvenient that shops close early on weekdays and do not even open on Sunday. Shopping is one of the main leisure activities for women, but by the time when I finish work, most of the department stores are already closed. But in Shanghai, you can really shop till you drop, as they are open till 22:00 or even later sometimes. Also in China, you can go out to karaoke, to have a foot massage or play majong with friends, but you cannot easily do these things in Paris. Before I went back to Shanghai, every time I chatted with my friends online, I always got jealous about their social activities.’

(INSEAD graduate, female)

Compared to living in Paris and France, China offers more comfort, at least according to the interviewees. As shown in the earlier section, the cost of living in China, even in the city of Shanghai, is cheaper than France. Shanghai is also said to offer more and better options for food, going out, shopping and other daily activities, and is regarded by interviewees as ‘more convenient’. One returnee discussed his satisfaction with food in Shanghai:

‘You know, generally speaking, men are less capable of cooking and household work. I even never cook a meal in Shanghai before I left for Paris, as I was taken care by my family. During my two years in Paris, I was forced to cook, and I can say the food I made was not much more than fried rice or spaghetti. I cannot afford to go to Chinese or French restaurant every day…but now, food is not expensive here, and I go out to eat a lot with colleagues’
during lunch and with friends and family after work, which is really great, neither preparation and shopping nor dishes washing afterwards!’

(HEC graduate, male, 28 y/o)

In China, there is a saying called ‘Min Yi Shi Wei Tian’ (People regard food as heaven)’. This saying illustrates the importance of food in Chinese culture, also reflected in the above interview. Another returnee also echoes the importance of food in everyday life, and explains why she came back to great food, in addition to the job in Shanghai:

‘Food is important for our country, the same way as French food for French people. I love French food a lot, but I think we are more ‘suitable’ for Chinese food. Of course, there are many Chinese shops and restaurants in Paris which help to alleviate my hunger for Chinese food, but still you only have them occasionally and food is always better at home. For example, I missed so much the hot breakfast of soup and dumplings in the morning when I was in Paris. In France, one only normally gets cold breakfast. Also when I was working late in China, you can always easily get a takeaway or dine after work in a local bistro, but in France, restaurants close earlier.’

(ESCP Europe graduate, female, 30 y/o)

The Environmental Question

Food, shopping and other amenities like taxis and domestic help have been discussed as factors for returning home, because of the perceived improvement of living environment and convenience of life. However, the living environment can also play a negative role for return migration. Many returnees said they are not happy with the noise and lack of green space in Shanghai as compared with Paris. According to the World Bank, China has 20 of the world’s 30 most polluted cities, largely due to high coal use and motorization69. One interviewee even said she was hesitating whether to go back to China or not because of the environmental issues:

‘Let us be honest about the environment in China, the cities are much more polluted in China than in Europe. Also the traffic is really bad in the morning – (you should know) that the metro in Shanghai in the rush hours is like a cage of sardines fish. Of course I do like the food, nightlife, shopping in Shanghai but I was not sure whether it is better to enjoy the green environment in France. Well, my final decision was that the noise and pollution is after all a part of the whole package. It is the city where I grew up, and I was confident I would be better off here!’

(Sciences Po graduate, female)

The interviews in Paris with those who stayed in Paris after their studies, and those who are currently studying, also confirmed that the environment is increasingly important for return migration. One interviewee (HEC graduate, female, 29 y/o) said she wanted to raise her child in Paris because of the better environment in France: ‘the air quality is much better than in Shanghai. I think it is good for raising our child, also my husband and I like natural life, and in France, you can go to the countryside easily and enjoy what nature has to offer. We know, if we go back to China, we will not easily access green space and natural life, so we decided to stay in France, at least when our child is a bit older.’

Another interviewee, who had just arrived in Paris half a year previously said he was happy to see blue sky in France - something he does not often see now in China. He said he wanted to stay in Paris after his studies, calling life in Shanghai too tiring and stressful:

‘There are a lot of competitions and peer pressure in Shanghai. During my short time in Paris so far, I find people have more time to enjoy life. I don’t consider myself as a super careerist, I like the environment here, even in Paris, there are quiet corners, and transportation is also efficient with the metro going everywhere in the city. I am a frequent user of Vélib’ (vélo libre or vélo liberté, in English: free bicycle or bicycle freedom), but in Shanghai, more and more
streets and roads are now given to cars, it is harder to ride bicycles than when I was young’

(ESCP Europe student, male, 26 y/o)

**The Immigration Issues**

Finally another major non-economic return factor must be immigration policy, border control and paperwork. The slowing down of the economy, high unemployment, even higher unemployment for young people, all contribute not only to tightening the job market and creating more competition for jobs, it also has had an impact on immigration policy in France, especially with regard to Third Country Nationals. Getting a work permit and find a company to sponsor your application has become harder. A senior alumni officer from a prestigious business school in Paris explains the difficulties of going through these bureaucratic processes. The economic slowdown, together with the deterioration after 9/11, are also said to have had a profound effect on Chinese students, as is seen here where a returnee shares her own post 9/11 experience:

‘You know, 9/11 incident happened when I was in France, so you simply could not imagine or plan everything. Certainly, I and my Singaporean and other classmates had thought about working for Danone or others, but later we feel things have changed a lot (after 9/11). This is especially true for the students of MBA LUXE (Luxury Brand Management) and greater impact for MBA IMHI (International Hospitality Management) because they are related to hotel industry.’

(ESSEC Graduate, female)

Many other interviewees also expressed their exhausting experiences with getting a residence or work permit during their stay in France. One male interviewee said he even felt being treated as a ‘second class’ citizen when he was renewing his residence permit, complaining on the numerous visits he had to make to get his permit extended:

‘After all of my troubles to get my student residence permit, I gave up the idea to apply for work permit, I had been told one needs to even go through more
red-tapes. I’d rather focus on my job hunting in China rather than doing all the paper works in France!’

(ESCP Europe graduate, male, 28 y/o)

Hence, the tightening of migration control in Europe can be viewed as a push factor for return migration. On the other hand, policies from China to encourage return migration are the pulling factors for attracting returnees home. The Chinese Government is increasingly aware of the importance of its students abroad. The low return rate of students in the late 1980s and 1990s has raised serious concerns among the leadership of the Chinese Communist Party, worrying that the most talented and educated Chinese students migrated abroad permanently after pursuing studies at foreign institutions. After witnessing the historical relationship between China and its diasporas, the relationship between the Chinese state and its overseas student population is also a very tangible matter. Xiang (2007) suggests, the Chinese Government is confronted with a tough task to deal with these students who were earlier labelled as ‘betrayers’ because they chose to live abroad rather than coming home to modernise their motherland.

**Central and Local Government Policy Initiatives from China and Europe**

After the economic reforms and the gradual opening up after 1978, the Chinese Government is increasingly aware of the importance of its students abroad. Nevertheless, the Chinese Government has gradually changed its political attitude and the propaganda towards Chinese students and other overseas Chinese professionals, thereby making returnees with higher education degrees from the West an important policy subject, and even a political constituency of the Chinese government. This political shift was formally institutionalised through a special circular from the State Council in 1992 to welcome all Chinese students abroad to return home, regardless of their past political attitudes or other ‘incorrect activities’. Furthermore, the Government stressed the importance of the free movement of students, no matter whether going to study abroad or to return home after studies. In March 2007, the Chinese Ministry of Education issued the high-profile document *A Number of Decisions on Further Strengthening the Work of Attracting Back Outstanding Students from Overseas* that promises a wide range of generous offers. Following an
index provided by the Ministry of Education, Xiang and Shen (2009) collected 180
government policies promulgated between 1986 and 2003, including 7 on education
for returnees’ children, 27 on personnel policy, nationality, household registration and
even the marriage of returnees, and 14 on customs regulations. The key Government
policy can be summarised as, ‘supporting overseas study, encouragement of return
migration, and the guarantee of free movement.’ (Xiang and Shen 2009)

The role of returnees has been praised by various Chinese leaders, from Deng
Xiaoping in the 1990s to President Hu, who talked of their ‘Outstanding historical
role’, and Vice Premier Zeng, who said they were ‘Irreplaceable’. This welcoming
climate for returnees is no doubt a pragmatic response of the Chinese Government
and Communist Party to address the reality of the ‘brain drain’, a problematic issue
for sustainability of the Chinese economy. The political willingness of the Chinese
Communist Party has resulted in the development of various measures to reverse the
‘brain drain’ so as to promote return migration. For example, in order to attract high
level scientists and scholars, initiatives like the One Hundred Talent Programme of
the Chinese Academy of Sciences; the National Natural Science Foundation of China
– National Science Funds for Outstanding Young Scholars Programme; the Ministry
of Education’s Cheung Kong Scholar Programme; as well as other programmes from
the Ministry of Personnel among other governmental agencies have mushroomed
from the mid-1990s. However, the effectiveness of these measures is questioned. Cao
(2007) indicates that first rate Chinese academics are still remaining abroad despite
these new programmes. He argues this is because the academic environment in China
remains less favourable, even not fair, since political affiliation often plays a more
important role than academic merit.

In addition to different policies at national level from the central government, efforts
are also made at both the municipal and local levels. Incentives are given from central
to local government to returnees, such as financial, tax and administrative support.
Cities now formulate their own strategy in acquiring both Chinese and foreign talents
from outside China as local government promulgates even more specific and
financially oriented policies. For example, as early as August 1993, the Shanghai
municipality government issued The Notification on Special Treatment on Installing
Telephones, Gas and Air Conditioners for Overseas Students Who Are to Work in
Shanghai. Guangzhou municipal government handed out RMB 100,000 (USD 12,000) as a ‘golden hello’ (jianmianli) to returnees who have decided to work in Guangzhou. Even relatively poor provinces, such as Shanxi and cities such as Xi’an, also provide overseas Chinese professionals with free office and work facilities, seed funds for research, and housing. In 2005, Shanghai set up overseas recruitment agencies in 7 cities around the world, and special programmes targeted at highly skilled returnees. In this case, although there was no significant reference to these local efforts as the key contributing factor for returning home, it is clear there is awareness of these programmes, as one interviewee said:

‘I have certainly heard about these programmes. But for me, the most important thing is not tax break, or the possibility to import car or electronics. I am more interested in the career prospect in China. As the market is booming, that is the reason why I am here, here is full of opportunities.’

(HEC graduate, male, 28 y/o)

These advertised benefits and the publicity nevertheless make the policies to encourage return tangible and render the returnees into a special social category. One of the government flagship programmes has been the establishment of state-of-the-art industrial parks exclusively for returnees. The parks provide returned high-tech entrepreneurs with special benefits such as subsidies, low interest loans and tax breaks. By the end of 2006 there were a total of 115 such parks nationwide. However, these promised material and financial benefits do not actually always materialize, and even in the case of this research, only one returnee in fact benefited from these initiatives, where he set up his own environmental fund in Shanghai, and received administrative support for doing so.

While most countries in Europe, including France and the UK, are on the one hand tightening migration control, it is important to point out that on the other hand, there have been active recruitment and retention policies by Western governments to lure and keep foreign students and talents after their studies, among them the Highly Skilled Migrant Programme (HSMP) from the UK Government – top MBA graduates can get extra points to secure a work permit after their studies. There is the newly announced Talent Migration Pact of Sarkozy’s French Government, and highly
debated ‘Blue Card’ scheme of the wider European Union. Hence, we can see there are both push and pull factors for student returnees. The difficulty of getting a work permit is pushing Chinese students to return, while the attractive new programmes are pulling more students to study and work in the hosting countries. After analysing the various economic, non-economic factors and government policy from both sending and receiving sides, the following section will explain the impact of return migration on Shanghai’s pathway to a global city.

**Private Section Initiatives**

Last but not least, the private sector is now also starting to be keen on facilitating, firstly overseas studies, and the later return of Chinese students. Human resource is vital for a successful business and therefore corporations are working hard to keep an adequate supply of educated talents. Many companies are now sponsoring overseas studies for Chinese students, like the N+I scheme of major French corporations, working with universities / colleges in France so as to offer integral study and training programmes for foreign students. For example, the Thales Group’s Thales Academia programme which sponsored 7 Chinese talents to study business & engineering subjects at elite French schools in 2007 (Edu France website).

As McKinsey (2005) warned, China’s ‘looming talent shortage’ – lack of qualified workers with international exposure, has led more companies to invest in setting up specialised programmes to attract Chinese students abroad and to take up managerial and other key role functions to manage business in China (Shen 2005, 2008). Among them are the Rolls-Royce China Programme on Purchasing, and McKinsey's Asia House in Frankfurt and Paris. The majority of INSEAD graduates found their jobs through the on-campus recruitment. When top consultancy and banking firms come to INSEAD or London Business School or elsewhere, they all have the global recruitment strategy and plans for their individual offices. This certainly includes increasing demands from the booming business environment in the Greater China region.
7.3 Conclusion

This chapter has demonstrated the variety of reasons for return or not return. Overall, economic factors such as growing employment opportunities and China’s expanding economy play the major role for return migration. It is also important to mention the sheer confidence the interviewees have on China and Chinese economy. While on the other hand, non-economic factors are equally important considerations, especially the issue of family ties and kinships. The ‘One Child Policy’, once a birth control tool in the 1970s and 80s, is now an important social factor for return migration, as many interviewees show great emotional burdens for staying abroad. Family reunification, marriage and children’s education all influence the decision making of returnees. Even for those who chose to stay in Paris, most of them have indicated that the stay will be a temporary one for them to gain more professional experiences (social and cultural capital), and they will return to home once they have reached the right ‘maturity’ level. This has shown the role of a global city, Paris, as a receiving and transiting/sending point for international students and talents in the world city network and organization of global economy. The following chapter will follow the return migration to Shanghai and assesses the implication and impact of returnees ones are contributing to the formation of Shanghai as a global city.
8 ‘Sea-turtles’ in Shanghai: Return Migration and Its Impact on Global City Formation in Shanghai

8.1 Introduction

This section explains why return migration is important for the development of Shanghai towards China’s leading global city. It first analyses the why China needs returning ‘sea-turtles’ and rationale of returnees for choosing Shanghai. It then examines the role and contributions, and impact of returnees on Shanghai’s global city formation through their expertise, transnational networks/connectivities and cosmopolitan lifestyles.

