The Chinese Diaspora Worldwide

Entrepreneurship and Corporate Social Responsibility

Key challenges ahead in the face of global warming and climate change issues

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Introduction

It is my great privilege this afternoon to talk to you about the Chinese Diaspora, particularly from a Malaysian Chinese Australian perspective, with a focus on the key challenges ahead in the face of global warming and climate change issues.

Next month, the United Nations Climate Change conference will be held in Copenhagen from 7 – 18 December 2009. The ambition of the Danish government is to obtain global agreement amongst all the countries of the world.

Without a doubt, climate issues provide either the greatest opportunity for entrepreneurs (particularly entrepreneurs amongst the Chinese Diaspora) to contribute to the society they live in or it will be the greatest threat if entrepreneurs fail to address those issues.

Today, the Chinese Diaspora worldwide is represented at this Forum. As such, we have the opportunity to set some ambitious goals. I believe it is appropriate that I develop some key points as to what we (as the Chinese Diaspora) ought to think about doing in order to meet those challenges.

I would like to begin with this proposition:

“Collaboration amongst the Chinese Diaspora worldwide will provide the focus to find and deliver sustainable solutions to deal with the current economic issues affecting our nations including global warming and climate change issues. If we stop collaborating and contributing to society, we lose our significance.”
Entrepreneurship and economic growth

In the last 20 years, the world has seen a remarkable revolution in technology, communication and the internet. Together with a high demand for mineral resources, this has fuelled the growth and expansion of many countries. The entrepreneurial boom throughout many parts of the world has created employment for many and a path out of poverty.

However, modernisation and rapid urban expansion without due regard to sustainability of the environment is a disaster waiting to happen. Today, carbon emissions have grown at least tenfold since a few decades ago. Many parts of the world are experiencing extreme and changing weather patterns.

Entrepreneurs have contributed to the economic growth of their countries but equally there is a side effect of global warming. Climate scientists have provided strong evidence that human activities are causing climate change.

If entrepreneurship is to remain sustainable for the next generation, it is timely for the Chinese Diaspora in a Forum like this to begin to collaborate and contribute towards a sustainable environment.

A Chinese view of entrepreneurship

Before we think about collaboration, let me pose a question: what do we (as the Chinese Diaspora living in different parts of the world) want when it comes to the environment we live in?
There are certain fundamental desires to which each of us aspire:

(a) A **safe** and **secure** environment for our families where we can realise our full potential.

(b) A **sufficient** and **sustainable** environment to live and work in so that we can build and grow a legacy for our families into the future.

These desires are no different from those of our ancestors. They have ventured far from their ancestry roots – Mainland China – to many parts of the world. In Australia, they arrived in Melbourne and Sydney in the 1850s. By 1861 there were 38,300 Chinese males in Australia and 11 Chinese females. Most of them came to Australia during the gold rush. Some historians suggest that there were some Chinese in Australia from late 1700s and early 1800s. Certainly, by 1901, there were 32,700 Chinese males and 474 Chinese females. According to Fong (1997), when he arrived in Sydney in 1946, there were only 12,000 Chinese males and about 2,500 Chinese females in Australia.

60 years later, in the 2006 Australian Census, 669,890 Australian residents identified themselves as having Chinese ancestry and China (including Hong Kong and Macau) made up the third major source of permanent migrants to Australia in 2005-2006.

When I arrived in Melbourne in 1982, Chinatown consisted mainly of Chinese who had settled from Hong Kong. Cantonese was the predominant Chinese dialect. They were involved in restaurants, laundry services, sundry shops, markets and farming. Then there were the next generations of Australian born Chinese who continue to be deeply rooted in Chinese culture and traditions.

Today, Australians are speaking Mandarin. We have a Prime Minister who speaks fluent Mandarin. Australia has a vibrant Chinese Diaspora from China (including Hong
Kong and Macau), Malaysia, Singapore, Indonesia, Cambodia, Vietnam, Philippines and Taiwan. The Chinese have spread throughout the world because by nature, they are:

- Explorers
- Enterprising
- Energetic
- Entrepreneurial

My observation, however, is that entrepreneurship amongst the Chinese Diaspora is still largely focused on creating wealth by exploiting business opportunities. There is a saying that: the West is very good at inventing products and the East is very good at finding a way to make money out of them!

There is little doubt that Chinese entrepreneurship has contributed to the wealth and success of the Chinese Diaspora. Of course, there is nothing inherently wrong about being successful and wealthy as we pay taxes, create employment and give to charity.

But let me pause here and ask the question: Are we, as Chinese entrepreneurs, only interested in making money? Giving to charity is not the same as contributing to a sustainable society through our business ventures. Do our business ventures and entrepreneurial enterprises contribute to society in terms of conservation and sustainability?

