



ИСТОРИЯ, РЕЛИГИЯ И КУЛЬТУРА

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THE REPUBLIC OF VIETNAM GOVERNMENT'S POLICIES ON THE ECONOMIC ACTIVITIES OF THE CHINESE IN VIETNAM (1955–1975)

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Abstract. This article presents the policy of the Government of the Republic of Vietnam (RoV) to manage the economic activities of the Chinese community in South Vietnam. In particular, the study highlights the objective and subjective reasons that prompted the ROV government to adopt stringent measures to limit the influence of the Chinese and points out the benefits and limitations of these measures. Lessons learned from the Chinese community's economic management policies from 1955–1975 also help researchers to propose Party and state ethnic policy programs and policies toward the Chinese in particular, and nationwide ethnic minorities in general.

Keywords: the Chinese, Republic of Vietnam, economic activities, management policy

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ПОЛИТИКА ПРАВИТЕЛЬСТВА РЕСПУБЛИКИ ВЬЕТНАМ В ОТНОШЕНИИ ЭКОНОМИЧЕСКОЙ ДЕЯТЕЛЬНОСТИ ХУАЦЯО ВО ВЬЕТНАМЕ (1955–1975)

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Аннотация. В статье представлена политика правительства Республики Вьетнам (РВ) по отношению к экономической деятельности китайской общины в Южном Вьетнаме. В исследовании выделяются объективные и субъективные причины, спровоцировавшие жёсткие меры правительства РВ по ограничению влияния хуацяо, указываются позитивные и негативные последствия этих мер. Уроки политики управления экономической деятельностью китайской общины в 1955–1975 гг.

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помогают партии и государству наше время проводить верную этническую политику в отношении хуацяо и других этнических меньшинств.

Ключевые слова: хуацяо, Республика Вьетнам, экономическая деятельность, управленческая политика

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Introduction

Chinese presence has been found throughout the Southeast Asian region, including Vietnam, which is close to China in geography and culture. After the establishment of the RoV government in South Vietnam (1955), this government immediately began to address the “problem of Chinese nationals.” The RoV government's policy toward the Chinese in South Vietnam was to convert “Chinese nationals” into Vietnamese citizens. However, in the process of “Vietnamese naturalization”, the RoV government faced opposition not only from South Vietnamese Chinese but also from China. The harsh measures taken by the RoV government against the Chinese community in South Vietnam from 1955-1975 concerned two main areas: the restriction of the right to acquire real estate and the prohibition of foreigners (mostly Chinese citizens) to perform 11 types of work. These measures were aimed at accelerating “Vietnamese naturalization”.

The term “Chinese nationals” refers to people of Chinese descent but living abroad. Chow Hai defines “Chinese nationals as consisting of all migrants from China (including Chinese islanders), and this concept belongs to a changing category rather than a stable one. Along with it, various forms of communal relations are changing, taking on the meaning of political, economic, cultural, and social formation” [Chau Hai 1989].

Overview of the Chinese in Vietnam before 1955

According to DRV statistics, the total number of Chinese citizens in Vietnam was estimated at 820,000 [SVPA: D0-79]. In South Vietnam in 1956, Lai Tu, head of the Civil Law Division of the Ministry of Justice, listed the number of Ming Xiang as 150,000 [Ibid.]

From March to April 1956, the Saigon government compiled monographs of the provinces of South Vietnam. In the population section of each province, there were statistics on the number of Chinese citizens, men and women over the age of 18. As summarized by the author of the thesis from local monographs of 30 provinces and cities in South Vietnam, in 1956 the number of Chinese citizens over 18 years old was 119,519, which is 1.38% [Trịnh Thị Mai Linh 2014].

Before 1955, among foreigners living in Vietnam, the Chinese were the greatest concern of the kingdom's government because:

Regarding the population, the total number of Chinese living in the territory of the Republic of Vietnam is very important compared to other types of foreigners and is divided into two groups: those born in Vietnam are called Chinese of local origin, and others who were not born in Vietnam, who came to live in Vietnam and do business, and are called Chinese citizens (foreigner status).