8.2 Why is return migration important for Shanghai?

As shown in chapter 5, Shanghai is one of the largest cities in China for receiving internal migration, as the millions of rural migrants, students and professionals are attracted to the so-called dragonhead of China’s booming economy. And seen in the section above, not only are nation states setting up favourable policies for attracting talents, but also cities in both developed and developing countries are now competing with each other for the best brains in the world. Once a fishing village barely one century ago, Shanghai was the famed after ‘Paris of the Orient’ for its wealth in the 1920s-1930s, the city is today on its way to regaining that prestige, as it has been designated by the Central Government to become the financial hub and logistics centre for China. Being regarded as the ‘ultimate poster-child for the effects of globalisation on cities and regions’ by the BBC70, Shanghai is argued to be the best candidate for China’s global city (Ni 2008, Lin 2004, Wu and Yusuf 2004). One major obstacle for Shanghai’s pathway to global city status is the shortage of skilled labour.

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China is currently one of the fastest growing economies in the world, with a current two digit growth, and as already overtaken Germany as the world’s third largest economy. It all started with its economic reforms in the 1970s, through the adoption of so-called ‘Open-door’ policies. Since then, Massive Foreign Direct Investment (FDI) has flooded into what is the largest developing country in the world. Cities along the East and Southeast costal lines have seen the initial and biggest benefactors from this policy. They were given preferential policies by the central administration to attract FDI. This later led to the emergence of three core regional economies, namely Pearl River Delta (Hong Kong plus Guangdong Province), Yangtze Basin (Shanghai and surrounding cities) and the Beijing / Tianjin Corridor. These regions also represent three leading metropolitan regions in China, who are keen to play a major regional and global role in economic and cultural life. Among them, Shanghai is said to be the most suitable candidate for a potential Chinese global city, and gain a comparable position to Hong Kong and Singapore in the region (Olds 1997, Wu 2000a, Wu 2000b, Gu and Tang 2002, Green 2004, Wu and Yusuf 2004, Wei and Leung 2005, Li and Wu 2006, Taylor 2008, Lai 2009, Wasserstrom 2009).

In a recent study, Lin Ye (2004) used three criteria for evaluating Shanghai’s qualification for being a global city: centrality to the national economy; concentration node for global capital and professional services. Currently, Shanghai has 5.4 per cent share of China’s GDP and 10.9 per cent of national total FDI, Shanghai has shown its vital economic role in China’s economy and strategic position for international capital and investment. Therefore Shanghai seems to have satisfied the first two criteria. However, as China is still a developing country, Shanghai is still in the transformation period of ‘de-industrialisation’ (Savitch and Kantor 2002). But the result is encouraging. Nowadays tertiary industry employment is accounts for almost half of the total, and the GDP generated by the service sector is 8% of the national production, leaving other Chinese cities far behind.

However Shanghai lacks connectivity and globalness in the world city network. The GaWC project (2004) ranked 34th Shanghai among 315 cities around the globe, on the basis of 100 firms in six different sectors, law, advertising, banking and finance, accountancy, management consulting and insurance. Shanghai has far fewer offices than New York, London and Tokyo and her Asian neighbours of Singapore and Hong
Kong, just in close ties with Beijing. A large and mobile pool of skilled labour is a key factor for strengthening the service sector in a global city (Moore 2004), and international migration is an important component for the leading Asian cities’ labour markets. In Singapore, 27.7% of its workforce is foreigners (Yap 2003), while in Hong Kong 6.7% of the population are of foreign nationalities; there are also a considerable numbers of legal and illegal workers in major Japanese cities and cities in Southeast Asia, e.g. Kuala Lumpur, Bangkok. Only 72,895 come from abroad to live, study and work in Shanghai, out of its population of 13 millions. There are only 4,913 foreign students/interns in Shanghai, less than 10% of those in Paris. China, as a whole, has a small stock of foreigners in cities (Skeldon 2004).

Despite economic and trade liberalisation, one major critique for Shanghai and other Chinese cities is a lack of openness (Enright et al. 1997, Wu and Yusuf 2004). This stems from the tight control under the ruling Communist political system. Openness is not only reflected in economic terms, but also socially and culturally. However, the lack of human capital for Shanghai is in fact a national phenomenon - indeed a lack of sufficient talent has become the bottleneck of sustainable economic development in China (McKinsey 2005). China’s entry to the World Trade Organisation (WTO) has resulted in the acceleration of economic development, and pushed China’s integration into the global economy. In a knowledge based network economy, human capital is the crucial fuel to secure sustained prosperity and competitiveness. In the ‘International Competitiveness Report 2000’ by IMD in Lausanne, Switzerland, China had dropped its position, due to the brain drain, and the outflow of highly skilled human resources (Zhuang 2003). China ranks last and second last for the availability of qualified engineers and information technicians. The latest World Economic Forum also draws similar conclusion on China’s poor performance on human resources, indicating that:

- 2007/2008 Ranking: China 34th place overall (out of 113 countries), however 55th on Labour Market Efficiency, 78th on Education, 73th on Technical Readiness, 57th on Business Sophistication & 38th innovation

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71 Annual Statistics 2004, Shanghai Municipal Statistics Bureau, Shanghai, China
Key disadvantages (rank out of 113 countries): Quality of management schools 90, Brain Drain 38, FDI and technology transfer 90, Production process sophistication 81, Availability of scientists and engineers 78

While improving urban infrastructure and other ‘hardware’ of Shanghai, the key agenda for Shanghai must be to maintain its advantage in its service sector, by having a steady supply of highly-skilled workers. Intellectual talents are wanted in Shanghai, Beijing, Guangzhou and any other cities in China, and they are desired both domestically and internationally. One returnee in the luxury business said her company was facing difficulty in recruiting a brand manager because of the limited pool of talents, even in Shanghai:

‘It is true that there is still a lack of human talents in Shanghai – especially those with international exposures. Therefore, Haigui with overseas professional experiences are very highly thought after. Particularly people who have industrial experiences in both China and abroad, and those in banking, legal services and consulting. I know a French law firm who is at the moment desperately looking for Chinese graduates from France, who know Chinese and French laws (on auditing and bankruptcy issues) and speak both languages. In my sector of luxury and fashion industry, there are also limited people with international experiences.’

(ESSEC graduate, female)

Student return migration has become a ‘calculated strategy’ by the national government (Zweig 2006) to accumulate skills, knowledge, network and financial resources from abroad. Compared to other major cities across the globe, Shanghai has a much smaller rate in terms of both tertiary education entrances and percentages of university and college graduates (Figures 41 & 42). However, having a rich supply of internationally competent talents is vital to Shanghai’s pathway towards becoming China’s leading global city. Therefore it is not surprising that the local government in Shanghai launched the ‘10,000 Overseas Scholars Converging Programme’ in 2003, and already has attracted 10,203 Chinese students from abroad to work in Shanghai. The success of this initiative has led to the new extension of 10,000 Overseas Talents
Converging Programme, which was launched in January 2006. Are returnees in this research attracted to Shanghai because of this government initiative? The following section will examine the reasons for returnees for choosing Shanghai as their destination city.

**Figure 41: Young People Entry Rate into Tertiary Education in Asia Region**

<table>
<thead>
<tr>
<th>Region</th>
<th>Entry Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore (1990)</td>
<td>28%</td>
</tr>
<tr>
<td>Taiwan (1992)</td>
<td>33%</td>
</tr>
<tr>
<td>Korea (1995)</td>
<td>50%</td>
</tr>
<tr>
<td>Japan (1994)</td>
<td>56%</td>
</tr>
<tr>
<td>Shanghai (1993-1998)</td>
<td>20%</td>
</tr>
</tbody>
</table>

(Source: Shanghai Municipal Bureau of Human Resources 2003)

**Figure 42: Educational Background of over 25 years old Population**

<table>
<thead>
<tr>
<th>Region</th>
<th>4 yrs Tertiary</th>
<th>Uni/College</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago (1980)</td>
<td>15.92%</td>
<td></td>
</tr>
<tr>
<td>San Francisco (1980)</td>
<td>26.46%</td>
<td></td>
</tr>
<tr>
<td>New York (1980)</td>
<td>20.66%</td>
<td></td>
</tr>
<tr>
<td>Los Angeles (1980)</td>
<td>18.89%</td>
<td></td>
</tr>
<tr>
<td>Washington DC (1980)</td>
<td>32.47%</td>
<td></td>
</tr>
<tr>
<td>Canada (1985)</td>
<td></td>
<td>37.40%</td>
</tr>
<tr>
<td>Korea (1985)</td>
<td>11.70%</td>
<td></td>
</tr>
<tr>
<td>Japan (1995)</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Shanghai (1990)</td>
<td>7.45%</td>
<td></td>
</tr>
</tbody>
</table>

(Source: Shanghai Municipal Bureau of Human Resources 2003)
8.3 Reasons for Shanghai

The choice of Shanghai as the location for studying return migration is due to Shanghai being the biggest recipient of return migration, and China’s potential leading global city (Lin 2004). Figure 43 has shown the relatively higher stock of student returnees in Shanghai, in comparison with nine other major cities in China according to a recent survey conducted online by a leading Chinese newspaper (Elite Reference) and governmental agency (www.haiguiss.org). This newspaper survey has asked more than 3,000 Chinese students in 49 countries about their first choice of city for to which they wish to return. It turns out that, with a popularity of 37.3% and 31.8% respectively, Shanghai and Beijing are the two most favoured Chinese cities for returning students. The return patterns indicate strong intercity connections, as they tend to concentrate in urban areas and within multinational companies. Among them 47% chose multinationals as their career ambition. It also shows the satisfactory integration of returnees based on the employment rate, 71% of returned students found a job within 6 months after arriving back in China.

Figure 43: Student Return Migration to Chinese Cities

![Bar chart showing number of returned students to various Chinese cities](source)

(Source: Elite Reference Human Resources Market, 22/09/2005)

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Just as the rationale for making the decision for return migration has been shown, the choice of Shanghai as the city of return can also be explained by economic and non-economic factors. The interviews with returnees show that the most important factor for choosing Shanghai is the economy and business environment of the city. The annual ranking of city competitiveness of cities in China by the Global Urban Competitiveness Programme (GUCP)\(^73\), headed by Ni Pengfei of Chinese Academy of Social Sciences (CASS), has constantly ranked Shanghai in the top three most competitive cities in China. Similarly Shanghai is now among top 10 cities in the connectivity index, which is based on the network model devised by the Globalization and World Cities (GaWC) research group to measure global connectivity (intercity relations at the global scale) for major cities across the world in 2008 (Taylor et al. 2009). In Table 26, it is shown that Shanghai has firmly retained top three positions in the ranking since the beginning, as the leading city in the mainland. Table 27 also shows the rising status within the world city network, from the 28\(^{th}\) position in 2000 to the 8\(^{th}\) place in the latest analysis in 2008 (Taylor et al. 2009)

### Table 26: China’s City Competitiveness Ranking

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Hong Kong</td>
<td>Hong Kong</td>
<td>Hong Kong</td>
<td>Shanghai</td>
<td>Shanghai</td>
<td>Shanghai</td>
<td>Shanghai</td>
</tr>
<tr>
<td>Shenzhen</td>
<td>Shenzhen</td>
<td>Taipei</td>
<td>Shenzhen</td>
<td>Beijing</td>
<td>Shenzhen</td>
<td>Shenzhen</td>
</tr>
<tr>
<td>Shanghai</td>
<td>Shanghai</td>
<td>Shanghai</td>
<td>Guangzhou</td>
<td>Shenzhen</td>
<td>Beijing</td>
<td>Shanghai</td>
</tr>
<tr>
<td>Beijing</td>
<td>Beijing</td>
<td>Beijing</td>
<td>Beijing</td>
<td>Guangzhou</td>
<td>Guangzhou</td>
<td>Guangzhou</td>
</tr>
<tr>
<td>Taipei</td>
<td>Guangzhou</td>
<td>Shenzhen</td>
<td>Hangzhou</td>
<td>Suzhou</td>
<td>Dongguan</td>
<td></td>
</tr>
<tr>
<td>Guangzhou</td>
<td>Taipei</td>
<td>Guangzhou</td>
<td>Ningbo</td>
<td>Hangzhou</td>
<td>Suzhou</td>
<td></td>
</tr>
<tr>
<td>Kaohsiung</td>
<td>Wuxi</td>
<td>Kaohsiung</td>
<td>Suzhou</td>
<td>Tianjin</td>
<td>Tianjin</td>
<td></td>
</tr>
<tr>
<td>Suzhou</td>
<td>Suzhou</td>
<td>Macau</td>
<td>Wuxi</td>
<td>Ningbo</td>
<td>Ningbo</td>
<td></td>
</tr>
<tr>
<td>Hangzhou</td>
<td>Foshan</td>
<td>Hsinchu</td>
<td>Xiamen</td>
<td>Nanjing</td>
<td>Hangzhou</td>
<td></td>
</tr>
<tr>
<td>Tianjin</td>
<td>Macau</td>
<td>Keelung</td>
<td>Tianjin</td>
<td>Wenzhou</td>
<td>Wuxi</td>
<td></td>
</tr>
</tbody>
</table>

(Source: Ni Pengfei et al., China’s City Competitiveness Blue Book (2004-2008))

\(^73\) GUCP China’s City Competitiveness Report website and dataset: http://www.gucp.org/.
When being asked to explain why choosing Shanghai over other cities in China, 35 out of the 40 interviewees said Shanghai is the ‘economic centre’ and ‘best place to do business in China’. To elaborate on this, interviewees mentioned Shanghai’s centrality to China’s GDP, important trade links with the rest of the world, and the good business environment. For example, in 2008, exports from Shanghai to other parts of the world were US$ 152 billion, an increase of 10% over 2007, and constituting about 10.6 of China’s total. About 44% of China’s total exports pass through Shanghai’s ports. Such a strong economic performance provides large number of employment opportunities for locals, foreign expatriates and of course returnees. Many interviewees compared Beijing and Shanghai as possible candidates when they were considering returning to China. The general argument for eventually selecting Shanghai is that Beijing is a more political and cultural centre for China, while Shanghai is where the ‘real business is done’, the ‘hot spot of the 21st century’. One interviewee compared Shanghai with the Chinese capital:

‘Well, Shanghai is a better place for doing business, while Beijing is more concentrated on political affairs. Also for me, I do feel Shanghai more like a home, even I studied and worked in Beijing. Shanghai gives a more international living experience and Beijing is a more Chinese traditional style. Shanghai has a lot of potentials but also needs more qualified people.’

