The Huaqiao Community in Korea:
Its Rise, Demise, and Reemergence*

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This paper attempts describe the fall from grace and the future positive outlook of the Chinese Community (the Huaqiao)1 in Korea. Many specialists on “Diaspora” studies seem to recognize the conditions under which the Huaqiao live in Korea as that of misery, due mostly to the oppression exerted upon it by the policies of the Korean government. Considering the existing negative stigma regarding this issue by foreign scholars, this paper tries to test whether the stigmatized argument is objectively concluded or just an unfounded prejudice. By interviewing many local Chinese in Korea and re-migrants in foreign countries, this paper claims that a combination of the transitional attitudes of the Huaqiao themselves, reinforced by suppressive governmental policies, resulted in the relatively poor economic situation of the current Chinese community in Korea. In the future, however, the role of Chinese in Korea is expected to enlarge with the increased importance of Mainland China, even in the face of the reality where most of the Huaqiao in Korea still hold Taiwanese passports.

Keywords: Huaqiao, Chinese minority in Korea, Economic evolution

1. INTRODUCTION

While China is moving forward in many areas in the global world, those Chinese living in the NEAR (North East Asia Region) are unique in a sense that they have failed to assimilate successfully in both Korea and Japan. Moreover, after diplomatic normalization of Korea with People’s Republic of China in 1992, they are living with ambiguous feelings since the government policy toward Chinese in Korea seems to be tipping towards those from the mainland, while the dominant Chinese still hold Taiwanese passports.

Since the latter half of 1800’s, groups of Chinese left mainland China, mostly Shandong province, and settled down in the Korean peninsula.2 At present, around 23,000 overseas Chinese live in Korea, forming the largest minority community. While most overseas Chinese communities all over the world have achieved economic success to a certain degree, this is not true for the Chinese community in Korea. The Korean government’s restrictive naturalization policy coupled with various regulations to limit immigration has caused the Chinese living in Korea to become an exceptional case. Additionally, Korean’s prejudice against minority groups (marked by protectionism and insularity) has strengthened the discriminative treatment against the Overseas Chinese community in the Korean society. Despite its importance, there are only few researches on Chinese Community in Korea, which was caused partly by small number of scholars of Chinese origin in Korea.

With the winds of change blowing towards openness and coexistence, aspects of the Korean Overseas Chinese Community life have gradually improved, and their assimilation into the Korean society was enhanced as well. Nonetheless, the fact that remaining

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* The author thanks to the anonymous referees for their precious and constructive comments.
1 In this paper, I will take Chinese “pinyin” as the standard organization.
2 There existed two main routes: by sea through Incheon and by land through Andong.
restrictions in education and occupation still make their life difficult in Korean society must not be ignored.

Hence, it would be interesting to analyze the evolution of the Overseas Chinese\(^3\) status in Korea and their identity crisis from an economic perspective. Specifically, this paper will address the evolution of the Chinese community in Korea, subsequently answering such questions as to why the Overseas Chinese failed to settle successfully in Korea. Is the underlying cause the minority policy of the Korean government, or is it the Chinese attitude of regarding themselves as temporary residents? The contribution by the Overseas Chinese to Korean economic development will also be touched in tandem with their social status in Korea. Of the entire population of the Overseas Chinese in Korea, 23,000 still receive a Chinese education aided by the Taiwanese government. Relative to sluggish economic ties with Taiwan, however, economic cooperation with Mainland China leapfrogs, evidenced by its position as the 3\(^{rd}\) trading partner and the 2\(^{nd}\) in the amount of foreign direct investment into China. This paper will be written primarily upon economic statistics and will be bolstered by many interviews with Chinese living either in Korea or in foreign countries. Section 2 will review historical sketches of Chinese in Korea followed by the description of the current situations in section 3. Section 4 will cover Huaqiao economic recovery after Korean financial crisis. As Conclusion, Various prospects will be elaborated in section 5.

2. ORIGIN OF CHINESE IN KOREA

2.1. Chinese Sojourners

As 2000 came to a close, the Chinese population in Korea amounted to 53,963 including more than half of Korean Chinese (chaoxuanzu), or 36.5 % of all foreign residents, according to the Annual Embarkation Statistics published by the Ministry of Justice including Korean originally living in China. Of these 53,963, many originally envisioned Korea as a temporary workplace. Moreover, ideological discrepancies in 1949 within China caused the Chinese in Korea to adopt an equivocal attitude toward their status in Korea. As a result, the Chinese living in Korea are not known as “Ethnic Chinese”([ Ethnic Chinese](Chinese: ) ), but rather as “Overseas Chinese([ Overseas Chinese](Chinese: ) , Huaqiao: sojourner)”. Most of the publications provided by the Chinese Associations in Korea identify this group as “Overseas Chinese residing in Korea([ Overseas Chinese residing in Korea](Chinese: ) )”.\(^4\) The Overseas Chinese in Korea originate from three different regions, ranging from the People’s Republic of China (PRC), Hong Kong, and Taiwan. Among the different purposes for having lived in Korea, “training” took the largest share (49.1%), followed by permanent residency (40.8%). In the general category of permanent residents, Chinese take 97.4% of the share in numbers of all foreigners.

\(^3\) Relatively few publications on the economic status of Overseas Chinese exist. This is due to inclination of Korean scholars toward the West on the one hand, and the less prosperous situation of Korean Overseas Chinese community on the other. Mr. Ko Seungje([ Ko Seungje](Chinese: ) ) was a pioneer in this field.

\(^4\) Huaqiao is described as temporarily residing Chinese outside China and intending to return to China, while ethnic Chinese refers to individuals of substantial Chinese ancestry who do not live in China.
2.2. Admiral Wu Changqing as the Founding Father

Prior to 1882, temporary and restricted trade between Korea and China had existed. Debates still rage between Overseas Chinese over who the first Overseas Chinese in Korea was. Qin Yuguang, the author of a precious memoir of his own experience in Korea, points to Tan Jiesheng as the first overseas Chinese in Korea, based on the stories told by Tan’s son, Tan Tingzhe, and a Chinese friend of Tan from the same hometown. Tan was born in Gaoyao county in the Guangdong province. He arrived in Korea in 1874 at the age of 20 and eventually ran an individual trading company called Tongshuntai.

