



KEYNOTE ADDRESS

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“THE ROLE OF OVERSEAS CHINESE IN ECONOMIC DEVELOPMENT”

**7TH WORLD CHINESE ECONOMIC SUMMIT (WCES)
THE SAVOY, LONDON
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Salutations (TBC)

Distinguished guests, ladies and gentlemen,

1. This summit is set to once again not only achieve, but surpass its previous successes. Held this year in London, and carrying on from previous events held in Malaysia, China and Australia, it has highlighted the social, political and economic importance of a growing China.
2. As Malaysia's time as Chair of ASEAN draws to a close, and we prepare for the realisation of the ASEAN Economic Community (AEC), it is in all of our mutually beneficial interests to work closely with China, the U.K. and our other regional and international allies on issues of regional economic, security and cultural importance.

Distinguished guests, ladies and gentlemen,

3. May I begin by briefly addressing a topic very important to my heart. That is, the positive influence that the overseas Chinese have had, and will continue to have on the world.
4. Diasporas can play an imperative role in the economic development of their countries of origin or ancestry. Traditionally, we have portrayed Chinese Diasporas as sources of remittances and financial flows. However, the reality is that the beneficial aspects extend far beyond this.
5. Diasporas are a bridge to knowledge, expertise, resources and markets. If engaged correctly, they can be crucial in promoting trade and foreign direct investment, while also creating business and stimulating entrepreneurship for their home country.

6. Emigration is commonly thought of as a loss of resources for a country – skilled emigration is sometimes referred to as brain drain. However, policymakers are starting to recognise the potential that an engaged emigration can be.
7. In my home country of Malaysia, the Chinese diasporas have added to, and become a visible and tangible component of our multicultural identity. Chinese communities have not just settled in Malaysia, they have become one of the cornerstones of Malaysian culture.
8. This is only possible because of the links established by the Chinese community in Malaysia. The overseas Chinese can, and do, act as a bridge to help facilitate business and connections between the mainland and neighbouring countries, as well as in the West.
9. Today, the size of the overseas Chinese is approximately fifty (50) million people or about three quarters of the population of the United Kingdom. In Europe alone, the estimated first generation Chinese population is over two million, with roughly six hundred thousand (600,000) people in the United Kingdom.

Distinguished guests, ladies and gentlemen,

10. The Chinese have been able to succeed wherever they find themselves because of their culture. The Chinese have consistently passed on many values to their future generations, crafting a people that possesses traits such as diligence, intelligence, thriftiness, quick learning and entrepreneurship.
11. Much of this stems from China's ancient history and its tenets in Confucianism, through to its modern ideals and adherence to inclusive and peaceful growth. The sense of belonging to the great Confucian culture unites the Chinese, allowing them to adopt a family-business approach to create informal intra-diaspora links such as the Bamboo Network.
12. Such networks have helped to facilitate the exchange of business information and on many occasions, bypass formal procedures, which rightly or wrongly speed up the deal making processes and completion of transactions. Such ties open up access for Mainland Chinese and the Chinese Diasporas to greater domestic and international markets.
13. In general, the trade and financial linkage in Asia among the Chinese diaspora communities may well constitute a case in which their cultural have contributed to the successful development.

Distinguished guests, ladies and gentlemen,

14. The impact of expatriation on a country is felt especially in three areas: trade, investment, and skills & knowledge transfer. There has been demonstrable links between the existence of diasporas and increased trade, where the complex diasporas networks assist producers and consumers to connect in countries of origin and destination.

15. Furthermore, diasporas often purchase home products and later introduce them to new international markets, playing an instrumental role in developing export markets and other trade ties, supply chains and technology transfer mechanisms.
16. In terms of investment, diasporas often end up investing in their countries of origin while encouraging non-diaspora investors to do the same. Diasporas are excellent intermediaries, who can facilitate their home countries' integration into the global economy.
17. They connect countries of origin to potential foreign investors and lobby in their destination countries for more favourable trade and labour flows. Not only does this boost investor confidence, it also increases the publicity of emerging and underdeveloped markets.
18. Additionally, diasporas' bonds have helped to mobilise wealth for development projects. For example, much of the foreign direct investment that flows into China is handled by the Chinese diasporas.
19. A study made on global diasporas also has articulately Chinese diasporas mostly as trade-based. Being in trading has then increase the economic development due to the entrepreneurship. There are significant highly successful Chinese diaspora that have given positive impact such as Chin Sophonpanish, Robert Kuok, Liem Seioe Leong and Lim Ka Shing.

Distinguished guests, ladies and gentlemen,

20. Before I finish, let me remark that my home country of Malaysia, like China, too have experienced rapid economic expansion that has lifted millions out of poverty. And, as we are set to reach the status of developed nation by the year 2020, Malaysia has proved itself to be a model to many others as a modern majority-Muslim nation that is inclusive of all the ethnic groups that make up its inhabitants.
21. Part of this success is due to the integration of our multi-ethnic population into all areas of society. Other governments should also be looking at policies and programmes to better promoting links between diasporas to help unlock their economic and socially beneficial potential.
22. Some specific measures that the government could take would be to:
 - Create partnerships between various stakeholders that would help engagement with diasporas. This would now be easily facilitated with modern ICT technologies.
 - Encourage and facilitate lowering the cost of remittance transfers in recognition of their importance to not only local ethnic communities but also the wider economy.
 - Supporting and streamlining more family reunification migration programmes, especially from crisis affected countries.

- Help to streamline the transactions of both financial capital, as well as skills and labour between diaspora communities to help in the growth of the overall economy.
- Recognising and mainstreaming the efforts of diaspora communities in disaster relief situations, as their local knowledge gives them the ability to get resources directly into affected areas.

Distinguished guests, ladies and gentlemen,

23. In this short closing address, I hope I have shared with you a sense of optimism for the future of Malaysia – Chinese relations. I also hope this event provided you valuable information and encouragement for the future growth and positive influence that China will share with the world.

24. On that note, I would like to wish all participants of this year's World Chinese Economic Summit well, and I trust that you were able to build your networks and will bring back valuable experiences and insights.

Thank you

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