(Université de Paris graduate, female, 27 y/o)

Table 27: GaWC World City Network Connectivity Index (2000 & 2008)

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>London</td>
<td>100,00</td>
</tr>
<tr>
<td>2</td>
<td>New York</td>
<td>97,26</td>
</tr>
<tr>
<td>3</td>
<td>Hong Kong</td>
<td>72,47</td>
</tr>
<tr>
<td>4</td>
<td>Tokyo</td>
<td>70,87</td>
</tr>
<tr>
<td>5</td>
<td>Paris</td>
<td>70,16</td>
</tr>
<tr>
<td>6</td>
<td>Singapore</td>
<td>66,26</td>
</tr>
<tr>
<td>7</td>
<td>Chicago</td>
<td>61,49</td>
</tr>
<tr>
<td>8</td>
<td>Milan</td>
<td>60,47</td>
</tr>
<tr>
<td>9</td>
<td>Los Angeles</td>
<td>59,87</td>
</tr>
</tbody>
</table>
A male INSEAD graduate, who now works for a major consultancy firm in Shanghai, commented on his decision for Shanghai:

‘Beijing is an interesting place with a deep cultural base. But Beijing’s main function is China’s political and cultural capital, while Shanghai is a better choice for the business world. A lot of companies have their headquarters in Shanghai and its financial service is also better developed. BCG does not have a China HQ and all employees are cross-staffing and it does not matter where you are based’.

(INSEAD graduate, female, 31 y/o)
One other interviewee even compared Shanghai and Beijing to Mumbai and Delhi, saying Shanghai is India’s Mumbai, while Beijing serves a more similar role as Delhi in India:

‘Shanghai and Beijing are just like Mumbai and New Delhi in India. Shanghai and Mumbai are the commercial centres of both countries. Yes, there are a lot of big industries based in Beijing, like Airbus or Boeing. But the fact is, they need to establish good business relations with the government initially. Once the contacts are made and business is mature, they will immediately move to Shanghai, or at least their commercial operations here. On the other hand, there are also a lot of foreigners living in Beijing, but most of them can speak Chinese, they either like the language or have to use the language for work. This is quite different in Shanghai; fewer foreigners speak Chinese, because we all speak English, the business language.’

(HEC graduate, female)

Even for a native of Beijing, the city of Shanghai is said to be a better choice for her company’s headquarters in China, and she was willing to move to Shanghai instead of her hometown:

‘I moved to Shanghai at the end of 2000 for my first job after the university. As a Beijing native, moving to a new city means that I can learn and experience a new urban culture. Shanghai is the economic centre, things are more efficient here, and I guess this is also the reason why my company chose the city. Shanghai is also a city based on consumption, consumers here have a great flexibility and wide selection. People here also seem to be more serious about business and work harder. There are also better market rules for fair competition. For INSEAD graduates, Shanghai is the city that offers more opportunities than any other Chinese cities. I think roughly out of the 80% Chinese students returned home, more than half (around 60%) chose Shanghai. From the beginning, Hong Kong was the number one destination, but now it is less now, because more returnees are coming to Shanghai.’

(INSEAD Graduate, female).
Her view is confirmed in the alumni statistics of INSEAD and ESSEC. As shown in Figure 44 below of INSEAD’s alumni in Greater China, around than 58 INSEAD alumni are working in Shanghai in 2004, an increase of 7 alumni than 2003. Shanghai also has the highest proportion of alumni from INSEAD’s executive development programme, outrivaled any other cities in the mainland and Hong Kong. Figure 45 of ESSEC’s alumni in China also confirms Shanghai’s leading position for returnees, in 2006, it has 1.5 times of alumni (both Chinese and foreign nationals) than those residing in Beijing, and in terms of Chinese alumni alone, the ration is even higher (Shanghai has 1.73 times more than Beijing).

**Figure 44: INSEAD Alumni in China by Locations and Programmes**


**Figure 45: Geographical Distribution of ESSEC Alumni in China (2006)**

(Source: Author’s field research work and ESSEC Alumni Network in China Database)
In addition to being the business centre, Shanghai also enjoys comparative advantages in certain industries such as fashion, financial services, advertising and logistics. One returnee who works at a cosmetics company, suggested:

‘At least in my opinion and industry, Shanghai is the Chinese centre for cosmetics products. Girls here love fashion and they are great trend followers. They are also very daring when it comes to dress and clothing. It is a truly commercial city and the street is the T-stage for modelling. Although Beijing and Guangzhou may have more buying powers, but the main sales channel there is department store, while in Shanghai, the more popular ones are specialist and boutique shops. P&G’s HQ is in Guangzhou, mainly because of the tax benefits they receive from the provincial government. However, much of the marketing work is done in Shanghai, hence that is why I am here, not in Guangzhou. Last year, the first Sephora shop (a market leader from France in the retail market of cosmetics) in China also was opened in Shanghai.’

(ESSEC graduate, female)

Another returnee who works for an international logistics company said how his company was attracted to move the headquarters to Shanghai from Hong Kong:

‘Infrastructure is vital to our business. The central government in China has invested heavily in Shanghai in its strategy to build it as the logistic hub for China and even Asia. Our company was firstly located in Hong Kong, but in recent years the construction of Shanghai as the world’s largest harbour has led our company to re-locate to Shanghai. In fact our company immediately decided to move here when we heard about the construction of deep-sea water port. The business follows where the good facilities and networks go, and in Shanghai you find everything, from the hardware to supporting industries like insurance etc. That is why I want to develop my career in this city (Shanghai).’

(INSEAD graduate, male, 33 y/o)

Shanghai’s comparative location advantage is also applicable for certain job functions, among them the role of purchasing. One female returnee (35 years old), who works as the head of the purchasing department at a major French automobile company,
explained why her work is based in Shanghai, rather than other company sites in China:

‘Our company has offices in Beijing, Shanghai and Wuhan. The Beijing Office is our Chinese HQ, and mainly deals with government relations and communications. Wuhan’s team works on the partnerships with local manufacturers and transportation. For us, the Shanghai Office plays the key role of group purchasing. Location is very important for the purchasing office. Shanghai offers the best cost-efficiency venue, as all major automobile companies like Ford, Volkswagen and General Motor all have their purchasing centre here in Shanghai. The reason is simple, because our suppliers are all here or in the surrounding areas.’

(HEC graduate, female, 35 y/o)

Another returnee from HEC also confirms Shanghai’s advantage over Beijing and uses her company as a good example to illustrate the better business environment in Shanghai:

‘I had been in Shanghai for a long time and had not been home for a while. I was already in Shanghai before I went abroad. The project from my company (a major construction company) was in Shanghai because of the real estate market in Shanghai is important for building materials company like ours. Although the Representative Office was in Beijing but most businesses were done in the Eastern China region. In terms of économie financière (financial economy), Shanghai is much better than Beijing. When we choose a place, we want a place where our suppliers and clients are, Shanghai is more prosperous and has a better real estate market.’

(HEC graduate, female, 31 y/o)

As seen above, Shanghai is viewed as the commercial hub for the Chinese economy, and it is also increasingly important in the global production, trade and logistics network. The business prospect and employment opportunities are the main reasons for making Shanghai a magnet for attracting returnees. After the September 11, and the new structuring of the global economy over the past few years, China’s rising economic power is also reflected in the rise of Shanghai in the global city network.
Besides the importance of Shanghai as the ‘dragon-head’ of Chinese economy, a few other factors are also contributing to the decision to choose Shanghai as the base for return migration. Among them, there are the issues about society and administration, lifestyle matters and family reasons. As shown in the earlier analysis, both student migrants and returnees are attracted to large cities by the convenience of living and the cosmopolitan living styles these global cities offer. Returnees interviewed for this research have carefully compared the various amenities offered by potential destination cities in China, and chosen Shanghai on the basis of various criteria.

These criteria include urban governance, urban infrastructure, shopping and dining amenities, service and hospitality industry, climate, green space and so on. The past three decades have seen Shanghai’s rapid infrastructure development. At the same time, returnees also suggest that the administrative services of the city (i.e. the ‘software’ of a city) have also improved. Shanghai is said to have a fair playing ground for businesses and talents. ‘I chose Shanghai because of its healthy market, the competition here is fairer. In Beijing, you must have the correct network and it is attractive for companies whose industries are very dependent on government policies, such as oil, aviation etc.,’ said one returnee (INSEAD graduate, male, 30 y/o) who is planning to quit his consulting job and open a new business in E-marketing. The entrepreneurship of returnees is one mechanism that expands Shanghai’s economic life by bringing and creating new business activities to the city (Jacobs 1972, 1984). Another returnee (HEC graduate, male, 40 y/o) who set up a hedge fund on environmental issues, and who commented on the ‘good work’ done by the municipal government to ease the red tape for establishing one’s own business. ‘They have done a one store shopping for the start-up companies’, which has saved him a lot of time and energy, ‘I do not need to run around to get this paper or that paper.’

For some returnees, the living environment is very important for making that return decision. As one returnee explained when telling how he picked Shanghai out of a number of cities:

‘I have lived and visited many cities in China. Guangzhou does not leave me much impression except for the good service there. Beijing is my hometown and people there have the Northern China characters. They are very straight
forward, but pay less attention to details, and that is why the service level is not very good. Also Beijingers are often self-centred because of its capital status, we are very proud to be capital for both ancient and modern China and we enjoy talking about politics.

However, Shanghainese take a more practical approach. It is an international city, and feels more like a European city rather than a Chinese. There are more discussions and infrastructures are developed for business and investment. I feel Shanghainese are also in way look more towards Western countries, for example, the lifestyle here is more westernised. The city of Shanghai has a very international image, with good urban planning and education system. Services like taxi are also more reliable here. Just look at the travel pass, Shanghai has already got the single travel pass/card for metro, bus, ferry etc., like many other cities in the world for the past few years, but Beijing has just started to implement the system.

(INSEAD graduate male, 33 y/o)

The remarks above show that not only does the city matter, but also its inhabitants - in this case, local Shanghainese. Residents from other parts of the country and abroad are also part of the city’s image and environment. Just as this interviewee mentioned, many other interviewees praised the good service sector in Shanghai, from taxi to restaurant, suggesting Shanghai has a much better regulated service sector, and the city is safer, than other parts of China. One interviewee said she neither feels insecure when she goes out of a nightclub alone in the night, nor is she afraid of being cheated by the taxi driver at the airport. She called Shanghai, ‘the Singapore of China’, referring to safety in the city and its orderly system. Shanghai is also said to be closer to the standard required of a global city, which meets the demanding business environment and a cosmopolitan staff, as is suggested by another graduate:

‘I came to Shanghai as soon as I am back in China. As you could see, I like to work in different cities, including Beijing, Shenzhen, Hong Kong and Paris in the past. I prefer Shanghai as a city. None of my family is in Shanghai. My husband was working for many years in Hong Kong and now has company in Shanghai. I think in terms of living environment, Shanghai is closer to a global
city, based on its history, people and other factors, much better than Beijing or Shenzhen. People here also show more respect to returnees and foreigners. Beijing is ‘on the footstep of the imperial palace’ – the capital, people are quite arrogant, but in fact it (living life) is far from international standard.’

(ESSEC Graduate, female, 28 y/o)

Diversity and cosmopolitan living environment are also emphasised during all the interviews. One interviewee (HEC graduate, male, 30 y/o) named Shanghai as the ‘melting pot’ in China, addressing the fact that many residents in the city come from outside Shanghai. Compared with Shenzhen and Beijing, he said: ‘Well, Shenzhen does not really have a cultural background. In Beijing, you can feel the ‘wall’, as it is a quite inward looking city. Well, comparing to them, Shanghai used to be and still an important harbour city, it has a strong immigrant culture and therefore more open than Beijing’. From the two interviews above, one can say Shanghai’s international or even western images, as well as the city’s openness to the outside world, either for its economy and people (migrants/visitors) are factors contributing to the attractiveness of the city which allures these returnees.

Last but not least, the growing rate of return migration has made Chinese cities both sending and receiving hubs for returnees. The fact that most of the returnees interviewed in this research either originally came from Shanghai or have studied or worked in Shanghai made the city a favourable destination. Shanghai enjoys a distinct ‘hometown’ advantage when it comes to personal connection, family and relationships, and even weather - warmer than Beijing in the winter and cooler in the summer, less dry temperature. One returnee called Shanghai, ‘home sweet home’, saying:

‘For me, Shanghai means more than a city. It is firstly my home, and home sweet home. It is also the financial hub and headquarters location for MNCs. Beijing is the political centre and rich in culture, but Shanghai is overall a better place for working, at least in my field – Shanghai offers more opportunities. Still the quality of people is a main issue. It is very noisy here, but for me, it was easy to adopt, it is where I grew up…’

(Sciences Po graduate, female, 28 y/o)
Another returnee said his choice of Shanghai is ‘biased’, because even though he does not come from Shanghai originally but then spent his university life and first three years of work in Shanghai before going to do his masters in ESSEC in Paris, he said:

‘I think Shanghai is unarguably the best city for returnees. As a global city, Shanghai is the economic hub, which has less involvement with the political scene. Comparing to Paris, it is also more convenient to live in, although the cultural life is not exciting as in Paris. All my Chinese classmates (the 15 students of the 2004 Jan entry) and my former university friends in Fudan are now in Shanghai, because of the work opportunities. The city means a lot for me, more than just a city to work and life, I have personal feelings for this city and the development of my studies and career are linked to the city’s growth.’

(ESSEC graduate, male, 32 y/o)

Despite the overwhelmingly positive comments about Shanghai, there were also drawbacks mentioned by the returnees. For example, Shanghai is less green than Paris, and the noise level is also comparatively higher. Returnees were also especially concerned about the pollution levels in Shanghai, and some of them chose to live outside the city centre in order to ‘breathe fresher air’ and have ‘more public green space. One male returnee from Sciences Po said he found the difference in not only the colour of the sky but also the manner on the street:

‘When I first came back to Shanghai, I realised the sky here is not as blue as in Paris! The air quality is much worse. People are also in hurry when crossing the roads, even in red light. Some drivers are also not friendly to pedestrians. In France, most drivers will wait for you to cross road. Here, even with green lights, you sometimes must wait for cars to go first. What I dislike most is littering on the street, and during my first month back in Shanghai, I always corrected people and asked them not to do so. But later I found out my own individual power is not enough to stop this, but nevertheless I told myself at least I can make a good example myself.’