Of greater importance, the admiral Wu Changqing was recorded as the pioneer of the Overseas Chinese in Korea. Originally, he was stationed in Yantai of the Shandong province under the command of the Guangdong Navy. In order to guard against the encroaching Japanese imperialist influence over Korea, China stationed six battalions composed of roughly 4,000 soldiers and 40 traders in Korea under the command of Mr. Wu Changqing. This event is considered as the watershed of the Huaqiao community in Korea. When the Treaty for the Development of Private Maritime and Overland Commerce between Chosun and Qing was signed, commercial activity of the Chinese traders in Chosun got into full stride under the protection of the Qing government. Mr. Wu Changqing is commemorated annually as the founding father of the Overseas Chinese Community in Korea by the Korean Huaqioas.

2.3. Chronicled Categorization of Chinese Migration

Figure 1. Population Trends of Overseas Chinese in Korea

Figure 1 describes population trends of the Overseas Chinese residing in Korea based upon various sources. Although no consistent time series data exists, the Seoul Overseas Chinese Association provides annual populations statistics. The Korean government

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5 Owing to the geographical proximity, some scholars, for instance Yang Zhaoquan, claimed that Korea was the first country in the world to host a Huaqiao community.
provides data as well. The discrepancy between the statistics from these two sources is almost negligible. A more serious problem involves data, or the lack thereof, during the transition period from 1935 to 1955. This may be due to two big turbulences: one from the Sino-Japanese War of 1937 and the other being the Korean War of 1950. Many scholars agreed that at its peak, the population of the Overseas Chinese was near 69,000 around the year of 1930. Some other sources reported about 100 thousand, which presumably includes the mobile Chinese population. Overall, the history of the Overseas Chinese population is strongly related to the political changes in Korea. The historical pattern of the population can be broadly categorized into 7 different stages: settlement (1880-1900), expansion (1910-1920), the first prosperity (1920-1935), depression (1935-1945), the second prosperity (1945-1955), stagnation (1955-1990) and recovery (1990-).

**Settlement (1880-1900):** During this period, the Chinese population mainly resided in Seoul and the three open ports of Incheon, Busan, and Wonsan. In each city, the Chinese formed their own organizations based on native-place ties(such as huiguan or üåν), among which the Northern Bang, the Guangdong Bang and the Southern Bang were the most renowned, which is surprising since dominant Chinese in contemporary Korea are mostly from Shandong province. In terms of their occupations, merchants formed the majority, who, along with the Japanese traders, monopolized trade with Korea. During this period the most famous of the Chinese trading firms was Tongshuntai(ÔÒâ÷÷Á), founded by Tan Jiesheng(ÓÉËøßæ). As one of the biggest companies in Chosun, it mainly traded Chinese silk, herbal medicine and Korean ginseng. What’s more, with the support of Yuan Shikai, who at the time controlled the Chosun peninsula and later the Qing government, it launched a steamship company. The Huaqiaos during this period considered themselves as Qing(ôè) people rather than migrated Overseas Chinese. They preferred to settle near government institutions, like the General Consulate and the military bases, and maintained a tight knit connection with the Association for Overseas Chinese. As such, they showed high mobility of population and relatively low settled population.

**Expansion (1910-1920):** During this period, the Huaqiaos competed with the Japanese traders over the share of the Korean market. Technological innovation in the form of modernized scientific cultivation, such as planting Chinese cabbage. Also, well-organized construction skills in building ports and railways were introduced by the Huaqiaos during these times. They ran a regular steamship transportation between Korea and China. Between 1910 and 1930, the population grew six fold while simultaneously the range of Chinese economic activities expanded. Commerce was the predominant industry of choice for the Overseas Chinese. For instance, the number of Chinese proprietors and traders doubled between 1912 and 1922, and in terms of per capita basis, the Chinese paid higher property and household taxes than either the Koreans or the Japanese. Furthermore, their output value per enterprise overwhelmed that of the Koreans and the Japanese.

**The First Prosperity (1920-1935):** China possessed 35% of Korea’s import market, leading to the popular notion that the Chinese were equipped with keen commercial acumen. For example, Silk Trader Wang became the general household name for the Overseas Chinese in Korea.

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6 See Qin (1983).
Depression (1935-1945): A recession in the Chinese Community in Korea emerged from conflict with the Japanese. As their economic influence upon the Huaqiao grew stronger, the Japanese colonial government imposed various restrictions on the business activities of the Huaqiao. In 1917, a specific ceiling was set on the number of Chinese laborers allowed at any job site by government. Even the importing of Chinese silk was entirely banned from the mid 1920s, delivering a fatal blow to the Huaqiao traders.

To make matters worse, anti-Chinese sentiment in Korea was irritated by the Wanbaoshan Incident in 1931. According to the reports of a Japanese-owned newspaper, a group of Chinese farmers and policemen attacked and killed Koreans at Wanbaoshan. Although the report proved to have been intentionally distorted by the Japanese, this incident nonetheless resulted in the death of 142 Chinese and the restless looting of Chinese shops and property by Koreans. More significantly, the incident left an everlasting disparity of trust between the Koreans and the Huaqiao.

The Second Prosperity (1945-1955): During the transition period between liberation and the establishment of the Republic of Korea, the Overseas Chinese filled in the role left empty by the Japanese. To be precise, they worked as key traders connecting Hong Kong, Macao, Shanghai and Korea (mostly Incheon, Busan and Seoul). Being a period of social unrest for the Korean society, this period marked the zenith for the Chinese. Moreover, there was a massive migration from Shandong due to ideological conflicts within China, resulting in the strengthening of the Overseas Chinese Community in Korea.

Stagnation (1955-1990): The Overseas Chinese Community was hit hard by the reflection of anti-foreign sentiment in the government policy of Korea. Consequently, starting from mid 1960s, a massive remigration movement took place, with the more affluent and younger group choosing the United States (Los Angeles, San Francisco, Chicago and New York) and Australia as their destinations, while older groups preferred Taiwan. During this time, many Overseas Chinese worried about the possibility of Korea becoming unified under a communist government, effectively becoming a second Vietnam.

Recovery (1990- ): International Rapprochement after the breakdown of the Cold War and the Korean Economic Crisis drew many Overseas Chinese back to Korea.