Economically, thanks to the help of the French colonial government and various social organizations in established forms, plus their business manner, source of capital, together with

their patience and industriousness, the Chinese in South Vietnam already dominated the entire economy of the Republic of Vietnam, especially in those sectors closely related to the daily life of the local population. Thus, at the time of French colonization, the Vietnamese economy was in a situation: the French dominated, holding all economic power, the Chinese were the trading middle class, and the Vietnamese people were brutally exploited.

From a policy perspective, the Overseas Chinese group was a target for both the People's Republic of China and Taiwan. Each side also welcomed the Overseas Chinese as its citizens, so the activities of the Chinese were already a concern for the ROV government. In addition, the RoV also had to confront the South Vietnamese and North Vietnamese struggle for liberation. Thus, the Chinese became a force to be drawn and manipulated by the Kingdom government.

So the Chinese in Vietnam, with their large numbers and conquered economic positions and interests, have already organized a closely-knit system in many aspects: laws, medical facilities, the unrestrained expansion of schools, the steady growth of Chinese-language newspapers and magazines.

To consolidate the entire organizational apparatus specializing in Chinese affairs, on September 10, 1956, the RoV government established the Department of Chinese Affairs located at the Presidential Palace. Nguyen Van Vang was appointed special commissioner for Chinese affairs at the Presidential Palace and vice-mayor of the capital Saigon to have daily contact with the Chinese. The agency was tasked with formulating policy on all matters relating to the Chinese in South Vietnam.

Studies on the economic activities of the Chinese in Vietnam

Although numerous studies on the Chinese in Vietnam are rich in content, they ultimately focus on three main issues: the history of community formation, social organization, and cultural activities. In particular, research on the economic sphere of the Chinese community in Vietnam between 1955 and 1963 remains open. The economic activities of the Chinese in Vietnam were quite strong and rich. However, researchers have discovered the surface of Chinese economic activity when studying this sphere, and this does not mean that the literature on this sphere is complete. On the contrary, the research materials in this field are very limited because the Chinese do not want to provide, or the government agencies that manage these data do not have complete and reliable information about their economic activities.

The author, Dao Trinh Nhat, published a paper in 1924 entitled "The migrant force and the problem of immigration to Cochinchina". It was one of the earliest studies by Vietnamese scholars on the Chinese community in Vietnam. According to Dao Trinh Nhat, Cochinchina was a rich region, a large market currently being manipulated by the Chinese [Dao Trinh Nhat 1924]. Dao Trinh Nhat also pointed out the risk that the Chinese could take over and manipulate the entire Cochinchina market. Based on this fact, the author proposed a solution to reduce Chinese manipulation, which was the need to migrate to Cochinchina to "resist the Chinese nationals" strength. The paper cites many documents about the economic activities of the Chinese in Cochinchina at the beginning of the twentieth century.

In 1968, author Tsai Maw-kuey presented his study "The Chinese in South Vietnam". The work contained many valuable documents, especially on the economic activities of the Chinese in South Vietnam before 1955. The author provided many statistics from the Chinese Chamber of Commerce in Cholon and Chinese banks to confirm the key role and position of the Chinese in

the commercial and financial activities of the South Vietnamese economy during the French colonization period and the early stages of the Saigon government [Tsai 1968].

In 1972, author Truong Hoang Tan provided much data on the economic activities of Chinese nationals and Vietnamese of Chinese descent from 1956 to 1971. The author argues that the Chinese played a coordinating role in every "corner" of South Vietnam's economic machinery from 1955-1975 [Trương Hoàng Tấn 1972].