(Sciences Po graduate, male, 29 y/o)
Though Shanghai already offers good recreational facilities and entertainment options, many returnees still suggest Shanghai must upgrade its ‘cultural status’. One female returnee said she felt:

‘Shanghai is still a beginner in the cultural world, as activities of arts and cultures are still very limited. Like many cities in China, the commercial flavour is too strong, although the city is working hard to catch up. I think in Europe, the arts scene consist both mainstream and alternative forms. Independent thinking in arts and arts creation is highly valued hence the cultural circle is very diverse. This is what Shanghai needs to improve.’

(ESSEC graduate, female, 28 y/o)

Lastly, culture shock was also widely talked about during the interviews. Most people mentioned their perception of people of Shanghai, and suggest people there are very fast-moving and concentrated on making money. One male returnee jokingly said: ‘Perhaps, people can be more polite towards each other.’ He complained about people crossing the street when it is on a red light, and about people spitting on the street, as offering two cases of peoples’ characteristic behaviour, and said:

‘Myself alone cannot change people’s attitude or action on these issues, but at least I can avoid doing it myself, to act as a model for others, like when cross the road or smile more.’

(ESCP Europe graduate, male, 28 y/o)

8.4 Impact of ‘Sea-turtles’ on Shanghai’s Global City Formation

Having understood why return migration is important for Shanghai, and reasons behind the choice of Shanghai as the favoured destination, this section will now illustrate the impact that returnees have on Shanghai’s pathway to China’s global city. The analysis is based on three specific contributions brought by the returnees, namely:
Expertise and Innovation (specific knowledge, transfer of skills, and innovation in production, management and business development)

Transnational Networks (cross-border social and economic networks)

Diversity (cosmopolitan)

Figure 46: Outgoing Student Migration and Returnees out/in Shanghai and China

(Source: Shanghai Municipal Government (Bureau for Human Resources and Social Protection), 2008)

According to the Shanghai Municipal Government, Shanghai is a net gainer in international student migration in and out of the city. Until 2008, Shanghai sent about one sixth (18600 out of national total of 1067000) of the total outgoing student migrants from China, but have received one fourth (70000 out of 275000) returnees. The Municipal Bureau for Human Resources and Social Protection claims ‘there are 600 returnees coming to Shanghai every month, and every day a new company is set up by the returnees’.

This reverse brain-drain is not new in Asia, as the experiences of Taiwan, South Korea, and India show, since mobilizing migrants to return from overseas can promote economic development at the receiving end of return migration (Saxenian 2002, 2005). One of Cerase’s four types of migrants focuses on ‘return and

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immigration,’ where people use new skills acquired abroad to attain goals in their country of origin, and in this case in Shanghai (1970:218). According to the International Organisation for Migration (IOM)\textsuperscript{75}, return migration could potentially yield the following benefits: regain a skilled labour force, benefit from new or enhanced skills and know-how of returnees, transfer of technology, transfer of scientific, technical and economic expertise, and the establishment of economic, trade, political, social cultural networks and exchanges. In the case of Shanghai, it has certainly indeed fulfilled the first benefit by showing a net-gain numbers in the skilled labour force, as more returnees are coming back to Shanghai than the number of students going abroad.

As shown in chapter 6, returnees have accumulated various human, cultural and social capitals during their study and work in Paris. The majority of returnees work in advanced producer services in Shanghai. The development of these service sectors is of vital importance to Shanghai’s path to being a leading global city. Their return to Shanghai also brought their embedded knowledge and skills back to Shanghai. So what kind of specific knowledge and skills have they acquired which distinguish them in the labour market? Subject expertise, language skills and a fresh mind-set are the three mostly discussed issues during the interviews. Subject expertise can be both new knowledge and know-how or improvement and upgrade of existing knowledge, or both. One returnee from ESSEC said his MBA course has upgraded his new financial knowledge, and taught him about new software for analysing the financial market, as well as better inter-personal communication skills, saying:

‘I think Chinese returnees with engineer or MBA degrees can fill the gap in the labour market. We specially need international trained talents in sales, marketing and finance too. The MBA degree has gave me a combined training in different fields. The advantages for Haigui are cultural integration and bridge between the ‘East & West’. The key for success is the combination of western education and international working experiences. Of course Haigui

\textsuperscript{75} IOM, Enhancing the Role of Return Migration in Fostering Development: http://www.iom.ch/jahia/webdav/shared/shared/main/site/microsites/IDM/workshops/return_migration_ development_070708/enhancing_benefits_return_migration.pdf (last accessed Nov 2007)
also plays a role on the cultural diversity and brings wider views and global perspectives on current affairs in China.’

(ESSEC graduate, male, 29 y/o)

7 returnees also acquired additional qualifications for their respective sectors. Among them, four qualifications are Chartered Accountants (CA), two are from the Chartered Institute of Marketing (CIM) and one is accredited by Chartered Institute of Personnel and Development (CIPD). These internationally recognized qualifications and professional skills are much needed in the construction of the financial centre of Shanghai, as envisaged by the central government. One of the Chartered Accountants recalled how she helped to re-organise the accounting system when she first started to work at a local Chinese export company, after she came back to Shanghai:

‘When I started to work at this company (a local Chinese export business), I realised how messy the accounting system it was. I realised if we want to get more international clients we must change our accounting system to make it look more professional. The idea was not first welcomed by the accounting department and even the big boss who hired me for the job. However, after I explained to them how importance transparency and accountability are important for relations with foreign buyers, and in fact it is not too complicated to change the accounting system, my proposal was then accepted.’

(HEC graduate, female)

Another returnee who is also a Chartered Accountant shared her story about debating about transfer pricing with her colleagues:

‘At the beginning of my work, I found the working rhythm and method different from the Paris HQ. I had some troubles with two colleagues as we had different views on transfer pricing. However, even our understanding on this technical term is not the same, it was in fact a good opportunity to learn from each other. I have give them the European and French practice on this matter, and the other way round, I also managed to learn something new about practice in China.’

(ESCP Europe graduate, female, 28 y/o)
The improvement of financial accounting is a step needed for the upgrading of the existing knowledge infrastructure in Shanghai. Some returnees also brought back new knowledge to Shanghai. Among them, a Six Sigma specialist who works for French nuclear energy company in Shanghai, who said there is vacuum of talent for the type of work he is doing in China:

‘I do think I can in fact count how many people do Six Sigma in China. It is a business strategy developed by Motorola in the late 80s. Although it is not a new business tool, but very few people know how to use it in business strategy in China. As I have worked on this in France and gained Black Belt status, I was headhunted by many companies. Now in our company, I have my own department, only my secretary and I because I cannot find any qualified assistant. I guess I need to train the new recruits from ground zero.’

(ESCP Europe graduate, male, 29 y/o)

Zweig et al. (2004) extensively researched on the transfer of new technology to China arising from return migration. In this research, it is not the new technology that was carried back to Shanghai, but the innovative business practices and the creation of new business. In the above case, the returnee has in fact brought back new business strategies, which will professionalise the quality management functions and improve the business practices. Another example of the creation of ‘new knowledge’ here is an
urban planner, who achieved a dual degree in Paris and the US (through a student exchange double degree programme), and who, at the age of 34, returned to Shanghai to work as a senior urban planner at a foreign building company. He pointed out there is a gap between the Chinese and foreign urban planners:

‘When you bid for a construction project, you really see the differences between the Chinese and foreign planners. The way of thinking and designing is very different from one another. In fact, there are many returnees like me in the business. Now everyone is talking about ecological cities and sustainable development. These topics are very hot in Europe and there are many good practices in France, Holland and other countries. For me, I have the first-hand knowledge to see these developments as well as able to combine the Western style design combined with Chinese heritage. I think returnees in the field (of urban planning) can in fact make a change to the deteriorated environmental conditions in China, as we could put sustainability in our mind…’

(HEC graduate, male, 34 y/o)

The case of urban planning is a good example of how returnees can influence the development specific sector - in the case above, in architecture and land use. ‘There are many returnees working in the urban planning firms, mainly from the US and Europe,’ said the interviewee, who commented that returnees are popular with both local and international firms because of their knowledge and understanding of the arts, cultures and designs from both sides.

Returnees have privileged access to jobs in certain sectors and industries, for example, in consulting business and law firms. Medium and senior positions in these two sectors often require advanced degrees (business or law), and international experiences in industry, which automatically therefore imposes entry barriers to local graduates. Many returnees who work in these two sectors report that most of their coworkers are also returnees, expatriates or overseas born Chinese. For instance, one interviewee (INSEAD graduate, male, 30 y/o), working at a German consulting firm, regards returnees as the ‘big fish in the pond’ of the consulting business, saying that Haigui are certainly important players in his company - out of 6 partners in Shanghai, there two Germans, one local Chinese and three returnees from US, ‘Plus there are
many returnees working on the consultant levels,’ he adds. Another female graduate from INSEAD (31 y/o), who works at a US consulting firm, said 99% of the AT Kearney consultants are returnees from US and Europe, ‘Among the French returnees, all are from INSEAD.’

Another sector of particular interest is in the field of legal services. After China’s entry to the World Trade Organisation (WTO) in 2001, there has been a surge of trade between China and other parts of the world, hence raising a demand for internationally qualified lawyers who know about both domestic laws in China and also the international legal system. Many international law firms have set up offices in China. According to the Forbes magazine, waves of Chinese lawyers who received law degrees in the U.S. come back to work in China with an understanding of WTO law and the different legal systems. A returnee who worked for British law firm in Shanghai said that his company is full of graduates from leading schools in the US and Europe:

‘Most of my colleagues are from the US and a few are Europe, Yale, Harvard, UCL etc. We have a very international team here in the Shanghai office. Of course we also have fresh graduate of Chinese graduates just finished their university degrees, but these jobs are more on a very junior level. We deal with a lot of international cases, such as Chinese companies going abroad, or foreign investors who want to tap into the Chinese market, and we often work with our sister offices in London and New York. Therefore, it is important for us to have international legal knowledge and exposure. Nowadays more and more local Chinese law firms are also actively recruiting returnees and offer competitive salaries like other global law firms.’

(ESSEC graduate, male, 32 y/o)

Scholarly research in relational economic geography by Falconbridge (2007) has explored the way legal knowledge is produced and circulated in global legal professional service firms. The high concentration of returnees in the sector of legal

service once again highlights the way ‘relational networks are constructed and embedded to allow learning to be stretched across global corporate networks’ to enable ‘knowledge production and circulation’ (2007:925). Another returnee who works in the field of EU competition law also reveals that in her company (US based) returnees play a very important role, saying 99% of the senior lawyers, associates and partners are returnees or expatriates:

‘Because we work with international clients, we need people who have transnational legal knowledge and excellent interpersonal communication skills in English and Chinese. For me, I have the expertise of EU law and experiences of working in Europe and with European institutions, and that is a big advantage.’

(Sciences Po graduate, female, 28 y/o)

In addition to business innovation and entrepreneurship (establishment of new business), returnees may also contribute to the role of corporate governance and soft-law in Shanghai and other parts of China. For example, two returnees, who work as purchasers in Shanghai, made remarks on how they passed on ideas of business ethics to local suppliers in Shanghai. One of them works at a French automobile company, and regularly visits suppliers in the city:

‘As usual, we often have a lot of business dinners and meetings and we talk a lot of issues, from the quality of products to the labour standard and environmental issues. In my company, we have developed code of conduct and other CSR (corporate social responsibility) guidelines, and for me as a purchaser, I feel I have the duty to ensure it is implemented in our suppliers. I know our suppliers do not always follow our recommendations and requirements but at least I can see some changes had occurred in the past two years.’

(HEC graduate, female, 35 y/o)

Another returnee (ESSEC graduate, male, 31 y/o) agreed that returnees in some key management positions have ‘the power to change’ and ‘make a difference’ in the business and the wider society and can convey ideas from Western business ethics and corporate governance (citizenship) into the Chinese context, even though that
actual impact may be limited, even in some cases purely nominal. This is also a potential influence of ‘soft-power’ from the hosting countries where they have lived, as they gained these ideas and norms during their overseas sojourn.

Languages and mind-sets are also two important advantages in the view of returnees. One returnee, who works at a French cosmetics company in Shanghai, said ‘The biggest difference between Haigui and local talents is the ‘MIND SET’. For us, we have curiosity for fresh and new ideas and keen to capture and develop these ideas. We also have a mature attitude and a more diverse lifestyle.’ She also added that in her company, there are many returnees:

‘We (returnees) enjoy some privileges because of our language abilities (English, French and Chinese) such as understanding the conversations in French between the senior management level during the crucial company meetings, despite the official language is English. We also can communicate with the senior management directly via email in French.’

(HEC graduate, female, 30 y/o)

Another returnee from INSEAD gave a nice comparison between returnees, local staff and expatriates:

‘MBA from INSEAD and life in France enabled me to have different experiences of meeting people from diverse background, gaining new business knowledge and more importantly new contacts and networks. I got my job with AT Kearney at the campus recruitment, basing on my analytical ability and logical thinking. I think 99% of the AT Kearney consultants are returnees from US and Europe. Among the French returnees, all are from INSEAD. There is a pyramid of business schools in France, however, INSEAD is quite different from the rest.

Returnees in the consulting business have quite clear advantages: we look at things from more and different angles and we consider more thoughtfully the needs of our clients. We also interact with our clients better - no matter they are Chinese or foreigner. Our projects usually involve Chinese companies wishing to go abroad or foreign companies wanting to enter China, we can
understand better their concerns because of our experiences in where they both come from.’

(INSEAD graduate, female, 31 y/o)

Her view is shared by another INSEAD graduate (male, 30 years old), who now works at a German consultancy firm. He suggested the consultancy business is at its booming stage in China, and there is a big shortage of resources – qualified persons, ‘who are smart and have excellent personal skills.’ He continued, saying: ‘At the moment, it is hard to find such talent with experiences and communication skills in China.’ He explained the problem with domestic talents (graduates from Chinese universities) is the lack of understanding of international practices, due to their limited exposure outside China. Therefore, the advantages of Haigui like him are ‘language competences and the knowledge of global markets and communication skills from working with international team.’