2.4. Contributions to the Modernization of the Korean Economy

Massive Chinese migration to Korea began in the period of wrestling between China and Japan for hegemonic power on the Korean peninsula. During this period, the Huaqiao introduced numerous business related innovations to Korea, some examples being informal or illegal trade, modern agricultural skills (for example, cultivating Chinese cabbage) and the construction skills for ports and railways. The Chinese became symbol of richness. The following anecdote, one of the most famous regarding Overseas Chinese in Korea, originates from this period:

A Guangdong born Chinese operated a brewery near Myungdong in late 1880s during King Kojong’s Yi Dynasty. His brewery was famous for its dry and tasty liquor, of which

\[ \text{See details in section 4.} \]
\[ \text{Interview with Shim Jaehoon.} \]
King Kojong was an avid fan. One day the King summoned the owner of the brewery to his Palace and proceeded to grant him his wish. Tan, the owner, requested permission to expand his factory, which King Kojong accepted without hesitation. King Kojong ordered his Secretary General (Toseungji in Korean) to provide a large area of land to Tan. This became the starting point of Tan amassing a fortune from real estate. From a modern perspective, King Kojong gave approximately 1,000 pyung (3.3 square meters) of the most expensive land territory to Tan. He soon became the richest foreigner in Korea, sending his son, Tan Tingze, to Great Britain in order to receive a modern education. His son would later marry a stewardess of Korean Airlines, then considered to be the most beautiful group of women in Korea, and became the envy of many Koreans.

3. OVERSEAS CHINESE COMMUNITY IN CONTEMPORARY KOREA

Though the economic status of the Huaqiao seems to be slightly improving, the Chinese still overwhelmingly make their living by running Chinese restaurants. Unlike the past, however, luxurious Chinese restaurants in Korea are no longer a common sight, having become nearly extinct. In the past, most Koreans dreamt of eating in upscale Chinese restaurants, such as the Yaxuyuan in Seoul. Currently, however, only Dongbaocheng, Xindongyang, and Zhongguoyuan are still considered big enough to accommodate about 300 guests simultaneously in Seoul area. New job diversification has emerged recently among the Chinese in Korea, such as the leap in the number of electronics manufacturers, but on the other hand, herbal medicine doctors are still classified as rich in the Huaqiao community.

3.1. Characteristics of the Chinese in Korea

3.1.1. Hometown Distribution

According to Park (1981) and a 1998 SCS (Seoul Chinese School) survey, over 95% of the Chinese in Korea originate from the Bohai area centered in the Shandong province. In 1977 this group composed 97.3% of the community, while in 1997 its share decreased slightly to 96.6%. The hometown origins of the remainder of the population are dispersed among Huadong, Dongbei, Huanan and other areas. A historical perspective can help explain the reason for the predominance of Shandong. According to a 1980’s source from then the Taiwanese Embassy, about 94% of the Korean Huaqiao came from the Shandong Province, and their reasons for immigration were: 1) The Shandong province was the origin of Boxer Uprising, which brought about severe persecution of participants from imperial powers, 2) Chronic poverty owing to the high population density, and repeated natural disasters like flood and drought in Shandong, 3) Geographical proximity between Korea and the province 4) The encouragement by the Qing government of the expansion of the Huaqiao community in Chosun in order to balance the influence of Japan.

The Overseas Chinese Community in Korea is concentrated in the 5 metropolitan cities of Seoul, Busan, Incheon, Taegu and Gwangju. The concentration ratio of the 3 biggest cities continued to hover around 60%. It is also quite interesting to observe the

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9 This land was later changed into a luxurious department store called Cosmos, located at the center of the business district in Myungdong.
changes in the share of concentration from the early 1960s to the mid 1990s. While the city of Seoul(26.5% to 36.4%), and the province of Kyonggi-do (4.0% to 6.6%) showed increases, the cities of Busan (15.8% to 10.8%), Taegu (9.3% to 5.9%), and Incheon (15.0% to 13.5%), and the provinces of Chungchongnam-do (7.3% to 2.6%), and Chollabuk-do (6.0% to 3.9%) showed relative declines. More interestingly, Chungchongnam-do and Chollabuk-do have seen a relatively big decrease in its Chinese population, which merits further investigation in itself. For the moment, there could be two possible hypotheses to explain the phenomena: one is a exploitation of well-organized local Chinese Association, and the other is relative social unrest in those provinces showing decline.

**Busan:** Currently, the population of the Overseas Chinese in Busan is roughly 3,000. They are clustered around the Qing District in Choryang-dong, Dong-gu. There are now around 300 students attending the Busan Overseas Chinese Middle/High School. In the past ten years, however, there has been a drastic decrease in the *Huaqiao* population in Busan. Due to the decrease in trade between Busan and China, the Overseas Chinese are finding jobs in the trade or tourism industry, rather than in the traditional Chinese restaurants. Recently, the Busan metropolitan city government has been making attempts to embrace the Overseas Chinese by restoring the local Chinatown.

**Taegu/Kyongsangbuk-do:** The population of the Overseas Chinese in the city of Taegu and in the province of Kyongsangbuk-do number 1,000 and 600 respectively. At one point nearly 3,000 Overseas Chinese resided in Taegu only. Most of the Overseas Chinese in this area (80%) either own Chinese restaurants or run small businesses, and several are medical practitioners (Oriental Medicine and Dentistry). There are around 60 students in the Overseas Chinese Elementary School. The Overseas Chinese Association supports the school financially, since the tuition fee is not enough to cover the schools’ expenses.

**Incheon:** Incheon is the home to many Overseas Chinese in Korea. Since the late 19th century, Overseas Chinese prospered around this area later called Sonrin-dong, forming a Chinatown in the region. Although the Chinatown disappeared after the Korean War, a few famous Chinese restaurants still remained open for business. In spite of this, the number of Overseas Chinese was reduced to around 2,000, and many of them have at least one member of their family living outside Korea in countries such as Taiwan or the United States of America due to the tough living conditions in Korea. The former Chinatown area has changed into almost a slum, with deserted houses and dark, narrow alleys. In any event, the recent movement of the Incheon city government to renovate its Chinatown will be mentioned later.