It would seem that after the gold rush, most Chinese miners went into business in the local community. Many were outstanding citizens and had important public and commercial roles in the community. Generations later, Chinese Australians are on the rise and many have now made a contribution in public life.
We need, however, to rethink our brand of Chinese entrepreneurship and begin to incorporate social and corporate values into our business projects and commercial enterprises toward a sustainable environment.\textsuperscript{15} We can no longer afford to exploit our environment with impunity, without any thought of ensuring sustainability.

**Making progress**

Despite the many achievements by the Chinese in Australia, we still have a long way to go. Currently, there are few Chinese or Australian of Chinese heritage in Parliament, both Federal and State, including local government. I am not aware of any first generation ethnic Chinese in the judiciary.\textsuperscript{16} There are several prominent Malaysians\textsuperscript{17} on Australian publicly listed companies but few are Chinese. Significantly, there are no ethnic Chinese as Chief Executive Officers in the top 50 Australian publicly listed companies.\textsuperscript{18}

Why is this so?

While Australia is a multi-cultural society, it is only in the last three decades that overseas migrants from the Asia Pacific region have settled in Australia and it takes a long time to assimilate into “mainstream” society. The Chinese are generally a communal group but they tend to stick within their enclave. There is also a divergence of Chinese people from different countries, which makes it difficult to share common public interests other than food and traditional Chinese festivals. As a result, entrepreneurship is very much focused on small business.

With the number of Australian born Chinese increasing, the roots of their ancestry have become acute as they grow older. There is now a sense of embracing a culture beyond language and food. With the rise of China and Australia’s proximity to
the Asia Pacific region, Australian born Chinese are more likely to live and work in the Asia Pacific region. They are the new Chinese Diaspora (as opposed to the Chinese who immigrated to Australia).

But while we can say proudly that “the Chinese Diaspora is now a mile wide, but is it a mile deep or merely an inch deep?” In other words, **do our business enterprises have a benefit to the community at large or do they gain wealth and status for the few?**

There is no doubt that the Chinese Diaspora is contributing to public life, whether in politics, government, corporation, legal, media, finance, academia, philanthropy, for the improvement of the wider community we live in.

Businesses in tune with environmental debate enjoy expansive opportunity. We need, however, to do more and involve the grass roots of our Chinese Diaspora to participate in the “mainstream” of society.

With such a large Chinese Diaspora worldwide, we have a significant opportunity to do good in every part of the world. This is really a moment in history where we could use our established positions to build effective business linkages with our Chinese Diaspora networks worldwide.

**What then are the key challenges ahead?**

I believe that while the Chinese Diaspora in Australia is still fragmented within its own groups and is yet to reach maturity, the challenges are there for the current leaders of the Chinese community to rally together as Australia takes up the challenge of climate change.

There is little doubt that global temperatures have increased over the last 20 years. The question is whether it is possible to stop global warming and climate
change? Some commentators are of the view that no matter what we do, warming will increase and we cannot stop it.\textsuperscript{21}

I believe we need to start acting and take steps to contribute towards a sustainable environment. McKibben (2007) suggests rapid, sustained and dramatic cuts in emissions by the technologically advanced countries, coupled with large-scale technology transfer in China, India and the rest of the developing world so that they can power up their emerging economies without burning up their coal.\textsuperscript{22}

Technology the world needs to do this already exists – for example solar power and wind turbine. Variations of these would include building more fuel efficient or electric powered cars; smarter homes; better design and construction of buildings and residential estates, using alternative forms of fuel like bio-fuels.\textsuperscript{23}

\textbf{Addressing the key challenges today?}

Burning coal seems easier than inventing something new. However, we can no longer sit back and wait for the developed nations to do something about it.

The Victorian Government recently revealed plans to adopt “clean coal” technology in Victoria, Australia. With newer technologies, it is possible to separate the carbon from the emission so that the by-products could be recycled to other viable products, like geo-polymer waste products or fertiliser. Climate change advocate, Al Gore, however expressed doubts about the viability of such an approach. Instead he proffered that Australia ought to focus on renewable energy.\textsuperscript{24}

Even among proponents of climate change, there seems to be lack of consensus as to the best approach to address these challenges. Regardless of the divergence of policies, the Chinese Diaspora now has a tremendous opportunity to rally together and
take positive steps to find solutions which would protect the environment and ensure sustainability of our societies and way of life for the future.

I believe that we would need to be cognisant of what I would describe as the 4Cs.

(a) Caretaker – recognise that we have a greater duty to contribute to “mainstream” society and the need to come together to work to achieve common goals. A Forum like this is the perfect place for exchange of ideas.

(b) Concern – show interest in public matters impacting the environment and community we live in. Get involved in changing the way we do things.

(c) Character – resolve to lead rather than follow or remain “under the radar”.