Most of the above-mentioned works are characterized by a study of the Chinese question at a time when the government of the Kingdom of Vietnam was taking measures against the Chinese in South Vietnam. All of these works focus on the study of the economic activities of the Chinese in South Vietnam between 1955 and 1963. However, under the conditions of that time, it was very difficult to gain access to documents related to the RoV government's policies toward the Chinese, especially confidential documents. Therefore, although most of these works use the content of the economic activities of the Chinese in 1955-1963, they cannot identify a direct link between the policies of the RoV government and the economic activities of the Chinese in the period in question. To overcome the aforementioned shortcomings, this study provides additional documentation of the Kingdom government's economic management policies toward the Chinese in South Vietnam from 1955-1963, and at the same time points out the advantages, limitations, and lessons learned in implementing economic management policies toward a community group with rather specific historical characteristics. The lessons learned from the history of economic management of the South Vietnamese Chinese community by the Kingdom Government in 1955-1963 are very vivid not only for the Socialist Republic of Vietnam Party and State, but also for the Southeast Asian countries in which many Chinese now live.

Methods and data

The general method of research is based on the methodology of dialectical materialism, historical materialism, the views of the Communist Party of Vietnam and the state of the Socialist Republic of Vietnam. The specific method of research is a combination of the two main methods of Marxist history, namely the historical method and the logical method.

The comparative method was applied to compare and contrast the policies of the RoV government toward the Chinese community in Vietnam before and after the 1955–

1963 period. During the same period, a study was conducted comparing and contrasting various Southeast Asian countries with respect to their handling of the “Chinese problem” in the economic sphere.

The most important documentary sources used extensively in this dissertation are materials from various archives currently housed at the National Archives Center II (HCMC), including: South Vietnam Premier's Archives (1949–1954) (SVPA); RoV Prime Minister's Office Archives (1954–1975) (PMOA); and First Republic Presidential Palace Archives (1955–1963) (FRPPA). These archives consist of legal documents, decrees, regulations, reports, various statements, and reports on Chinese management and implementation of Chinese policy in South Vietnam. Among them are many documents classified as “Top Secret”, “Secret”, “Most Urgent” and “Urgent” by the South Vietnamese government.

Results and discussion

Some measures by the Saigon government to manage the Hoa economic organizations in South Vietnam

The economic organizations of the Chinese in South Vietnam were their form of social organization. Trade unions were organized in much the same way as Vietnamese organizations and have grown markedly since the establishment of the Saigon government in South Vietnam.

Chinese Chamber of Commerce in Cochinchina

The Chinese Chamber of Commerce in Cochinchina was founded by Chinese businessmen and industrialists living in Cochinchina, also known as *Phòng thương mại Hoa kiều* (Overseas Chinese Chamber of Commerce, OCCC). It was located at 201-203 Phung Hung Street, in a very large villa. The association consisted of merchants, industrialists, and professional associations who were overseas Chinese.

The range of activities of the OCCC included: protecting the legitimate commercial and industrial interests of the Chinese people; developing foreign exchanges; acting as arbitrator of Chinese business disputes; compiling and ranking states of industry and trade, statistics related to trade and industry; publishing and transmitting local surveyor laws and regulations related to trade in China and introducing all commercial and industrial goods in China; establishing economic museum, library, business environment and all mechanisms that can Any Chinese person in Cochinchin, whether male or female, at least 21 years of age, working in trade or industry; having a permanent headquarters to operate their profession, can be admitted to the OCCC. A trading company may be represented by a company director as a member of the OCCC. All members are eligible to vote and stand for election. They have all the privileges provided by the rules of the OCCC.

The dissolution of the OCCC was initiated in 1957 by *Nhà Trung Hoa sự vụ* (Department of Chinese Affairs). This department together with the Ministry of Economy, Ministry of Finance, Ministry of Interior of the Republic of Vietnam and Saigon City Hall conducted the dissolution of the OCCC: "Suspension of the license of the Overseas Chinese Chamber of Commerce, convening a general meeting to elect a new Board of Directors from 1957; The last Board of Directors completed its term from late 1956 and can only continue in permanent positions; Due to Decree no. 1039-BTC/TV of August 2, 1958 of the Ministry of Finance, the 15% surcharge levied on the basic license tax of overseas Chinese merchants in the South was abolished as of January 1, 1959, in favor of the Overseas Chinese Chamber of Commerce; From 1958 until the end of 1961 the professional associations of overseas Chinese owners (51 associations) were dissolved one by one by decree of the Ministry of the Interior."