### 3.1.2. Job Distribution

The job distribution of the *Huaqiao* centered around the service industry, mostly in the restaurant business, medical doctors (herbal), and retailers. Industry structure shows a high concentration in the service industry, varying from 83.7% in 1962 to 98.9% in 1977. It is interesting to see the rising share of the trading agent from survey data on Seoul Chinese School students in the 1990s. This reflects the rising importance of trade with China spurred by diplomatic normalizations between The PRC and Seoul in 1992.
3.1.3. Educational Background

In Korea, there are 32 Chinese schools in total: 28 elementary schools and 4 middle/high schools. Among these, the Seoul Overseas Chinese Middle School leads in size and authority. At its crest, the total number of students enrolled was 10,000. The number of students attending the Seoul Chinese Middle School has continuously decreased since the mid 1970s, the reasons being manifold: remigration to other countries, increased attendance in Korean schools due to intermarriage with Koreans, and preference for education in Taiwan owing to the relatively low education quality in Korea. In the case of the Seoul Chinese Middle School, the total number of students amounted to 1,068 as of the spring semester of 1997. The student teacher ratio in the school was 19 to 4, or 56 teachers in all. Among those 56 teachers, 48 hold a bachelor’s degree, while 7 hold their master’s degree and 1 holds a Ph. D. degree. Half of them have received their education from Taiwan while 19 received their education in Korean universities.

Since August 15th 1999, the Seoul Chinese Middle School, along with 2-3 other schools, were ratified as legitimately recognized “general schools” under the rigorous conditions regulated by the Ministry of Education in Korea. These schools have been considered as merely unofficial associations rather than formal schools in the past, which restricted the rights of those who graduated from them. As such, these schools were categorized as “training schools,” having an inferior status when compared to the “general schools”. In the Korean educational system, very little preferential treatment was offered to the Chinese students. During the process of entering Korean universities, Chinese students were screened separately from Korean students, which resulted in extremely high competition between the Huaqiao applicants during enrollment into private universities. However, survivability is a different story from acceptance. SungKyunkwan University, one of the most prestigious universities in Korea, gives a 50% deduction of tuition, excluding the entrance fee and others, to its Huaqiao students. Seoul National University, on the other hand, has been very conservative in giving little benefits to foreigners.

3.1.4. No Li Kashing but Many Zzanggge(Zhanggui: )

The Korean Overseas Chinese community did not produce any Li Kashing, a well-known overseas Chinese business tycoon. It was due to the various reasons mentioned above. Over the past, the Chinese Korean Community has produced several political figures in Taiwan, including a couple of former ambassadors who became ministers. Yan Jinqi( ), and Li Henglian( ) served as Congressmen in Taiwan. Wang Ruiwu( ) also served as a member in the Supervisory Committee in Taiwan.

Currently, the best known Chinese is Tam Chul Kon( : 1955- ) who is

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10 Seoul Overseas Chinese Middle School, Incheon, Busan and Taegu.
11 Based on a document provided by the Seoul Overseas Chinese Middle School.
12 They predominantly graduated from the National Taiwan University, followed by the National Normal University and the National Political University.
13 SungKyunKwan has the largest number of Huaqiao.
14 Interview with principal Sun of the Seoul Chinese School in 2000.
15 For example, Zhu Fusong became the Minister of Foreign Affairs.
16 He graduated from Seoul National University and was a celebrity in the Suwon Chinese community.
17 Refer to Mr. Qin(1983).
currently the Vice Chairperson of the Tong Yang Group. His father, originally from the Fujian province, was a famous Chinese medicine doctor in Taegu. Mr. Tam attended the Seoul International School at the same time as a daughter of the Tong Yang group owner, Lee Yang Ku. He went on to receive a degree in marketing from the George Washington University and later married the second daughter of Mr. Lee, the one he attended school with, eventually becoming the Vice-President of the Tong Yang Group.

In addition, Madame Sha Rixiang was once elected as the mayor of a city in a third country that she re-migrated to. Originally, she worked as a teacher in the Busan Chinese School and immigrated to the United States in 1973. In America, She began by running a real estate business and was elected as a Congresswoman in the city of Fullerton, Los Angeles in 1992. In December 1994, she was successfully elected as the Mayor of Fullerton.

3.2. Elements of Hardships to Overseas Chinese in Korea

3.2.1. Institutional Aspects

To Chinese Koreans, the foundation of the Republic of Korea in 1948 meant the beginning of their numerical and economic decline. The Korean government was strongly interested in enhancing the welfare of native Koreans. The foundation of the Communist government in Mainland China followed by the diplomatic severance between the PRC and Korea pitted Chinese Koreans at a more disadvantageous position. The following were key legal regimes and institutions that have operated as tools of discrimination against the Huaqiao community in Korea:

The Foreign Exchange Control Law: The Korean government enacted this law to differentiate the exchange rate at a disadvantage to foreigners after the Korean War. This aggravated the business activity of foreigners, mainly in the trade between Taiwan, China and Korea.

The Restrictive Trade Law: Under the guise of smuggle control, the Korean government also inspected or raided the inventories in the warehouses of the Overseas Chinese Community. Indeed, as a foreigner, a Huaqiao could not engage in trade until he/she received permission from the Ministry of Commerce and Industry, under Article 8 of the Trade Law. In brief, it was almost impossible for a Huaqiao to continue trade, spurring a great number of Huaqiao to engage in the restaurant business.

Land Acquisition: Under the administration of president Park, the Huaqiao restaurant businesses also went through various difficulties due to the law preventing foreign ownership of real estate, coupled with discriminatively heavier tax, and biased urban planning. In the present, based upon existing laws that limit the foreign ownership of land, the Korean Huaqiao are not allowed to own land for dwelling and commerce any larger than 660 and 165 respectively.

Currency Reform: Eventually, when the currency reform was implemented in 1961, it

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18 In Korea, the Tong Yang group took within 30th position in rank among conglomerates and is well known as having succeeded due to the sons in law rather than by founder’s own son.
delivered another fatal blow to the Huaqiao because they had been suspected of saving their money in private vault rather than as bank savings on purpose.

**Residential Status:** Recently, with the loosening of the discriminative regulations and cultural prejudice against foreigners, the assimilation of the Huaqiao into the Korean society seems easier than before. However, because of the requirement surrounding their F2 certificate of residence, which is applied to foreigners that have lived in Korea for decades and, thereby, have their basic foundations established in Korea, the Huaqiao still in the outer fringes of the Korean society. Under this regulation that began in 1993, they are required to renew the certificate of residence every 5 years.

**Job Discrimination:** The Huaqiaos are deprived from most occupations that require entrance through a national examination except for the position of medical doctors and pharmacist and, unexceptionally, all governmental posts.

**Education:** Regarding their education, Huaqiao students are not allowed to enter regular Korean schools. When they graduate from a Huaqiao high school, they receive a certificate of graduation from the Taiwanese government, so that eventually they have to apply for the separate screening examination for college entrance. However, as it was mentioned above, this aspect of the Huaqiao life has been changing progressively.