He used his company as an example, saying his Chinese clients are all very successful and entrepreneurial: ‘For us, we (consultants) need to work with them with a mature methodology. They (clients) have a very good understanding of domestic market but lack knowledge of international standards and markets. Most of them are either looking for new management models or strategies or looking to expand abroad (such as listing at overseas stock markets). To do this, they want to know the international business rules and practices.’ He said as an engineer graduate, he had no management studies and his knowledge is at operation level. However, the INSEAD MBA and life in France have given him ‘necessary knowledge base (such as corporate finance) as well as good experiences in different cultural settings and trained me better interpersonal communication skills,’ which enable him to work and stand out in the consulting sector.

**Transnational Networks**

Research by Castanias and Helfat (1992) shows that returnee (entrepreneurs) may have specific human capital that relates to a spectrum of skills and knowledge with varying degrees of transferability. Dai and Liu (2009) suggest that returnees carry not only academic knowledge, acquired in the form of general education and scientific
and technical training, but also practical business skills, arising from the experience of working in a commercial environment or through having started a business. The analysis win the previous section confirms that returnees in Shanghai are in possession of these comparative advantages, a combination of academic and professional expertise, business know-how, communication skills and a global mindset.

However, another important feature of returnee is their transnational social capital. Adler and Kwon (2002), as well as Cooper and Yin (2005), point out returnees may have specific social capital which ‘involves the relational and structural resources attained through a network of social relationships’ (Dai and Liu 2009:377). The embedded human capital of returnees (knowledge and skills), working experiences and the exposure to an international environment maybe also be associated with international business networks, social and personal contacts. In a study of Chinese returnee entrepreneurs, Zweig et al. (2005) recognize returnees as ‘trans-national capital’, which arises from overseas links, foreign education or training, or trans-national networks. This section explains this distinct type of social capital, and analyse the impact it has on returnees’ access to jobs and enhancing their performance, and demonstrates how this helps to connect Shanghai in the global corporate network.

The analysis of transnational networks by returns focuses on the utilization of pre-existing networks before return migration takes place, and on the creation of new network in after return to Shanghai. Castells (1989, 2000) suggests that the spatial architecture of the world economy is based upon a logic of flow, connectivity, networks and nodes: ‘the organizational logic of corporations and their satellite activities is fundamentally dependent upon the network of interaction among different components of the system. While organizations are located in places, and their components are place dependent, the organizational logic is placeless, being fundamentally dependent on the space of flows that characterises information networks’ (Castells 1989:169). As constituents of the space of flows in the global migration, student migrants and returnees accumulate capital in their migration cycles, and use this newly acquired and later embedded social capital (connectivity) to facilitate further mobility between the various nodes (global cities) in the system. As shown in chapter Six, many student migrants use alumni networks to seek job
opportunities during and after their studies. This is the same case for returnees in Shanghai, who use their networks and social relations to integrate in the local business community, for obtaining employment, and for exploring commercial opportunities and social networks.

For instance, many returnees have used their previous connection/experience (in China before going to France) and current alumni and social networks (which are established in France) to seek employment in Shanghai. While the majority (23 out of 40 returnees) found employment and signed their contract after coming back to Shanghai (see Figure 48) 6 returnees in fact found the job and signed the contract in France before returning to Shanghai, another 11 returnees found their job in France and then signed their contact after they returned. This is a very clear illustration of how global production is made between global cities, i.e. the recruitment done in Paris and actual post is in Shanghai, and returnee is part of this global business network shifting between the global cities. For example, most INSEAD returnees successfully found their job and signed the contract before finishing their studies during the campus recruitment fairs. Once their studies are completed they return to Shanghai to carry out their post.

**Figure 48: Location of Job Search and Contract Signing for Returnees**

(Source: Author’s field research work, n=40)
Hannerz (1996) stresses the importance of relationships and transnational flow as well as role of transnational organisations and networks: ‘World cities are places in themselves, and also nodes in networks; their cultural organization involves local as well as transnational relationships’ (Hannerz 1996:128). Alumni associations is are an excellent example of helping geographically dispersed members to acquire job information and assisting them to integrate in a new city, work environment and social network. chapter 6 pointed at the importance of alumni networks as important channels for job seeking in France. Almost all returnees used alumni contacts for their return to Shanghai, for a variety of purposes- for example, getting to know the local job market, information about salary, news about vacancies at senior management level, housing help, as well as for personal relationship and friendship.

The role of the alumni nowadays goes far beyond traditional ‘goodwill ambassadors’. Alumni networks have become an important factor for choosing a business school. Alumni now help business schools in various ways, from admission of students to the recruitment of graduates. For many schools, particularly in the US, alumni giving and other monetary contributions are an important financial source for donations of scholarships. Alumni clubs & associations around the world connect graduates and students in an information network, blended with business intelligences, professional contacts, investment and venture capital funds, entrepreneurial ideas, career development and personal relationships. China’s booming economy also lured graduates of elite business schools to take up employment opportunities. With the growing presence of alumni, China has become a major local chapter for global alumni networks, as more alumni clubs of top business schools and foreign universities are now mushrooming in China, especially in big cities like Shanghai and Beijing.

Harvard Business School (HBS) is one of them. Constantly ranked as top 5 business school in the world by Financial Times, it has now two alumni clubs in China, in Beijing and Shanghai respectively. On its Shanghai club website, it introduces the alumni club as:

HBS Alumni Club of Shanghai-TSPEF is one of the 111 HBS Alumni Clubs and Associations worldwide. The mission of the club is as follows:
Provide networking opportunities among HBS alumni;
Strengthen HBS presence in Shanghai;
Influence outstanding young men and women to apply to HBS;
Contribute to local business community,
Provide career opportunities information to HBS alumni.

http://www.hbsacshanghai.org/article/show/page/aboutus/1.php

From its mission statement, HBS Alumni Club seems to have a very proactive role in promoting the US-China relations, by encouraging and sponsoring local talents to study at HBS in the US. The Club itself is also attached to the Tao Shing Pe Education Foundation, which aims to ‘nurture scholars' entrepreneurial spirit, bringing vision and new ideas to China, one of the world's fastest growing economies’ (http://www.sptao-foundation.org/about_us.htm).

Born in Nanjing, China, in 1916, Mr Tao is a returnee himself, according to the Foundation website, he came back and invested a hotel at his birthplace in 1997 and founded this philanthropic organization, a MBA scholarship fund for talents from Mainland China to study at Harvard Business School. To this end, TSPEF awards up to ten scholarships each year to candidates who are successfully admitted to the Harvard Business School's MBA program. To date, there are 48 Tao Scholars from the Class of 2000 to 2006, most of them received an annual 50,000 USD grant for their MBA studies at HBS. The only condition for the fund is that beneficiaries must return to Mainland China to work for two years upon their graduation and it was those returnees who in fact founded the HBS’s Shanghai Club.

London Business School also prides itself on the extensive alumni network which links closely as its London campus, among them are in Shanghai and Beijing:

27,000 alumni in more than 120 countries worldwide receive privileged access to our offerings. Our alumni network spans almost 60 cities worldwide. The School may be located in London but our reach is global. There is a wealth of knowledge, business experiences and networking opportunities for you to share.

http://www.london.edu/ourcommunity1254.html
For French business schools, alumni network is even equally important if not more. The highest ranked MBA school in France, INSEAD Alumni Association (IAA) was founded by alumni in 1961 and now has 42 national associations:

INSEAD has some 37,000 alumni worldwide, comprising 18,000 from the MBA programme, 18,760 from Executive Programmes, 130 from the Executive MBA programme and 110 from the PhD programme. One thousand alumni volunteers worldwide serve in various capacities on national alumni association committees, and help to organise reunions and international speaking events as well as interviewing MBA candidates in their home countries.

INSEAD’s alumni live in over 150 countries throughout the world. 77% in Europe, 10% in North & South America, 9% in Asia / Oceania and 4% in Africa/Middle East. Alumni make up 30% of INSEAD’s International Council, and hold 16 of the 33 seats on the Board of Directors. Over 22,000 alumni have joined the address book online, entering their contact details, and either activating their lifelong email forwarding address or using the search function.

http://www.insead.edu/alumni/alumni_network/index.cfm

Without surprises, INSEAD has also both Shanghai and Beijing as local chapters. From the newsletter of INSEAD Alumni Association in China, here is the distribution of its alumni in Mainland China. As shown in the earlier section, Shanghai is the most popular places for INSEAD graduates followed by Beijing. The President commented on the objective of China’s National Alumni Association:

‘We are in a great country in a great era. Young and fast growing, IAA China strives to promote the spirit of INSEAD, to increase INSEAD’s visibility and impact in the Chinese business community and to help alumni in their career and personal achievements.’

(Zhou YU, (MBA'02J) President,

Compared to some other business schools show INSEAD has one of the largest annual intake of MBA students, around 900, who start the 10 month MBA programme either in January or September. Many rankings and reports including
Financial Times as well as Business Week comment that INSEAD’s strength lies within its global perspective and multicultural diversity. This is confirmed by its graduates in China:

‘I choose INSEAD very much because of its alumni network. I was thinking of either INSEAD, London Business School or IMD. I wanted to change my career after my PhD, LBS is more specialised in finances while IMD is more targeted at top level executives. INSEAD however enjoys a good reputation for general management and consulting business. Since I want to work as a consultant in the future, INSEAD offers far better networking opportunities and expertise in this area. For example, IMD only takes 90 students per year, while LBS has a larger intake around 300 students, by joining INSEAD, I will immediately have at least 600 more contacts, who can be my potential colleagues, partners, employers or lifetime friends! This is a very big bonus and that is why I chose INSEAD at the end.’

(INSEAD graduate, male, 33 y/o)

This view is also shared by graduates from more traditional French business school, the Grande École system. Many French business schools’ alumni website primarily supply information only in the French language, and have a stronger presence in Francophone speaking countries. For example, Hautes Études Commerciales (HEC) has 53 groups outside of France, among them Shanghai and Beijing as well as France’ overseas territories – Antilles-Guyenne, New Caledonia, French Polynesia, Mayotte, that all aim to:

- host the HEC members residing in that particular country
- maintain an active HEC network
- ensure the HEC name’s international renown
- help classmates to find work

http://www.groupehec.asso.fr/anglais/groupes_internationaux.php

‘Gestion Paraplue’ is a phrase mentioned by a HEC graduate in Shanghai. She explained, its translation in English is the so-called ‘umbrella effect’, it refers to the importance of alumni network of Grandes Écoles:
‘As you see, if you have a big umbrella, then everyone can stay under it and do not get wet. That is the precise advantage of studying at a Grande École. If you graduate from an elite business school like HEC, you can rely on a good network of alumni around the world, can mentor and help you in your career, just an umbrella over your head and shoulders. We also have a saying called ‘une tête bien faite’ (a well built mindset), it is another usual commentary made to young people coming from a Grande École, you are in a privileged network. In France, in French speaking countries or French companies, HEC is the name of elitism, which is your key to jobs and success. Well, in return, one also helps with the school’s development. For instance, I have helped with professors from HEC to organise workshops or gathering research data, as well as helping other new graduates as I am in the position to do so. You cannot just take but also need to give as well.’

(HEC graduate, female)

Another French business school, ESSEC’s alumni website also states the alumni network as being:

An essential aid to building relationships and finding information, the ESSEC Alumni network is available to entrepreneurs. The Alumni Association currently includes 20 professional clubs that enable all members of the ESSEC community to meet and share ideas.

http://www.essec.edu/essec-business-school/entrepreneurship/alumni-network

Again, ESSEC is represented in Shanghai and Beijing, with Shanghai has one third more alumni than Beijing, in terms both Chinese and foreign alumni as shown in Figure 50. Its Shanghai alumni chapter leaders considered themselves as:

ESSEC International's contacts in Shanghai – they (ESSEC alumni contacts) will coordinate ESSEC Alumni activities and offer to help newcomers in this booming city!

http://essecnet.alumni.essec.fr/representants/

savoir_plus.php?idcat=4&idscat=21&idsscat=&idssscat=&idrep=50
One of the ESSEC alumni commented about her involvement with alumni association:

‘The cycle of graduates from France is much smaller than the US, UK, or countries like Canada, Australia or even Japan. But we have a very friendly and closed community. When you want to find a job within a French company, you can just ask one of the ESSEC alumni, since most likely we will have one in that company you want to work for. The cycle is smaller, but also then you have more exclusive information and opportunities as the information is not circulated to a very huge list. We often got email from ESSEC students who ask for help to find an internship or job in China. We always help them as we could. I meet my friends regularly and it is really nice to be able to meet others who shared the same experience as I had.’

(ESSEC graduate, female 28 y/o)

Just as the alumni said, many Chinese students pursued bi-lingual education at these Grandes Écoles in Paris, the network seems to be smaller but alumni are very closely knitted together because of the shared language and studying/working experiences. Many also work in similar industries where France plays a leading role, such as the luxury industry and construction.

With campuses in Paris, Madrid, London, Berlin and Turin, ESCP Europe is a merger of two Grandes Écoles. The importance of its alumni network is proudly acknowledged by the school and includes 28,000 ESCP Europe graduates worldwide, around 1,200 Masters and MBA graduates per year and 9,000 alumni working in 85 different countries:

‘The School’s 24,000 graduates have won a well-earned place for themselves in the international business community. Many have reached the pinnacle of success either as entrepreneurs or as business leaders of top companies at home and abroad. Indeed, over 5,000 of our graduates are pursuing successful careers around the world. The Alumni network is a truly global one. We are proud of their achievements and acknowledge them as our ambassadors.’