(d) Collaborate – put aside individual competitiveness and start to work together.

By engaging with government and business, legal and regulatory regimes, the Chinese Diaspora would be creating and ensuring even stronger economic, business relationships.

Other immediate examples are to use and improve existing technologies in renewable energy and conservation as part of the way we do business or in our commercial enterprises.
Conclusion

Asia Pacific, in particular China, is leading the world recovery from recession. In the near future, we will see more of the shift in the economic dominance of China. As part of the Chinese Diaspora worldwide, we can play an important role in the respective countries we live in and build those important business linkages.

We need to increase our emphasis on mutual cooperation with each other and collaborate by acting on our ideas. The thinking generated at this Forum will contribute towards solutions to deal with global warming and climate change.

The strength of the Chinese Diaspora can be a “mile deep” but action without contribution is useless. **What do we want for our environment and what role can we play?**
End Notes

1 A Malaysian Chinese Australian is an Australian of Chinese ancestry with ties to Malaysia. At the 2006 Census, 92,335 Australian residents stated that they were born in Malaysia. 64,855 declared having Chinese ancestry. 29,174 reside in Melbourne with 21,211 in Sydney and 18,993 in Perth. See 20680-Ancestry (full classification) by Sex – Australia, 2006 Census. Australian Bureau of Statistics.

2 At the World Economic Forum’s annual meeting in 2005, approximately 700 leaders selected six “tough issues” as top priorities for the global agenda. 51.2% considered that Climate Change was a priority as it had global scope and impact. See http://www.weforum.org/pdf/AM2005/Global_Town_Hall.pdf. Australians, however, considered economic issues as the biggest problem facing Australia ahead of environmental issues. See http://www.roymorgan.com/news/polls/2009/4382/

3 COP15 – the crucial difference, See http://en.cop15.dk/climate+facts/process/cop15+–+the+crucial+conference. See also http://www.iea.org/co2highlights/


6 See http://www.livescience.com/environment/061019_extreme_weather.html. According to the Australian Roundtable on Climate Change globally 37 out of 40 largest insured losses from natural catastrophe since 1970 have been weather related. See www.stopglobalwarming.com

7 Intergovernmental Panel on Climate Change Working Group 1 report, Climate Change 2007: The Physical Science Basis. See http://www.ipcc.ch/ipccreports/ar4-wg1.htm

8 Fong, K 1997, Chinese people and political change in Australia, A White Australia to a multicultural society, See http://www.teachingheritage.nsw.edu.au/d_reshaping/images_meta1.html

9 The White Australia Policy and enactment of the Immigration Restriction Act 1901 curtailed the growth of the Chinese community in Australia.


11 Friedman, M 1970, The Social Responsibility of Business Is to Increase Its Profits, The New York Times Magazine, 13 September, pp 32-33, 122, 126. Milton Friedman considered that the responsibility of corporations is to conduct the business in accord with shareholders’ desires which is to make as much money as possible while conforming to the basic rules of society – legally and ethically.

12 Baron, DP 2007, Corporate Social Responsibility and Social Entrepreneurship, Journal of Economics & Management Strategy, Vol 16, No. 3, pp 683-717. David Baron considered that when corporate social giving is an imperfect substitute for personal giving, firms that practice Corporate Social Responsibility have a lower market value than profit maximising firms. He argued that “a social entrepreneur is willing to form a Corporate Social Responsibility firm at a financial loss because either doing so expands the opportunity sets of citizens in consumption-social giving space or there is an entrepreneurial warm glow from forming the firm.”

13 For example: Kwong Sue Duk (Herbalist), William Ah Ket (Barrister, whose grandson is the famous guitarist, John Williams), Mei Quong Tart (Tea Merchant), Ang Chuck, wife of Melbourne merchant Louise Ah Mouy, was one of the earliest Chinese women who lived in Australia.

14 For example: Victor Chang (Cardiac Surgeon), Kylie Kwong (Chef, TV personality and great granddaughter of Kwong Sue Duk), Penny Wong (Minister for Climate Change and Water), Trevor O’Hoy
(former CEO of Fosters Group Limited), Dr Wellington Lee OBE AM OAM (former Councillor, City of Melbourne), John So (former Lord Mayor, City of Melbourne).


16 A current Supreme Court of Victoria judge’s grandfather was of Chinese descent and lived in Ballarat in the 1890s.

17 There are at least ten Datos and five Tan Sris on the board of Australian publicly listed companies. Most of the companies are involved in mineral and gas exploration, gaming and property development. One company is involved in renewal energy production. See http://www.asx.com.au

18 Trevor O’Hoy was the CEO of Fosters Group Limited, a top 100 ASX company, until his resignation in June 2008.


22 McKibben, B 2007, ibid


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