**Identity Issues, including Naturalization:** Subsequent to the diplomatic normalization between Beijing (The PRC) and Korea, as well as the ensuing diplomatic severance between Taiwan (Republic of China: ROC) and Korea, the problem of identity has emerged in the Overseas Chinese Community. The change of diplomatic relationship between Taiwan (R.O.C.), China (P.R.C.) and Korea caused the question of nationality to surface. Most Huaqiao have retained their Taiwanese nationality and at the present there seems to be no sign of a movement to rapidly transfer their nationality to the PRC.

**Naturalization:** Some Huaqiao have preferred to seek the path of naturalization into the Korean nation, but found the requirements difficult to meet. The Conditions were restrictive: requiring at least 5 years of residence in Korea must be over 20 years of age, no criminal record, have financial or other capabilities sufficient enough to sustain independent life, and 2 written recommendations. They also must complete the mandatory military service.

**Suffrage:** The Korean government will allow foreigners to share the right to elect local Assembly and Government representation. The voting right will be conferred to those who are over 20 years of age and have lived over 5 years in Korea after having obtaining permanent residential status under the Law on the Status of Embarkation (September 8th, 1999).

**Registration of Foreign Associations:** Foreign Associations are required to register

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19 Once parents get naturalization, all siblings automatically obtained the same status.
20 Recommendations from high-ranking government officials holding a position higher than section chief in the central government or equivalent/higher than a general director in mass media, banking, and government run enterprises.
with the Korean government. At the same time, foreigners who have stayed over 1 year are fingerprinted if they are over the age of 20 (previously 17).  

**National Pension Funds:** As of January 1995, all foreigners employed in Korea are required to pay for the National Pension Fund. If a foreigner should quit his or her job, he or she can be refunded after the lapse of one year. However, it is very hard to receive a refund from the Pension Fund due to the ambiguous regulation of the “reciprocity clause.”

**Bank Loans:** Foreigners are barred from receiving loans from Korean banks to establish new businesses or to expand the original ones (due primarily to the lack of a collateral, usually in the form of real estate).

**Trade Industry:** Restrictive Foreign Exchange Control is in effect in this industry.

**Management Right:** The Korean Government does not permit a foreign partner of any Joint Ventures to hold the majority share.

**Price Control:** In the example of the Chinese noodle with soybean sauce, which is popular dish for the *Huaqiao*, a restrictive price control that was resistant to change had existed. Presently, however, price changes without government approval has become permitted.

### 3.2.2. Cultural and Economic Intolerance against Chinese Businesses

For centuries, Korea has inevitably been closely linked to China both politically and economically as a result of the geographical proximity of the two countries. Before the 1894 Sino-Japanese War, Korea had been the most important vassal state to China. In the late 19th century, the Chinese owned most of the larger shops in Incheon. As time progressed forward, however, the Japanese came to handle 82% of all trade with Korea by 1885, while the Chinese carried out the remaining 18%. In 1892, however, the share of Chinese increased by 45%. Following Japan’s defeat in WWII, a new wave of Chinese immigrants into Korea began. Not too long after, more Chinese immigrated into the Korean peninsula as a result of refugees fleeing the Maoist regime in Mainland China.

### 3.2.3. The Rivalry between Syngman Rhee and Kim Ku

There are different explanations behind the period of decline after 1960s that was mentioned earlier in this paper. The political analysis understands the discrimination against the *Huaqiao* as being derived from the pro-American stance of the Korean government at that time. Syngman Rhee was supported by the Americans against the rivalry of Kim Ku, who had the political support of the Chinese Kuomingtang. As a result of the power struggle between the two, Syngman Rhee suppressed Chinese activity in the Korean economy. What’s more, Syngman Rhee was more susceptible to the western

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21 It was on September 19th, 1999.
23 A son of Kim Ku graduated from the *Huangpu* military academy while Syngman Rhee studied in the United States and got his Ph.D. degree from Princeton University.
power of the United States than the eastern power of China. As a result, Chinese became discriminated against by the Korean society and this remained as the official policy until President Park Chung Hee’s regime.

It is a well-known fact that President Park Chung Hee lived in Dongbei as a Japanese military officer, which possibly influenced his concept of the Chinese. Ergo, his policy towards the Chinese was not an amiable one. In sum, the superior power of the West coupled with suppressive governmental policies and a chauvinistic Korean character rendered it almost impossible for the Chinese to receive any better treatment during this time. As a consequence, the Overseas Chinese living in Korea were considered among the poorest groups in the world.

3.3. Chinese Adaptations to Environments

3.3.1. Quitting Korea: Remigration to Other Countries

In the 1970s, about 10,000 Huaqiao left Korea and re-migrated to third countries like the U.S.A., Canada, and Australia. Additionally, the number of Huaqiaos traveling abroad for purposes of visiting, employment, studying, etc., increased dramatically. This phenomenon obviously showed their despair in joining the mainstream Korean society. Among those re-migrating were the leaders of the Korean Overseas Chinese community such as Wang Weizhan(王维赞), Yan Jinqi(严金奇), Zhang Yixin(张义信), and Wang Ruiwu(王瑞武).

3.3.2. Returnees

There exists no formal survey on the returnees both to Mainland China and to Taiwan. Chao(1998) reported 8,200 Huaqiaos having returned to Rizhao city, in Shandong province. He also claims that 2,674 Overseas Chinese from Rizaho still remain sojourned in Korea, comprising 10% of the total Overseas Chinese population. Taiwan has also absorbed many Overseas Chinese returnees.

3.3.3. The Declining Economy of the Overseas Chinese Community in Korea

As a consequence of remigration and other factors, the Korean Overseas Chinese community lost their dominant status as traders, produce suppliers (Shandong Dabaicai), and workers in construction sites. The Korean Overseas Chinese community drastically shrunk in size from the once peak population of 100,000-120,000, and from the mid 1960s lived in poverty as a minority group in Korea for an entire generation.