Since 1957, the OCCC was considered no longer legally active, but at the time, the government did not dissolve it because it was also useful to support the newly established Vietnam Chamber of Commerce. Waiting for naturalized overseas Chinese businessmen to join the Vietnam Chamber of Commerce, the government decided to dissolve the Overseas Chinese Chamber of Commerce before the professional associations. By 1962, when the question of Hoa nationality in South Vietnam stabilized, there were very few Overseas Chinese merchants and they were only temporarily living in Vietnam. The Vietnamese Chamber of Commerce in Saigon grew and was active. On February 2, 1963, the President of the Republic of Vietnam ordered: "the

Chinese State Department to carefully explain to the members of the chamber to automatically apply for dissolution. After dissolution, the decision to settle the assets of the Overseas Chinese Chamber of Commerce must be made by the General Assembly or by a conservator to be appointed by the court at the request of the prosecutor.” Thus, the Saigon government dissolved the OCCC, advising the organization to dissolve itself.

Overseas Chinese Compensation Fund

During French colonial rule in Vietnam, there were three types of compensation funds: the French Compensation Fund, the Vietnam Compensation Fund, and the Overseas Chinese Compensation Fund. The Overseas Chinese Compensation Fund was established in 1949 and was established in February 1950. The fund accepted contributions from its members and paid family benefits only to employees. On February 24, 1954, Decree No. 5-XL/ND recognized the Overseas Chinese Compensation Fund. All meetings of the Fund were held at the Chinese Chamber of Commerce Saigon-Cholon.

At the end of 1961, due to “the Government's policy is to encourage naturalized Hue overseas to one by one join the Vietnamese family to become Vietnamese citizens in order to gain all rights and duties” [FRPPA: D3393]. The Department of Chinese Affairs asked the General Inspectorate of Labor and Welfare (Ministry of Labor) to dissolve the Overseas Chinese Compensation Fund because it existed as an association of overseas Chinese (consisting of overseas Chinese employers and workers). The Saigon government decided that there was only one Vietnam Compensation Fund consisting of employers and workers with Vietnamese citizenship.

Thus, after the Vietnamese Hoa policy in South Vietnam gradually stabilized, most *Hoa* merchants were naturalized and the Saigon government ordered the dissolution of *Hoa* economic organizations in South Vietnam to reduce Hoa influence in the economic sphere.

Some measures for the management of Hoa economic activities in South Vietnam by the Saigon government (1955–1975)

Restrictions on possession of real estate by the Hoa

In the economic area of *Hoa* in South Vietnam, the Saigon government intended to address the restriction on the right to permanently establish *Hoa* real estate in South Vietnam ahead of time in accordance with the directive No. 26 of April 20, 1956, Article 1.

The minister at the presidential palace made the comment to the Department of Chinese Affairs:

“This occasion should be used to partially resolve the issue of overseas Chinese born in Vietnam, we must declare and change their surnames according to the Vietnamese sound and based on these applications to promote overseas Chinese born in China to try to persuade those born in Vietnam to come out and declare Vietnamese surname” [FRPPA: D10674].

Therefore, all documents for the purchase and lease of real estate from overseas Chinese were submitted by the Minister of Finance to the Secretary General before being submitted to the President of the Republic of Vietnam for approval. The Secretary General of the Presidential Palace often consulted the Department of Chinese Affairs or sometimes the mayor, governor, and mayor to further investigate the intention of *Hoa* people to obtain Vietnamese citizenship to purchase land, adjusting the residence status for their children. The Saigon government has

thoroughly investigated all of the above factors in order to quickly legalize citizenship status for Hoa cases who wanted to buy and sell property in southern Vietnam.