(Source: ESCP Europe: www.aaescp-eap.net)
The Alumni Network objectives are:

- stimulating and sustaining close ties among all graduate,
- supporting students throughout their studies and career preparation,
- serving the personal and professional development of graduates,
- promoting the international reputation of ESCP Europe and the quality of its programs,
- contributing to the development of international management education and its relevance to society

In China, in addition to Shanghai and Beijing, ESCP Europe has also an additional chapter in Guangzhou. One their alumni who frequently helped with the School’s recruitment as well as MBA fair in China said:

‘Studying at ESCP Europe, at the heart of city of the light, has been an unforgettable experience. I want more people to have the opportunity I once enjoyed. Therefore I am very active in the alumni network in giving information to young Chinese to get to know my school. I have helped a few times with the International MBA Fairs in Shanghai where ESCP Europe is presented. I think my personal experiences and ‘successful story’ is the best evidence of the School’s quality of education. I am the ‘living and moving’ advertisement for my School. As alumni, we also got invited to sit on the local admission panel which interviews new applicants for ESCP Europe. This is a good opportunity to meet young talents, you got to know more people, who can potentially be your next client or future colleague. It is a serious but at the same time, fun job to do, as you meet people from different industries, someone you probably would never meet otherwise. So I would say my involvement of alumni activities are mutually beneficially to the School and myself.’

(ESCP Europe graduate, male, 29 y/o)

From the above analysis, one can observe the intense relationship between returnees and alumni organisations, which demonstrate the distinct membership and identify how returnees have attached to their transnational network of peers. This transnational
membership has practical advantages, such as information sharing and support, as shown in the interviews, but it also suggests a possibility to enlarging the network, and thereby create new connections with those outside the network, such as in the case of recruitment of new intakes of students and connection with the local community (charity, fundraising etc.). These alumni contacts play an important role in diversifying Shanghai’s transnational connectivity through people-to-people exchange. It helps Shanghai and China to facilitate and attract talents from abroad by providing information and consulting services provided by members of the network. This ‘soft’ connectivity, in comparison with other ‘hard’ connectivity, such as transportation links, and communication facilities, provide a ‘human bridge’ between the world’s financial capitals and corporate headquarters. One returnee from INSEAD said, his daily life starts with communication between his alumni from across the world:

‘We are in a 24 hours society…when I go to office in the morning, I check my emails to learn news about Wall Street from my US classmate in New York, in the noon, I sometimes chat with my Singaporean friend about his work, and I will send a hello message to my professor in Fontainbleau. I often talk to my friends about my work and ask them for help if I do not understand something. We are living in and relying on the flows of information…’

(INSEAD graduate, male, 31 y/o)

As we can see, returnees have developed social capital in the form of international networks and can act as a bridge between the Chinese context and international markets. However, in the case of French returnees, we can also detect specific country-to-country bi-lateral linkage between China and France. This country-specific transnational connectivity can be observed by analysis of their patterns of employment of returnees in Shanghai. Figures 49 and 50 show the ‘nationalities’ of companies which returnees work for. Out of the 40 interviewees, more than half are working in French companies, while, another 25% are working for other multinationals, and fewer for Chinese companies, and two with own businesses. In the alumni statistics from ESSEC, it shows that 60% of the Chinese alumni in Shanghai are working for French companies, slightly less than the average of Chinese and Non-Chinese alumni working in Shanghai, and again fewer for multinationals (25%) and
Chinese companies (15%). It is not too surprising to see that over three quarters of French alumni are working in French enterprises.

**Figure 49: Types of Employers for Interviewed Returnees**

(Source: Author’s field research work, n=40)

**Figure 50: Types of Employers for ESSEC Alumni in Shanghai (2006)**

(Source: ESSEC Alumni Club in China Database)
From the analysis with the types of industry, that of ESSEC alumni in Shanghai and Beijing work in (see Figures 51 and 52), two specific geographical linkage features can also be identified. Firstly, most industries represented in both charts are among France’s biggest industrial sectors, such as luxury goods, industry (aviation, railway, nuclear), construction, banking and finance, telecommunication etc., whose presences are all very active in China. Another interesting feature is the difference between
Shanghai and Beijing. In Shanghai, there are significantly more people working in the luxury, fashion and cosmetics industry (28%) as to 11% in Beijing, while Beijing’s employment of industry (26%), culture / education and government are relatively higher than Shanghai (19%). This in fact corresponds to the earlier remarks by the interviewees on the difference between Shanghai and Beijing. Consumer goods companies are more likely to be located in Shanghai, because it is the economic and commercial hub in China, and industry as well as cultural business is more inclined to be in Beijing, because of its capital status and the need to be close to the central government so as to maintain good relationship and to get business contracts.

Interviews with returnees from ESSEC and other business schools can explain such a concentration of returnees in French companies in Shanghai. The language and cultural capital are the main reasons, as one returnee explained her (and other friends from ESSEC) preference for French companies over other multinationals, because she feels her transnational capital can be most utilised within a French company:

‘My school (ESSEC) has a very good reputation in France. For me, it is relatively easy to secure a job with any French companies. My diploma from ESSEC is the key to open the door of career opportunities. If I want to apply for a job with an American or business company, it probably will take me ‘half a day’ to explain about my school and its credentials. Also working for French companies means that both my French and Chinese language skills and experiences in both countries can play a great role in my work. I am competent in understanding the business culture better and enjoy more the work.’

(ESSEC graduate, female, 28 y/o)

The French diploma and transnational experiences, and contacts in Paris and China, have become an integral part of personal capital for most returnees (with the exception of INSEAD returnees), and is transformed into a symbolic power, the overseas experiences allowed them acquire thought, behaviour, knowledge as well as prestige, honour and attention. One returnee from HEC (female, 29 y/o) said she thinks French companies do very much appreciate the education in France: ‘They selected me because of experiences of the cosmetics industry and my cosmopolitan outlook having living in Shanghai and Paris. For the new company which I will work,
besides my education and experiences, I also like my image and elegance I present because of my background, and ability to communicate effectively with French clients and partners.’ The reputation of the diploma and the company is also appreciated mutually by the recruiters and returnees. For example, one interviewee from ESSEC (31 years old, male) added that the consulting firm he works for is from Europe and is particularly popular with European returnees, because of the good company reputation in Europe.’

Interviewees also expressed their strong cultural identification with other returnees from the same school and country (France) who shared common or similar experiences, and of course an alumni network which helps to have fast-track entry to French companies. One HEC returnee (31 years old, female) said she has contacted ESSEC alumni in the finance / accounting fields, particularly those work for French firms: ‘Haigui is popular with the top 4 accountancy firms here. I prefer French companies, because of the managerial styles as well as the use of French language.’ Another returnee (Université de Paris graduate, female, 28 y/o) said she had a lot of training interviewing with French companies in Paris and chose French companies because of ‘the maximisation of (her) human resource values; I can guess the interview questions before the interviewer speak.’

Their transnational relations with France are developed and sustained by constant interaction with French headquarters and colleagues, frequent travel (either business or leisure) to France, and continuous personal and other professional contacts in France. One returnee from Université de Paris 5, who used to work at Chinese state-owned enterprise labelled himself as ‘the France man’ in his company, saying that he was asked to coordinate everything concerning France:

‘I felt like I am the spokesperson for France. Basically I handle from the everyday communication with our French importers to the translation of official documents. It was in a way good and in a way bad. The good thing is that I can have the whole picture of our relations with France, but the bad thing is that it is a lot of work.’

(Université de Paris graduate, male, 29 y/o)
Another returnee from the same university (27 years old, female), who works at the French consulate in Shanghai, said her job is to ‘promote France and French interest in Shanghai and the region’ She says, ‘I work with French and Chinese, speaking sometimes more French than Chinese in the work.’ Another interviewee (28 years old, male) from HEC said he travelled to France so often but always very short trip and wanted to take a long holiday sometimes in France, ‘I don’t think I am bored with travelling to Paris. You discover new things every time. My work is spent 50% in China, 30% with France, and 20% in France, so it is quite even. I just hope I could stay a bit longer after my next business trip to France and spend some time travelling to the South (of France).’

While the majority of interviewees put preference over French companies, only one INSEAD graduate (female) among all interviewed returnees from INSEAD works for a French company (the same one she worked before she left China). The reason behind this can be explained by the fact that INSEAD is not among the traditional Grande École system, but rather an international business school. The other schools like HEC, ESSEC and ESCP Europe are all 100% French home grown educational establishments, with a wide alumni presence in different sectors of French business, in and outside France, which naturally help newer graduates to enter French companies, as shown earlier. Almost all returnees from these schools expressed their appreciation of the extensive alumni resources of their respective schools, and stressed the importance of it when it comes to job hunting. In contrast, students and faculty members of INSEAD are more diverse, and as one Chinese alumni said: ‘INSEAD just happened to be in France. (INSEAD graduate, male, 38 y/o)’ Therefore, the choice of school is also a factor in shaping the career trajectory and geographical link of student migrants. INSEAD graduates enjoy much more diverse types of companies, American, German, Chinese and Japanese etc, with concentration in consulting business (also INSEAD’s strengthen as mentioned earlier).

Making the Diverse and Cosmopolitan Shanghai

In summary, the interviews carried out with returnees allow four categories to be identified, determined by their cultural experiences, generation and lengthen of sojourn:
1) Globalist:
   This is mainly the case of INSEAD graduates, who do not limit themselves to
   French companies. They are concentrated in consultancy and banking sectors
   as well as in other industries. French language is not important for them but
   they do have a certain attachment to France. They also meet up frequently in
   smaller groups.

   Example, interview with an INSEAD returnee, 35 years old, male:
   ‘I like very much French food, but in China, I of course wish to spoil myself
   with Chinese food. I do watch sometimes TV5 and business news of France on
   the websites. Now I live in an international neighbourhood in Pudong New
   Area, where many returnees choose to settle, because of it is more spacious
   and better living environment and living standard. My girlfriend is also a
   Haigui from UK, we plan to travel to Cote d’Azur next year.’
   (INSEAD graduate, male, 29 y/o)

2) Frenchfied (westernised)
   This group mainly comes from Grandes Écoles who studied French before and
   continue to work for French companies and use French and English as
   working languages. The interviewees frequently made references in French
   and still maintain close links with France as well as keeping French lifestyles
   in Shanghai. They are also usually the activities for French activities and
   alumni organisation.

   Example: interview with one returnee from HEC, 29 years old, female:
   ‘I think I have now a more western style, I think it is healthy, like the food. I
   usually shop at Carrefour and expatriate shops, like the CityMart and I live in
   an international community condo and have TV5 at home and watch it every
   day…I regularly meet with my friends from HEC and Paris, as well as join the
   events at Alliance Française… I also prefer my partners to have some overseas
   experiences and my kid shall also speak at least Chinese and English, and
   hopefully French too.’
   (HEC graduate, female, 29 y/o)
3) Localised
The majority of these people only spent a relatively a small part of time in France and/or have limited French language skills. They are now fully integrated in local life and have few contacts with alumni or the French lifestyle.

Example: interview with one returnee from INSEAD, 35 years old, male:

‘Well, I only left China for less than two years, and now everything is back to normal just like before. I sometimes meet classmates of my graduation year from INSEAD. It (studying in France) was a good memory and I hope to one day to have my ‘delayed’ honeymoon there. But now, I am too busy to think about it…’

(INSEAD graduate, interview, male, 35 y/o)

4) French Families
Here are the spouses of French expatriates or who are naturalised as French and currently working and living in Shanghai. They have strong links with France and the French community in China. (Attn: some are more localised – the older generation and some are more westernised – the younger couples)

Example, interview with a returnee from ESSEC, female:

‘I consider my husband and I have a mixed living style, combing Chinese and European features. I guess I can both bargain for hours in a Chinese market and indulge myself at the Four Seasons resort. I think Haigui are big spenders for the Shanghai economy, like myself, am currently living in an international residential area. I still keep good social contacts with my ESCP Europe alumni and Beijing friends, also with my children’s community.’

(ESSEC graduate, female)

However, all four categories show affiliation with French culture and lifestyle. The experiences in Paris have become a part of personal identity to every interviewee, with varied level of assimilation. The life in Paris has left marks on the daily life of returnee, whether it is the croissant in the morning or the wine during dinner time.
Below is an illustration drawn (Figure 53) by one interviewee about his opinion on the cultural identity he has:

![Figure 53: Personal Identity of a Returnee](image)

‘People like myself have a very transnational work and life, it is however difficult to define our cultural position. When I compare myself domestically, with Chinese people in China or French people in France, I feel I am at the ‘edge’. But when I compare myself in a bi-cultural setting, I then find myself in the central position, the core between two different cultures a mélange of Chinese lifestyle and French taste. I drink coffee and tea, I cook spaghetti with Chinese soya source…I feel lucky as I can enjoy the best of two worlds…’

(ESCP Europe graduate, male, 29 y/o)

This notion of cultural mélange or ‘Chinese lifestyle with a French touch’ is often mentioned by the returnees. The bi or multiple identities and Sino-Franco or Sino-European/western lifestyle, it raises the demand for diverse and international products and services, from supermarkets, restaurants to TV and newspapers. As one interviewee said, returnees are also ‘big spending’ consumers, which could potentially encourage the creation of new services and products. Some of the elder returnees are now sending their children to École Française (French School) in Shanghai, which was set up to meet the needs of not only expatriates children but also from the growing number of Chinese returnees and those Chinese families who wish and could afford to send their children to western education.
8.5 Conclusion

By drawing upon Friedmann and Wolff’s notion that ‘transnational elites are the dominant class in the world city, and the city is arranged to cater to their life styles and occupational necessities’ (Friedmann and Wolff 1982, 322), and Hannerz’s (1996) suggestion on transnational managerial elite as the key actuates of world city production, this chapter examines the rationale behind Chinese return migration between two global cities, from Paris to Shanghai. It has shown that returnees made their decision on a range of economic and non-economic factors, mainly attributed to the growing economic importance of China.

The return migration of sea-turtles to Shanghai is embedded and shaped by social, economic and institutional opportunities in the city. The arrival of returnees have contributed to the development of Shanghai on three main levels, bringing expertise, knowledge and skills to fill the talent gap in the advance producer services (as well as other industries); to enhance existing and create new transnational networks in and out of Shanghai, with particular link to Paris and France; and to add diversity in the city, in terms of cosmopolitan lifestyle and consumption for services and products.