4. HUAQIAO ECONOMIC RECOVERY IN KOREA

The 1990s saw a remarkable change in the environment from all perspectives. The PRC regained her power with her increased role in the post-Cold War era, and opened her

25 Qin(1983) reported 100,000, while Chao(1998) reported 120,000.
door to the market economies. The Korean “Nordpolitik” also stressed the importance of Mainland China. Once diplomatic relationship with China was normalized, most Korean conglomerates, or Chaebols, were eager to break ground in the China market. Among the top 5 Korean Chaebols, Samsung and LG relied on the Korean American pool of human resources, SK relied on the Hong Kong agent and the semi-governmental channel, while Hyundai and Daewoo employed the Overseas Chinese from Korean Huaqiao community. Hit by the Asian economic Crisis, the Korean government and Korea in general changed its attitude toward foreigners and foreign contacts. The Chinese were now returning erratically to Korea, on and off. Recently, some prominent and key positions in Korean conglomerates have been awarded to the Chinese. What’s more, many efforts to reconstruct the Tangrenjie (China Town) resumed in the Korean society, while the Hong Leong Group bought the Hotel Hilton, formerly run by the Daewoo Group.

4.1. The Three Key Impulsions

4.1.1. Chinese Open Door Policy in 1978

The Chinese Open Door Policy should be indicated as the primary momentum that reversed the status of the Overseas Chinese in Korea. Without the Chinese Open Door Policy, the shrinkage of the Overseas Chinese community would have probably continued up until the present. Korea, as one of the highly populated countries in the world, discourages immigration for practical reasons. In the 1960s and 1970s, the Korean government implemented an aggressive out-migration policy due to the shortage of foods and jobs. The resultant overpopulation brought a backlash by producing a discriminatory policy towards foreigners who intended to reside permanently in Korea. Consequently, Overseas Chinese, comprising the majority of foreigners in Korea, were affected the most.

Through the 1980s, the Korean Overseas Chinese community tolerated the discriminatory policy of the government rather than choosing to exit the Korean society. Likewise, many Chinese language institutes provided better job opportunities to young Chinese due to the boom in demand for China, the so-called “China Heat,” and contacts between the mainland and the Korean Huaqiao were precipitated by two events: the Seoul Olympic Games in 1988 and the Beijing Asian Games in 1990. Although the living environment for the Overseas Chinese in Korea began to change, remigration to third countries persisted yet.

4.1.2. Sino-Korean Diplomatic Normalization in 1992

The second momentum was provided by the Sino-Korean diplomatic normalization in 1992. Many Koreans rushed to Mainland China in order to break new channels in both the business and the political arenas. Korea businesses were struggling in search for a new market to possibly replace a tougher and declining market in Western bloc, whereas the Korean government was trying to open an indirect channel of dialogue with North Korea through China, the so-called “Nordpolitik”. These economic and political contacts with

26 Karen Han of Samsung was the ex-wife of the American envoy to Beijing and is known to have been temporarily detained in North Korea. Dr. Jinhwan Chun was employed by LG as a key CEO in handling the China businesses.

27 A son of the SK group chairman married the daughter of the then Korean President.
China provided the Chinese Korean community with increasing opportunities to bridge both parties, either as interpreters or as catalysts.

Since 1987, Korea started to report trade statistics with Mainland China, although diplomatic relationship with China was not developed until later. Diplomatic normalization propelled the volume of Korean trade with China, putting China as the 3rd largest trade partner of Korea. From 1997, the Greater China \(^{28}\) began to take over 15% of total Korean trade. Among the Greater China areas, China caught up with Taiwan in trade share with Korea by 1990 and recently surpassed both Hong Kong and Taiwan in share volume, holding 8.2% from the 15% total. This reflects the high interests of Korean business circles in trading with China. Naturally, the increase in Korean economic cooperation with China has provided more diversified business opportunities to the Overseas Chinese living in Korea.

**Table 1.** Number of PRC/ Taiwan Company Representative Offices in Korea

<table>
<thead>
<tr>
<th>Industry</th>
<th>PRC</th>
<th>Taiwan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade</td>
<td>23</td>
<td>1</td>
</tr>
<tr>
<td>Labor Import</td>
<td>13</td>
<td>0</td>
</tr>
<tr>
<td>Finance</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Shipping</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Airline</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Media</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Food&amp;Beverage</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>52</td>
<td>16</td>
</tr>
</tbody>
</table>

Source: [1997], [1999]

Table 1 shows the total number of Chinese representative offices from both China and Taiwan in Korea. Most of the representative offices from the PRC are either trade or labor import related, totaling 36 companies (69.2%), while representative offices from Taiwan centers on the manufacturing sector. The diversified industry distribution of representative offices has also worked to provide more diversified business opportunities to the Overseas Chinese in Korea. This has been partly proven by job distribution (increase in trade agents) of the Overseas Chinese in Korea.

4.1.3. The Korean Economic Crisis of 1997

The Korean Economic Crisis of 1997 considerably changed the Korean society in all aspects, ranging in all sectors, ranging from the economy to the mind frame of the people.

\(^{28}\) It includes China, Hong Kong, and Taiwan.
In the economic arena, the first step taken was the revision of the many protectionist and
ingular regulations as measures to attract more foreign direct investment. Foremost, the
Enforcement Ordinance of the Foreigner’s Land Acquisition Act was revised to allow the
freer buying of real estate by any foreigners or legal persons (corporations). In the past,
those individuals who held F-2 visas were allowed to purchase up to 200 pyung (\(=3.3\) )
of land for residential purposes and up to 50 pyung for commercial purposes. Though
corporations also need factories or offices to run their own business, the municipal
governments had to preapprove all of these transactions. Since June 26 1998, however,
any foreigners or legal persons can purchase real estate in Korea without discrimination.
This changed the Korea market environment to a more amicable one for the Overseas
Chinese in Korea.

During the recovery from the Korean Economic Crisis, the Korean Overseas Chinese
community contributed in many respects. First of all, a peddler type trade created huge
foreign exchange incomes through ferries between Incheon and Weihai of the Shandong
province. Small-scale trade carried by the passengers was exempt from tariff imposition
by volume because the customs authority only concerns with volume regardless of its
weight. As a result, a special packaging company reaped profits by condensing bulky
clothes into a thinner package by taking out the air. Two standard size packages were
permitted to be carried free of tariffs for the Overseas Chinese in Korea, while only one
package was allowed for Korean nationals. Included in these items are motorcycles, TV
sets, wristwatches, etc., and even second-handed automobiles. Markets of Weihai are full
of Korean goods provided by the peddler-type traders. Busan has the same relationship
with Qingdao, Dalian and Yantai. In the past, it was restricted because of too much
mobility taking place, amounting to millions of entries. The Renewal of the Foreigner’s
Residence certificate, the F2 type, has been extended from every 3 years to every 5 years.