In Saigon Cholon, the real estate trade was quite lively, the implementation of Decree No. 26 created obstacles here, so *Đô trưởng Sài Gòn* (Saigon Major) suggested to the Finance Minister 26 created obstacles for *hoa*, so *Đô trưởng Sài Gòn* (Saigon Major) suggested to the Finance Minister that the ministry submit a proposal to the president to exempt the Saigon Cholon Citadel from having to ask the president's permission beforehand, but the finance ministry did not submit the proposal to the president because it was contrary to the spirit of Decree No. 26.

In the implementation of Decree No. 26, applications to purchase land from individuals or overseas Chinese associations were not accepted in the following cases: purchase in a convenient location for traffic; the person applying for purchase had not yet obtained Vietnamese citizenship; the buyer gave the name of the property. Applications to purchase real estate from May 1956 to May 1958 included 57 applications from *Hoa*, but only 4 applications were approved because these *Hoa* had naturalized as Vietnamese. The Saigon government did not allow any *Hoa* as foreigners to permanently create real estate in South Vietnam. This showed that the Saigon government's actions in restricting the sale of *Hoa* real estate in South Vietnam were not only to restrict *Hoa* real estate speculation, but also to naturalize them.

Banning foreign Chinese from performing 11 types of work in South Vietnam

During the RoV government of 1955-1963, various constitutions were adopted which proclaimed the “freedom and democracy” of the entire people. However, many of the government's policies were restrictive and destructive of “democracy and freedom”, causing many contradictions within the ranks of the nation. South Vietnamese society thus found itself in the midst of a long and severe political crisis. In order to solve all the problems associated with the Chinese in South Vietnam, the RoV government resorted to the highest measures of the republican institution. These are the government's promulgation of legal documents, edicts, ordinances, decrees, circulars... the strongest and most effective legislative instruments.

First, the RoV government passed a law to define citizenship for the Chinese in South Vietnam. In the Vietnamese Citizenship Law - Decree No. 10 (December 07, 1955) , the government divided the Chinese in Vietnam into three classes: *Min Xiang*, Chinese of local origin and Chinese nationals. Chinese born in Vietnam (*Ming Xiang* and native-born Chinese) automatically had ROV citizenship. The 1955 ROV Citizenship Law was based on the theory of geolegalism (that is, regardless of origin, if a person was born in the Republic of Vietnam, he or she would have its citizenship).

For clarity and certainty in determining the citizenship of Chinese born in Vietnam, the RoV government issued an additional Decree No. 48 of August 21, 1956 . It divided ethnic Chinese in South Vietnam into two groups: those with adapted status (*Ming Xiang* and native-born Chinese) and naturalized Vietnamese (Chinese citizens as foreigners). The *Ming Xiang* Chinese and the local natives naturally had the citizenship of the Republic of Vietnam, and only applied for the adjustment of the citizenship status. The adjustment of the citizenship status of the Chinese took place in two steps: *first*, the filing of the “Two-Year Card”; *second*, the renaming into Vietnamese-sounding. The implementation of these two steps was ensured by the RoV government in a very short time.

Thus, the RoV government was forced to take the harshest and highest measures to quickly naturalize the Chinese in South Vietnam. However, the Chinese reacted very harshly, and their general psychology was to wait for China (mainly Taiwan) to intervene on the issue of their citizenship in Vietnam, while "The Republic of Vietnam President was very concerned about the nationality issue and wanted to see it being resolved as soon as possible" [FRPPA: D6579]. According to the statistics of the author of this study, as of December 24, 1956 (4 months after Decree No. 48 was issued), only 1,863 Chinese had been naturalized [Trịnh Thị Mai Linh 2014]. At the same time, the RoV government imposed a condition that any Chinese from the status adjustment group who did not comply with the law would be deported to Taiwan by August 31, 1957. If they remained in the Republic of Vietnam, they would have the status of foreigners.