As seen in the analysis, ‘intercultural or East-West Bridge’ is the common phrase used by returnees to stress their cross cultural competences and transnational experiences, thanks to their studies and work between the two continents. This chapter has illustrated how returnees play a role in the city’s internationalisation, and their important role as agents of organizational and globalization business strategy. They do not portray return as the failure of the migration experience as suggested by neoclassical economics but rather as part of the successful migration circle and planning of their career trajectory. We saw earlier that Chinese students already have the intention of returning back home to China after their studies even before they arrive in France, hence the return is an integral part of the migration project, seen as the ‘calculated strategy’ of migrants (Stark 1996). As the literature of the new economics of labour migration suggested, in the Chinese case, once knowledge accumulation is done in the destination country (i.e. Chinese students’ studies and work in France), student migrants return to the country of origin to use the acquired skills so as to
enhance career development and maximise the benefits of their migration experience abroad.
9 Conclusions

9.1 Introduction

The conclusions are divided into two main sections. The first offers a number of comments on the main findings of this research, and suggests necessary refinements within the study of international migration and global cities. The second part will discuss some of the limits and constraints on this doctoral thesis, and provide some policy recommendations with regard to circular migration, as well as suggesting possible new avenues for future investigation.

9.2 Main findings

Changing Chinese Migration in Global Migration Order

China has a long history of internal and international migration and exhibits a large number of diasporas around the globe. Research on international migration from China, in both historical and contemporary contexts re-conceptualises Chinese migration after the 1980s and shows two fresh trends of migration flows. The first one is the rise of skilled migration. For a long time in the history of Chinese migration, migration from China has consisted of a stream of the low skilled - for example, the notorious ‘coolies’ trade and the earlier migration flows into Southeast Asia, the United States, Europe and Canada, etc. During two world wars and in the two decades after the founding of the People’s Republic of China in 1949, such migration from China has also been interrupted, and only a few Chinese people managed to leave the country to live, study or work abroad.

Since the economic reforms, and the introduction of ‘Open-Door Policy’ in 1978, China has broadened its relationships with the rest of the world, in both the economic and the cultural spheres. This has significantly impacted on migration flows from China. The fundamental difference between the pre-1978 and the recent migration over the past three decades is the emergence of China as a global power, in economic
and political terms. China's newly acquired status as one of the world fastest growing economies has transformed the pattern of international migration flows in and out of China, bringing more diversity as well as a higher volume of migrants, *xin yimin* (new migrants). One notable trend within the diverse migration flow is student migration, which constitutes the main category of Chinese skilled migration (Zhuang 2003).

The surge of Chinese student migration into France and other European countries offers a good illustration of this new trend. As the majority of these students are self-financed, it once more shows the economic strength of China, and its success in capital accumulation and the growing personal savings/incomes. It also shows that living in the global era, Chinese people are putting substantial investment into education as a strategy to attain knowledge, develop skills and the creativity needed to compete for and secure a good career. Higher education in this case is believed by Chinese to be a way to bring rewards in one's career, living standards and such symbolic capital such as recognition and status, which then differentiates them from others. Student migration is facilitated by the marketisation and internationalisation of higher education. For instance, business education, as shown in this thesis, has been incorporating an international dimension to the skills and knowledge improvement of students, with programmes designed to both domestic and growing numbers of international students, so as to meet the needs of expanding business by transnational corporations. For instance, many French business schools, studied in this research, have started to offer whole master programmes in English, to attract Chinese and other international students. At the same time, the many rankings of business schools, (such as those by the Financial Times and the Economist) also use the percentage of international students and faculty members as part of their evaluation criteria.

However, despite the volume of international student migration worldwide, research on this newly emerging migration theme is limited to a few scholars, notably geographers like King, Findlay Waters and Jöns. This research therefore fills in an existing research gap, in order to understand contemporary international student migration from China in a holistic view. The analyses of the motivation for studying abroad shows both pull and push factors in student migration. The pull factor is mainly the offer of advanced education opportunities abroad, such as the high concentration of elite business schools and programmes in Paris. There are a number
of push factors, the issue of bottleneck and career ceilings in cities like Shanghai, increasing competition for talents with overseas education or international experiences, limited opportunities at home, a demand for language proficiency and cross-cultural communication skills, just to name a few. China’s entry to the World Trade Organisation (WTO) in 2001 proved to be a catalyst, which accelerated the need for international competitive human resources, and hence stimulated more student migration from China.

Furthermore, with this specific spatial flow of student migration between China and France, interviews with Chinese students and returnees illustrate the importance of pre-requisite skills and experiences for such migration trajectory. In this research, many student migrants (with the exception of INSEAD) have previously acquired language abilities in French and/or had exposure to French cultural and business environments through study, work or personal relations. This coincides with earlier work on academic mobility completed by Heike Jöns (2007, 2009), who found American scientists with German biographical roots are more likely to establish exchange and academic visits with Germany, because of their cultural and linguistic backgrounds. In this research, it is shown that the pre-requisition of knowledge and connections with France help student migrants to identify the study options better, and facilitate their integration to the French society. The study and life in France is also viewed as a strategy to further refine their language competence in French and deepen their understanding on French business, culture and society, which then would eventually benefit their future career. Comparing those with previous ‘French connection’, the INSEAD interviewees mainly chose France, because it is where INSEAD is located – as one interviewee said ‘I go to Paris because INSEAD happens to be located there’ (INSEAD graduate, male, 35 y/o). For this group, reputation, professional contacts and academic excellence is most important for the destination of study migration. However, the cultural experiences and language skills are also considered to be ‘bonus points’.

Another main finding on the migratory flow is the notion of ‘return migration’ and ‘circular migration’. As a main sending country for international student migration, China has sent more student migrants than any other country. However, until recent years, very few have come back to China. This has been a classic case of ‘brain drain’
identified in the migration research. This has a long conceptual history, and started with concerns over the loss of European scientists to the US, and has been defined, constructed and addressed in quite different ways during the last decades, and now presents itself again as a matter for contemporary preoccupation for many countries in the Global South. Nevertheless, this doctoral thesis touches on the notions of return and circular migration in the Chinese context. This concept of ‘brain circulation’ came to academic prominence in the 1990s (Jöns 2009), as migration research by Gaillard and Gaillard (1997) and Teferra (2005) revealed the fact that emigration of students and other professionals (highly skilled) was turning out to be more temporary than permanent. For example, the return of entrepreneurs, businessmen, students and academics to China, Taiwan and India has been documented by Saxenian (2005, 2006) and Zweig (2006, 2008).

The statistics collected on return migration to China and studies on Chinese returnees in Shanghai once again confirm this reversing trend of ‘brain drain’, as many student migrants are now coming back home immediately after their studies abroad, or after a certain time of working. Their return is not a failure, as described in earlier migration theory within the framework of neo-classical economics. The return migration of Chinese students and professionals is neither an ‘anomaly’, nor a failure of the migration experience. In fact it is viewed by many returnees as the ‘part and parcel’ of their migration project, and seen as a ‘calculated strategy’. It was part of that strategy to accumulate various forms of capital during their overseas study and work. Once their objectives are met in the destination country (France), they return to China, mainly due to the economic reasons of seeking good employment or starting their own business, while benefiting from the newly acquired knowledge and cultural embeddings.

They also belong to those globally dispersed professionals who create a network / web of knowledge, and professional and personal contacts. For many returnees to Shanghai, their return migration is not the final stop of migration. In fact, the circular exchange of business information and opportunities is maintained and facilitated by daily business operations and contacts, business trips, modern communication facilities, as well as through alumni and personal connections. Furthermore, the specific France-China connection is also evident, in the view of many returnees from
French Grandes Écoles, who continue to work for French enterprises after their return. Again, the pre-requisites, as well as the recently accumulated capital in Paris, are said to be of highest utility in French multinationals, because of the high added values of cultural and social capital, in addition to academic and professional knowledge.

Last not least, this research also reports on the importance of non-economic factors, such as role of family and personal relationship. One striking feature of return migration by Chinese students is the impact of the one child policy. Originally used as a method for birth control, now this policy is strongly influential in the decision making of Chinese students and professionals abroad. Being the only child in the family, many interviewees in both Paris and Shanghai emphasised the close kinship and obligations they have and/or feel for their family and how this affects their final decision making for return migration. These emotional costs in migration are intangible compared to economic reasons such as salaries (which is easier to quantify and compare), and are often overlooked in migration research, but they are of great interest in the interpretation of migrants’ migration plans, trajectory and outcomes.

**International Migration and Global Cities Revisited**

This research shows a new trend in the global migration order, as emerging powers like China are not only the main sending country for international migration, but also are now witnessing growing rates of return migration because of its rising economic status in the world. Particularly, a number of global cities in these emerging economies are becoming the new ‘hot-spots’ for international migration, such as Bangalore in India - for the return of Indian IT professionals, Beijing’s Zhongguancun - for returning technology entrepreneurs from the Silicon Valley, and of course in this thesis, the returning of business students in Shanghai. Therefore, this thesis is an attempt to understand the relationship between the flows of international migration and the formation of global cities.

Economic restructuring, and the spatial expansion of economic activities on a global level have asserted that certain cities and their development in economic, social and political spheres has led to them becoming strategic centres with ‘command and control’ function within the global economy (Friedmann 1986, Sassen 1991). The
issue of labour, especially migration labour, has been associated with the original global city hypothesis, as, for example, in Sassen’s work on the expansion of labour migration to global cities (1991). However, the focus is on the low skilled and low income group migrants predominantly employed in the ‘downgraded manufacturing’ and ‘sweatshops’ in New York and other US cities. Despite the fact that the notion of ‘significant international circulation of skilled and professional persons in the advanced society’ was raised nearly three decades ago by Zelinsky (1971:230), research on the higher-end of migration is rather limited and recent, notably in the work of Beaverstock (2004), Smith and Favell (2006), O’Connor (2005) and Jones (2008).

O’Connor’s research on international students and global cities reported that ‘a particular form of globalisation (the export of education services) has led to the movement of large number of students to a few places and in turn has created a new layer in the activity of global cities’ (2005:12). Compared with research into low skilled migration and the impact on informalisation of global cities, where statistics on irregular or illegal migration are difficult to obtain and verify, statistics on students and highly skilled migration are relatively more reliable, and far easier to obtain from a variety of sources - like migration and/or educational ministries, as well as from universities, companies and local government. This doctoral thesis points to the need to include the analysis of migration flow, especially in the case of this research on skilled migration (such as student and skilled) in the study so as to understand the process of contemporary globalization, economic development, as well as the formation and growth of global cities.

As most migration research is done on the national level, and the research on global cities focuses on the attribution of a city (size, numbers of headquarters, financial services and other advanced producer services), this doctoral thesis combines research on global city formation and international migration so as to fulfil the research gap, and refine the academic inquiry on the intercity linkages and transnational relations between global cities. This doctoral research has shown there is a correlation between global cities' ranking, education and labour migration. In the so called ‘war’ or ‘race’ for talents, student migration can be viewed as ‘potential unfinished talents’, or ‘precursor of skilled migrants’. Student migration favours global cities for their
opportunities in education and business/employment, while also adding to the creativity and attractiveness of the city. Place does matter for the mobility and circulation of talent, attractiveness of the cosmopolitan living environment, quality of life, qualities of education, job prospects and existence of networks – all play crucial roles in bringing talents into global and regional cities around the world. Hence ethnically diverse, cosmopolitan cities, which are located in the business, educational and cultural system are more attractive to the so called ‘creative class’ (Florida 2002), which must include student migrants.

Furthermore, studying the circular migration between Shanghai and Paris can provide insights into migration in and out both a developed economy and an emerging country. As most global cities literature has a theoretically globalist perspective, based on major Western cities (Yeung and Olds 2001, Wei and Leung 2005), it draws perspectives from Western and non-Western cities on the relation between migration and global cities. By doing so, it seeks to contribute to the research and literature on global city formation in the Global South. The relational case study on the circular migration of Chinese students and talents between Shanghai and Paris provides us with an alternative interpretation on the formation and relationship between global cities from the view of actual agents (student migrants / returnees) of global production and knowledge network. This doctoral research reveals that global cities have become the strategic points for Chinese talents (students and skilled professionals) acting the role as sending, transiting and receiving sites, which are interconnected in the dynamic process of knowledge accumulation, contact making and network creation.

To understand and illustrate the relationship between international student circular migration and global city formation, interviews were conducted with both returnees and student migrants currently based in Paris. The analysis from interviews shows that Shanghai (and other main cities in China, such as Beijing and Guangzhou) is generally seen as the main sending points for international student outbound migration at the first phase of circular migration. The interviewees were drawn to Shanghai because of the concentration of high quality study and work opportunities. As China’s economic centre, Shanghai in this regard is viewed as the ‘gateway’ city for gaining pre-departure capital, such as academic qualifications, working
experiences and international exposure due to the city’s central status in the economy of China. The migrants’ experience in Shanghai and other Chinese metropolitan centres provide the necessary skills and capital for subsequent student migration and transnational mobility.

In this research, Paris has a dual status of receiving and transiting points, and plays an important role in the accumulation of transnational capitals and network. Paris’ centrality in French economy, and the ample opportunities of business education at top level, the clustering of French, European and international firms, as well as its cosmopolitan and vibrant cultural scene, are the main pulling factors for alluring student migrants as a receiving site. Both formal and non-formal learning in the city (Paris) contributed to the acquisition of various forms of capital in Paris, which includes academic knowledge and professional know-how from classroom teaching and job experiences (traineeship, part-time and full-time work). Interviewees also participate in extra-curricular activities in and out of school, which allows them to acquire contacts in academia, business and policy fields.

The distinct French cultural life and multicultural study and work environment also enable interviewees to gain valuable cultural capital in a variety of areas, which include improvement in French and English languages, interpersonal communication skills and ability to work within a multicultural environment. Noteworthy of mentioning is the transnational nature of their stay in Paris. Despite physically based in Paris, all interviewees keep a close link with China, either for personal or professional purposes. The intercity linkage and connection between Paris and Shanghai (or other Chinese cities) is shown through the analysis of their employment patterns for internship or employment also shows that a large amount of their work is linked to business relations with China (for example, market research and study on China). Other cities in Asia (Hong Kong and Singapore) and Europe (Geneva, London) and USA are also used as temporary ‘mobility stations’ in the lifecycle of some hyper-mobile talents strategy for gaining additional global exposure (through internship or exchange semester). At the same, they also develop new contacts from a wide range of sources, at school, at work and from alumni and other social organisations. These contacts facilitate the everyday life in a global city, such as job searching and social networking in Paris.
While some interviewees decide to stay and work in Paris for a few years, the interviews with returnees in Shanghai demonstrate that Paris is viewed as transiting node for the new Chinese elites, who return to Shanghai after embedding themselves with necessary skills and capitals for returning home. However, the role of Paris does not end here; in fact, it has become an integral part of the transnational network of interviewees even after the successful return in Shanghai, linked by daily business contacts between the two global cities by business contacts (i.e. intra-office corporate link, from Shanghai office to Paris headquarters for instance), personal friendship and alumni network among others. Major cities in China, such as Shanghai is the overall benefiting from return migration, as a survey by Chinese newspapers (Elite Reference) and personal interviews in this research show us that Shanghai as the most preferred city for return migration of Chinese students and professionals. Shanghai is in gaining in circular migration, as the number of returning talents to Shanghai is in fact higher than the one has left the city.