The Foreign trade handled by the Overseas Chinese in Korea is estimated to be around
US$1 billion annually. A survey shows that 400 small traders in Seoul handle more than
half of the sales in the Tongdaemun Clothing Market, which is well known to Koreans as a
wholesale discount market.

Tourism is another booming industry. Most Overseas Chinese tourists from ASEAN,
Taiwan and Hong Kong are handled by the local travel agents of the Korean Overseas
Chinese community. Making the best use of linguistic advantages, coupled with ethnic
trust opened more opportunities for the Overseas Chinese in Korea. About 50 travel agents
employ over 700 Overseas Chinese tour guides. The Overseas Chinese community leaders
admonish the fact that talented Overseas Chinese indulge in the get rich quick money
business in tourism, which they believe will spoil the Korean Overseas Chinese
community in the long run. The leaders believe that the talent should be put to use in
promoting the business more constructive to the establishment of sound Chinese
community.

Another area is M & As. The Daewoo group has been seeking a new buyer for the
Seoul Hilton after a European firm, the General Mediterranean Holdings (GMH), failed to
uphold its transfer contract for US$215 million signed in June 1998. Daewoo
Development selected the Hong Leong group as its priority negotiator from among 13

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29 More than 30 ferries are connecting China and Incheon area a week.
30 They are concentrated in Yonhee, Hoehyun dong: 順己洞.
32 They speak Mandarin but as well as Cantonese, Minnanhua, English and Japanese.
bidders in late October. The Daewoo group sold its management rights of the Seoul Hilton Hotel to CDL (City Development Ltd.) Hotels International Ltd., a division of Singapore’s Hong Leong group, for US$228.5 million in November 1998. The Hong Leong group, the parent company of CDL, is a global real estate giant with 60 hotels worldwide. CDL agreed to keep all the employees of the Seoul Hilton. Daewoo used the funds from the sale to reduce the heavy debts of the Daewoo Corp., a shareholder of Daewoo Development.

Moreover, Overseas Chinese investment companies are interested in cheaper Korean assets. For example, the CDIB (China Development Industrial Bank), Taiwan’s largest investment bank, founded a US$60 million fund, named CDIB Capital Investment Korea. The CDIB will raise another fund worth US$100 million for the year 2000. CDIB investment focused on high-tech ventures, including semiconductor and telecommunications firms. CDIB & MBS already invested in a couple of promising projects, of which Standard Telecom (US$10 million, July 1999: telecommunications), PSK Tech (US$ 6.2 million, August 1999: equipment for semiconductor & LCD manufacturing), KMW (US$10 million, April 1999: CDMA optic repeater, switches) and Ilssan Elecom (US$5 million: connector, information telecommunication etc.) are some examples.

The purchase of real estate by foreigners in Korea has been increasing since the implementation of the new Foreigner’s Land Acquisition Act. The largest deal was completed by the Hong Kong Shanghai Banking Corporation, amounting to about US$ 30 million. The Chinese are third in rank, following the United States and Japan.

4.2. The “Tangrenjie” Reconstruction Efforts

4.2.1. Incheon

In 1882, the Yi dynasty signed a treaty with the Qing for the development of private maritime and overland commerce between the two countries. China also stationed six battalions in Korea in order to guard against the imperialist challenge of Japan, while Japan posed its influence over the country. The treaty assigned a Chinese commercial consul to Seoul and established commercial offices in the three ports, including Incheon, which were opened to international trade. Chinese merchants were authorized to live and trade in these ports. This agreement paved the way for the growth of an Overseas Chinese community of traders, workers and farmers. As such, Incheon was one of the first places that showed the birth of a Chinese community and became a second home for many Overseas Chinese in Korea. In addition, Incheon has been used as the main port for traffic between Korea and China after diplomatic normalization in 1992. With its leading role as the center of trade between the two countries its new Incheon International Airport, Incheon is actively seeking the way to become a regional trans-shipping port similar to Hong Kong. As part of its development plan, and with the aid of the Korea Chinese Business Association and the Ministry of Commerce, Industry and Energy, the Incheon metropolitan city intends to “catch several birds” at once by restoring its once prosperous Chinatown. It aims not only to attract Overseas Chinese investment by restoring the Chinese trading sphere, but also to attract tourists and to work as the key business contact

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33 The Chairman of the Bank is Mr. Liu Taiheng of Taiwan. He serves as a Central Committee member of the KMT. In Korea CDIB&MBS was established by Mr. Song Byungsoon, ex-Chairman of Kookmin Bank.
with Mainland China. The development sites will be in Sonlin-dong, in Chung-gu, which is the location of the old Chinatown.

The Incheon Metropolitan government is actively promoting the Chinatown restoration project, going even as far as attending the World Chinese Entrepreneurs Convention, which is the world’s biggest networking center for ethnic Chinese business people. One official of the Incheon city government had stated that the ethnic Chinese entrepreneurs from Southeast Asian countries such as Singapore and Hong Kong had shown interest in the project.

4.2.2. Seoul

The history of the Chinese community in Korea, mentioned as earlier, was continuously declining in both numbers and economic status. It stemmed at least in part from the discrimination by several Korean regimes, in particular the restrictions on foreign land ownership and other policies, mostly established during the president Park Chung Hee period, which have successfully discouraged the Chinese from amassing any kind of personal wealth. After the financial crisis, however, the Korean government lifted many regulations or eased them in order to attract foreign investors. As a result, the Overseas Chinese are now able to have a more equal chance with Koreans in doing business. Moreover, as part of an effort to revitalize its economy, the Korean government is trying to invite ethnic Chinese investment.

The story of the Seoul Chinatown is quite similar to that of the Incheon Chinatown, although the Seoul city government has denied any commitments to a Seoul Chinatown project. Regardless, a Seoul Chinatown Development Committee was established by the Seoul Overseas Chinese Association in conjunction with several associations of Korean scholars (Seoul Center for Chinese Studies and Korea-China Friendship Association). Seoul Chinatown also aims to become a trade center between China and Korea, specifically a high-tech business center for the strategic alliance with ethnic Chinese capital and tourism as resource. The potential development site might be in the Ttuksom area, which is currently government-owned land. By inviting ethnic Chinese investments, the city government is planning to either lease the area for the long term or sell the land. The Seoul Chinatown Development Project seems to have more of a concrete plan than that of Incheon, possessing both a facility master plan and a construction plan. Yet, the difficulty in raising funds still remains as a big problem.