The President of the Republic of Vietnam issued Decree No. 53 of June 5, 1956, prohibiting foreigners from practicing 11 professions. The prohibited professions include: Fish and meat trade; grocery business; coal and firewood trade; gasoline, kerosene and lubricating oil trade; pawnbroking; canvas and silk trade; iron and brass scrap trade; rice mill; grain trade; transportation of goods or passengers by car, ship or boat; mediation. Directive No. 53 affected Chinese overseas in all 10 occupations; French overseas in 3 occupations; Indians overseas: 1 occupation. The number of foreigners banned from 11 professions under Directive No. 53 was 9,127, or 21.90%.

As for fish and meat trade, the Saigon government has banned the trade of chickens, ducks, pigs, cows, buffalo, wild animals or raising animals for meat. The government banned the meat trade, the sale of meat (wholesale and retail), but allowed the trade of pigs, chickens, roasted or grilled ducks, dried meat, and ham. Restaurants and stalls selling cooked food were still allowed.

As for the grocery business, the Saigon government banned foreigners from selling everyday goods: rice, fish sauce, charcoal, kerosene, sugar, salt, soy sauce, onions, garlic, soap, lamps, candles..., but did not ban stores from selling European and American food (canned food).

As for the charcoal trade, the Saigon government has not banned charcoal and firewood producers licensed since 1956.

As for the gasoline, kerosene, and lubricating oil trade, the Saigon government did not prohibit firms from importing gasoline, kerosene, and lubricating oil; foreign automobile plants, by the time Decree 53 was issued, had fueling stations for the sale and retail sale of oil.

As for the silk, yarn, and thread trade, the Saigon government prohibited the *Hoa* tribe from selling products shorter than 10,000 meters, but products longer than 10,000 meters continued to be sold as usual.

As for the trade in scrap iron and brass, the Saigon government prohibits foreigners from buying these items, with the exception of outlet stores, ironwork stores, and the port of imported undamaged metals.

For trade in grain, which includes rice, broken rice, bran, corn, sticky rice, and sesame seeds. The Saigon government did not prohibit exports of rice, corn, and beans that paid a license tax in 1956 before the date of Decree No. 53.

For the profession of transporting goods and passengers by car, ship or boat, foreigners were not allowed to own or operate themselves as drivers or paid drivers. These rules applied only to the transportation of goods or vessels within the territory or territory of the Republic of Vietnam. The Saigon Government did not prohibit the transportation of goods in the ports of Saigon and Da

Nang, foreign firms to import fuel, oil, kerosene and lubricants and to carry these goods in their cars, ships and boats.

For the profession of commission intermediary, including foreigners, who work as shuttles, representing buyers to sellers, regardless of chattels or chemicals, materials, etc., spending no trading capital but receiving a commission. This middle class made the price more expensive. The Saigon government did not prohibit licensed professions and professions clearly delineated by the trade industry, such as maritime broker, insurance broker, and tax-paying salesman.

The time limit for the termination of the 11 prohibited occupations, according to Article 2 of Decree No. 53, is: six months from the date of publication of Decree No. 53 for the following seven occupations: trade in fish and meat; trade in cheese (groceries), trade in scrap iron and brass; trade in gasoline, kerosene and lubricating oil; people's pawnshop; trade in canvas and silk; trade in coal. These seven occupations were to be discontinued as of April 30, 1957. The seven occupations were then extended by the government for another month. Four more professions remained: rice factory; grain sales; transportation; commission brokers, with a term of one year from the date of Decree No. 53.

Thus, the measures on *Hoa* economic activities in South Vietnam taken by the Saigon government from 1955 to 1963 focused on two issues: limiting *Hoa* property ownership and prohibiting foreign Chinese from practicing 11 professions in South Vietnam.