The choices for return migration into Shanghai are based on a number of economic and non-economic factors. China’s rising economic status and Shanghai’s growing (advanced) service sectors are the main reasons for career development and business opportunities for returnees. Returnees, also known as ‘sea-turtles’ or Haigui, contribute to the formation of global city status for Shanghai in three main ways, namely expertise and innovation, transnationalism and diversity. This doctoral research exemplifies the importance of the transfer of knowledge and know-how of returnees to a number of service sectors, such as finance, law, urban planning and marketing/advertising. The existence of a pool of skilled returnees is an essential element of Shanghai, China’s financial and logistics centre, and is vital for its future economic growth and further development into a global city. Besides the refinement of existing business knowledge and practices brought by returnees, they also contribute to the production of innovation of knowledge and activities in Shanghai. Two returnees have in fact established their own business in the fields which are relatively new to China (such as environmental hedge fund).

The circular student migration and return of Chinese students also enhances Shanghai’s role in transnational business networks. Their strategic position and role in leading multinational firms, and internationalizing Chinese companies, shape the
global control and coordination capabilities of business corporations, whose offices are located in Shanghai, Paris, London and other global cities. As the majority of returnees occupy a post in medium and senior management level, they are the ‘interface’, or the ‘global-local’ linkage, between their employers and the local and international business environment. Furthermore, the returnees not only bring back technical expertise, but also a collection of transnational contacts and networks they have acquired during their sojourn abroad, which they utilise in day-to-day business operations. The internationality of their international experiences allows to them communicate effectively in a bi or multicultural environment, playing the role of ‘bridge between the East and the West’, because of their cultural capital of languages, sensitivity and awareness to different cultural settings.

The migration of Chinese students once again confirms the complexity of international migration, and the strategic decisions making of migrants. The return of Chinese students from abroad marks not the end journey, but rather the start of creating transnational business and personal networks. The Shanghai – Paris strategic linkage is also prominent and articulated by returnees in Shanghai and those who remain in Paris. Chinese returnees from Paris maintain strong professional links with France and personal relationships with friends and alumni in Shanghai, Paris and beyond. For example, the majority of returnees (with the exception of INSEAD alumni) in this research are working for French companies in China who are on a daily basis in touch with HQ in Paris. The experiences and capitals acquired before and during their study in Paris have a defining role in their career trajectory, which is shaped by their transnational connection with Paris and France in general.

Lastly, Chinese returnees in Shanghai have also shown a cosmopolitan lifestyle in their daily life. This is reflected in their consumption patterns (such as the procurement of Western food, TV, Newspaper, entertainment, overseas travel) but also their family life (interracial marriage, bi or tri-lingual education for children). Their relative high consumption power fuels the growth of those business sectors which supply international services and products. Similar to case of expatriates in Hong Kong (Findlay et al. 1996:54), Chinese returnees in Shanghai therefore also contour the ‘social-cultural characteristics’ of the city, boosting its international image.
and cosmopolitan outlook, and eventually ‘rendering it more conducive to further international migration and return migration of skilled workers.’

Overall, this research has shown that students are a very pragmatic migration group, which has clear a capital accumulation strategy and works hard towards realising it. More and more Chinese talents abroad are coming back home to work there, rather than only contributing financial capital and donations to China as in the past. Foreign passports are no more the key reason and objective for migration, for now education and experiences are more important which offer the new gateway to borderless business opportunities. For many of them, migration is now less between countries, but an example of city-to-city mobility; rather than a single migration route, now to a more polycentric, circulating migration trajectory. Their transnational student migration network can be viewed as an inter-city network, as shown in this research and interviewees’ migration journeys. Student migrants and returnees are transforming and globalizing the cities as the actors and agents of economic globalization. For student migrants, cities are their strategic nodes in the global business network and transient points in capital accumulation and career development, as in this research, world cities like Shanghai, Paris, Beijing, are being articulated as the sending, transiting and hosting nodes. Transnational networks between global cities in China and abroad are enhanced by such intercity student migration circulation. For cities in the emerging economy, highly qualified and internationalised human capital is vital in securing the development and sustainability. Shanghai benefits from the knowledge, financial capital, professional networks as well as transfer of technology from overseas returnees. ‘Sea-turtles’ in Shanghai also transnationalise the city by enhancing the diversity and cosmopolitan urban setting.

**9.3 Research Limitations and Implications for Policy Making**

The scope of this research primarily focuses on a strand of international migration, the case of circular student migration. The research investigates the migration flow of business students and graduates of leading institutions of learning between Shanghai and Paris. This group of migrants is not only a specific group of skilled migrants but also the successful aspect of student migration. This research has chosen to focus
upon this type of migration because of its impact on the direct growth of Shanghai as a global city in formation. It should be pointed out that this group of migration is not a representative group for the whole total picture of student migration from China in Paris, nor does it reflect every aspect of the returnees in China.

There has been research on the other side of student migration, for instance, on the case of dropouts, academic and social problems related to the Chinese students in the UK (Shen 2005), issues of adaptation of junior Chinese student migrants in Canada and Australia (Xiang and Shen 2009). The student migrants interviewed in this research showcase the positive side of international migration of student and the highly skilled, which benefit from the opportunity to acquire knowledge, communication skills and transnational networks during their study abroad. This success is in some ways based on their pre-established capital, as shown in this research, namely their previous academic qualification, experience and language skills among others. However, other student groups, without such pre-acquisitions, will likely face great challenges in adopting in new local environment, and benefit less from the international migration process.

As we see in the case of Chinese student migration, the overseas studies are mostly self-financed with personal savings and/or help from families. Such investments are made by Chinese families in the hope that an overseas education would lead to high income positions. The returnees in this doctoral research have painted a promising picture of return migration to China, but the reality of other groups may be less promising. According to a 2006 survey conducted by China’s Central TV channel (CCTV) with 100 employers, including a substantial number of foreign companies and international joint ventures, 92 companies thought the value of foreign degrees to be declining. A returnee with a Masters degree in international trade from the UK sent out over 200 CVs during three months, but secured fewer than 20 interview, and no job offers at all (Oriental Domain at CCTV 19 January 2006)\(^7\). An estimated 7,000 returnees in Shanghai were jobless in 2003 (Zweig 2006). This group is well known as the ‘seaweed’. They are so called because the shorthand of ‘returning from

overseas to wait for jobs’ in Chinese has the same pronunciation as the word for ‘seaweed’ (haidai), and, at the same time, seaweed conveys the image of floating around without being able to settle. In the research by Xiang and Shen (2009) there was a case on a returnee from Singapore who was earning less than RMB 1,000 a month in a city in northeast China, a wage level is just enough to survive on. She spent more than RMB 60,000 on her studies in Singapore. This means that she will probably never be able to recoup the investment. 78

Thus, international education is to a great extent part of ‘over-education’ in China (Xiang and Shen 2009), a situation that shows educational returns are lower than inputs, and the skills acquired through education exceed the expectations of the employer (Freeman 1976, Tsang and Levin 1985). This means that pursuing a foreign degree is an exercise in ‘venture investment’, whereby returns cannot be guaranteed. Why do people keep pouring money in? The frantic investments in international education is not only ‘pulled’ by potential benefits, but is more importantly ‘pushed’ by anxieties about the future, and the rapid social stratification in China provides a fundamental driving force for this anxiety. In the short space of thirty years, China has been transformed from one of the most egalitarian countries to one of the most unequal. According to the World Bank (2007), the Gini coefficient in China increased from 0.16 before 1978 to 0.47 in 2007, compared to 0.25 of Japan, 0.37 of India and 0.41 of the United States at the same year, ranked the thirtieth highest in the world (27 out of the 29 countries with lower Gini indices are in Latin America or Africa) (see also UNPD 2005, Asian Development Bank 2007). The income ratio of urban to rural residents increased from 2.9:1 in 2001 to 3.3:1 in 2007 (National Statistics Bureau of China, cited in Asian Development Bank 2008:136).

Social inequalities in the city are even more striking—the inequality emerged quicker (the Gini coefficient in the city rose from 0.18 to 0.32 from 1981 to 2001, compared to the increase from 0.25 to 0.36 in the countryside over the same period of time; Ravallion and Chen 2004:46), and that inequality is more visible, and induces a much

78 There are various reasons for the emergence of the seaweed group: the rapid increase in the sheer number of the returnees, returnees’ inadequate knowledge about business practice in China and even in their specialized field, the mismatch between returnees’ high expectations and employers’ offer etc.
stronger sense of relative deprivation among low-income groups. In the process of privatisation, managers of state-owned enterprises purchased state assets at rock bottom prices, and thus became millionaires overnight. At the same time hundreds thousands workers were laid off and thrown into poverty (Solinger 2002, 2003). In these circumstances of ‘accumulation by dispossession’ (Harvey 2000), a ‘last-bus sentiment’ prevails (Xiang 2003). It is feared that, if one misses this bus now, one will miss out on everything, and so it is imperative one should seize all opportunities to rush one step ahead of others. Birth planning policies have exacerbated the last bus sentiment. The college students of the late 1990s are the first generation that was born after the ‘One Child Policy’ was implemented nationwide. They are the ‘only hope’ of the family (Fong 2004), and often regard white-collar jobs as the only acceptable occupations. Overseas education is expected to provide that extra advantage so as to be one step ahead in such fierce competition.

The de-regulation of migration control from the Chinese Government has also contributed to the growth of Chinese student migration. This migration for overseas education is intrinsically related to social stratification in China, not only because it enables people to accumulate various types of capital, but, more importantly, it ‘lifts’ people to a higher scale of capital conversion (Xiang and Shen 2009). This can be compared with the education and migration strategy of upper-middle-class population in Hong Kong (Waters 2006), for example, who have actively engaged in international education in order to transform the spatial scales of social reproduction. Facing unprecedented extension of higher education and the rapid increase of university degree holders among those from the working class backgrounds since the 1960s, upper-middle-class populations secure their social status through the acquisition of a Western education (Waters 2006).

Student migration also raises questions on inequality among different cities in China in particular challenge faced by the second tier of Chinese cities. They received less returnees than Shanghai while sending large number of students abroad. During an interview with Louis Vuitton group in Shanghai, the Human Resource Director for China said that his company is having difficulty in recruiting qualified candidates for the secondary level cities in China, especially those in the inland provinces.
‘Everyone wants to be in Shanghai or Beijing, we need to convince them (good candidates) to work in other cities and provinces.’ (Interview in Shanghai 2008)

9.4 Conclusion

The internationalization of education has attracted considerable academic interest, because international student migration has become a prominent aspect of social change in China over the last thirty years. While drawing on from existing literature on educational exchange (Chen 2002, Iredale et al. 2003, Cao 2004, Zweig et al. 2006, Chen 2008), future migration could provide a broader perspective, and take student migration as a critical lens through which to examine larger social changes in China. The history of the migration of Chinese students, which began at the end of the 1970s, has been directly influenced by both domestic politics and the international relations of China. Initiated as a government programme, imbued with heavy symbolic capital, student migration is now today largely a matter of private choice, and is often facilitated by professional and commercial agents.

China’s growing wealth and employment opportunities attract increasing number of Chinese returnees (mainly highly skilled students and professionals), and foreign students, marriage migrants from neighbouring countries, African businessmen in Guangzhou, Arab tradesmen in Yiwu - all gradually making China a new destination country for different forms international migration. Already in 2004, there have been more foreign students coming to China than Chinese students going abroad, whilst the return migration of Chinese students and professionals is also on the rise. As a consequence of China’s ageing population, and the impact of the ‘One Child Policy’, China may face the prospect of being a net immigration country, and will compete for a labour force, at both high and low ends of the migration spectrum. This change of migration flows and patterns will not only have an impact on Chinese economy, but will also bring challenges and opportunities for Chinese society and ethnicity.

However, up till now, China’s rise as an immigration country is largely ignored, as virtually no research has been done on contemporary China as an immigration country. In recent years, the media in China itself have started reporting on the growth of non-
ethnic Chinese immigrant communities, such as African traders in Guangzhou, foreign students in Beijing, Taiwanese businessmen in Shanghai, Muslim shop owners in Yiwu, or South Asian brides, South Korean middle class settlers, foreign expatriates and North Korean refugees. Even more recently, this has been followed by a few non-Chinese journalistic accounts (Aiyar 2007, Cha 2007, Osnos 2009). However, in terms of academic or applied research, immigration in China remains almost completely unexplored: both policy makers and academics have not yet realized the impact this new phenomenon will have (there are of course a few exceptions: Bodomo 2009, Liu 2009, Lorente et al. 2005, Willis and Yeoh 2000 and 2002, Luo and Ma 2000).

The mindset is that China is a country of emigration, not immigration, which has created a huge blind spot in the perception of China global role, not least in China itself (Zhou 2005). Future research on international student migration may wish to address three emerging issues. Firstly, China as the new ‘talent magnet’, from a country suffers from brain drain to a country increasingly important in international brain exchange (beyond returnees) now attracting growing number of international students to study in China which is also linked to the rising interest in Chinese language and culture following China’s economic success. Another issue concerns inequality of urban development in China as mentioned earlier, how could secondary cities in China also benefit from this mounting return migration? This is a major issue faced by the policy makers in China who want to re-balance the regional inequality in China by pushing for economic development in the inland and Western parts of China. Lastly, further research on China as an ‘immigrant country’ in general is needed to understand the future of China, and its urbanisation, people, identity and international relations.
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