5. PROSPECTS AND CONCLUDING REMARKS

This paper has analyzed the evolution of the Chinese Community in Korea from diversified aspects. The key cause behind the evolutionary wave of the Huaqiao rise and fall was the combination of the “sojourning attitude” held by the Chinese themselves and the restrictive regulatory Korean policies. Chinese, from scratch, did not conceive the Korean peninsula as a permanent settlement, but rather viewed their stay in Korea as a

34 It is held every two years, attracts over 1000 participants, and is open to ethnic Chinese regardless of dialect or ancestral origins. The 5th Convention was held in Melbourne, from October 6-9 in 1999 followed by the Nanjing Convention in 2001.
temporary workplace and refuge from poverty or political instability. Ergo, many scholars estimated the level of localization of the Chinese in Korea to be extremely low. Perhaps the reasoning behind the lack of depth in localization can be found in the status of Korea from the viewpoint of Chinese in the past. Korea has long been a tributary country to China, and most Chinese who resided in Korea felt the urge to escape from the country once their goals in the country were accomplished. This parallels the situation during the beginning of Sino-Korean diplomatic normalization when many Koreans who were dispatched by their companies to work in China felt themselves as having been relegated to the status of “lemons”. In some extreme cases, employees quit their jobs once they found out what the company had planned for them.

The second element that worked against the prosperity of the Chinese Community in Korea was restrictive government policies. In the past, the Chinese was to Koreans a symbol of merchants having keen acumen in business. Psychologically, many Koreans worried about being Chinese merchants’ dominance over Koreans. It was partly proven true, when the Chinese dominated in economic activities on the peninsula from 1882 until right before the annexation of Korea to Japan as a colony. Unfortunately, however, only a small amount of historical research around that time period could be found to back up the previous hypothesis. When President Park witnessed the Chinese economic encroachment in the center of Seoul near the City Hall, his secretary finally shattered the possibility of forming a Chinatown, instead justifying the renovation of the metropolitan city, including the area in question, under the rationale of urban planning. In reality, the sites of the Plaza Hotel and the Lotte Hotel were originally owned by Chinese Huaqiao, but were later obligated to sell under government enforcement. Disappointed by the suppressive policy toward foreigners by the revolutionary government of President Park, many Chinese packed up their possessions and re-migrated to a third world. Ironically, some re-migrants felt that the Korean repression was more of a blessing in disguise. Due to oppressive policies, they had been stimulating to migrate earlier to a third world including the United States. Without government pressure, they could have possibly settled in the Korean society and made a mediocre living, a situation that would have been far worse than their current achievements in the United States. In addition, many Chinese living in the United States also work inside or near Korea town. However, it is difficult to conclude that this proves a favorable Chinese feeling toward Koreans.

The third factor is the dominant hometown origin of Chinese in Korea. The most dominant native place of Chinese in Korea is the Shandong province, a densely populated province, which thus has relatively poor living conditions. On the other hand, the Guangdong and Fujian provinces are relatively rich provinces and thus provide better business opportunities for overseas Chinese who are from these areas. Hence, Overseas Chinese who hold intensive relations with these richer areas are prone to be more economically successful than those who come from the poorer areas like Shandong, as in the example of the Korean Huaqiao.

Finally, the existence of Taiwan can be ascribed as another reason for the relatively

35 An old Chinese dynasty even took Shang(商), meaning business or merchants, as name of their country, exemplifying the keen sense of business the Chinese possessed.
36 The episode of selling Yaxuyuan dramatized the symbolic case of conflicts between property owner of the site and government intervention.
37 It was also identified by intensive interviews with Chinese celebrity successful in the United States.
poor situation of the Chinese Community in Korea. The Taiwanese government deprived many Chinese in Korea of their will for self-sufficiency by providing a better chance for re-migration to Taiwan. Many community leaders of the Chinese in Korea resettled in Taiwan or other countries, which was target goal for many Chinese living in Korea.

Though these complex elements worked negatively toward establishing a sound and prosperous Chinese Community in Korea, the future will not necessarily follow the same path as in the past. In particular, Koreans have incurred and are continuing to incur change following the most recent financial crisis. Currently, a group of young Chinese formed a non-profit organization to protect their business interests in Korea. These and other efforts should be intrinsic in order to be truly fruitful. If the Chinese in Korea make efforts within themselves to escape from these difficulties, the future outlook can be quite promising. However, one must also consider that all of these changes originated from external shocks, which has less viability.

Another limitation is the factor of identity crisis. Tsou Chein, the former ROC Ambassador to South Korea, pointed out some facts that contribute toward such solidarity of the Huaqiao community:

Nine out of ten of the Chinese in South Korea came from the Shandong province. They are not divided into disruptive sects with different [ethnic or political] allegiances, and they show full support for the ROC government in Taiwan.

Most of the Korean Overseas Chinese hold Taiwanese passports, even after the severance of diplomatic relationship between Korea and Taiwan in 1992. The reason is twofold: They can still be welcomed in Mainland China even if they hold a Taiwanese passport. On the other hand they will no longer be allowed to enter Taiwan once they forfeit their Taiwanese passports and acquire PRC passports. Thus, the incentive to retain a Taiwanese passport is much greater than the obverse. Allegedly only very few Chinese has changed nationality from Taiwan to PRC since 1992.

These, and other pending problems, are hoped to be resolved progressively by the newly elected President of Seoul Overseas Chinese Association. A main problem for him would be the issue of the Property Right of Myungdong. When Taiwan was preparing for the abrupt diplomatic normalization between Korea and the PRC, the Taiwanese Embassy transferred its property to the Chinese Association for Seoul, and presumably the proper site of the ROC Embassy to private hands. Afterwards, the Embassy site was transferred to the PRC without any compensation, while the property on which the Seoul Chinese School, located in Yonhee Dong near Yonsei University Campus, remained under the Taiwan representative Office and the Seoul Chinese Association. This has become dormant but can transform into a volatile issue for the new President of the Seoul Chinese Association. Ultimately what will work positively to form a sound minority community will be a systemic approach of the local community.

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38 Based on intensive interviews with local Chinese in Korea. Yang Depan, a businessman in electronics industry was elected as the first president after Sino-Korean diplomatic normalization in 1992. He succeeded Yuan Guodong, who was elected in 1989.
REFERENCES