Politically, this ban would have had bad consequences for Taiwan; even domestically, *Hoa* dissatisfaction with the Saigon government led them to support the South Vietnamese National Liberation Front and the South Vietnamese Provisional Revolutionary Government.

From an economic point of view, for the Saigon government, restricting and prohibiting *the Hoa* from practicing certain professions was a pressing problem that had to be urgently solved to avoid speculation, hoarding and rising living costs, to gain economic sovereignty from foreigners, especially from the overseas Chinese.

From a legal point of view, the measure to ban certain professions for foreigners was a matter of determining the status of foreigners within the competence of the government of the Republic of Vietnam. However, the Saigon government's ban on certain professions for overseas Chinese was also aimed at speeding up the naturalization process of *Hoa*.

In general, these measures were aimed not only at gaining economic independence from *the Hoa*, but also pursued the political goal of Vietnameseizing the *Hoa* in South Vietnam. Commenting on this policy, the Japan Times stated: "Saigon's new law targets foreign businessmen [FRPPA: D18718].

After the fall of the Ngo Dinh Diem government, the government's *Hoa* policy was also forgotten. Subsequent governments focused only on the political and military spheres and ignored economic issues, especially the question of resuming the growth of the *Hoa-owned* economic bloc. Under the regime of the Republic of Vietnam from 1955 to 1963, the Saigon government had to deal with the problem of the *Hoa* people (*Vấn đề Hoa kiều*). The issue escalated again in 1963-1975 when, with only one-tenth of the population, the *Hoa* community owned three-quarters of the capital in South Vietnam [Trịnh Thị Mai Linh 2014].

To begin to limit the influence of the *Hoa* economic bloc who naturalized as Vietnamese, since 1966, according to Notice of Book 15-BKT/VP/TUA dated June 18, 1966, of the Saigon government, *Hoa* people must have had Vietnamese citizenship for 15 years or more to start a

major company. For each type of economic activity in which *the Hoa* had an advantage, the Saigon government adopted special measures.

In organizational terms, in order to finally and thoroughly solve the problem of the *Hoa* community's economic dominance over the Republic of Vietnam, the Saigon government had to:

First, in areas with large numbers of overseas Chinese, “Vietnamese-Chinese Liaison Rooms” were organized to instruct overseas Chinese in administrative, judicial, economic, financial and professional institutions related to their business, to explain the laws enacted for overseas Chinese, the paperwork they must do; to help overseas Chinese with documents so they could contact cultural, social and charitable institutions in Vietnam. To save money, these communication rooms were placed in the existing information room. In addition, to promote increased cooperation between *Hoa* and Vietnamese, charitable and social activities among *Hoa* in South Vietnam have been organized and cultural exchange has been encouraged by inviting Vietnamese and foreign Chinese figures to meetings. The Saigon government also drew attention to the fact that departments in charge of *Hoa* affairs participated directly in the celebration of National Taiwan Day.

Second, by supporting the *Hoa* to conduct proper business that benefited the economy of the Republic of Vietnam, the *Hoa* community in South Vietnam "fully opposed the Communists. The government compiled a list of these *Hoa* after careful investigation and gave them preferential treatment over other overseas Chinese counterparts in matters such as imports and exports. In particular, they were allowed to sell scarce foodstuffs located in the overseas Chinese and destined only for the overseas Chinese, such as sugar, milk, flour... and these Overseas Chinese actively condemned the speculation and accumulation of fraudulent stocks by the Overseas Chinese. Those Overseas Chinese who had “anti-communist” records were entitled to privileges, such as providing “cotton” to buy food or restricted materials [Ibid.]

Third, "participating in the elimination of all economic violations committed by unscrupulous foreign Chinese for the purpose of profiting or supplying communists. According to the Saigon government, in order to effectively control the *Hoa* in South Vietnam, there was no better solution than to use one's own compatriots. The immediate recruitment of large numbers to help the overseas Chinese would have been costly. To conceal this, the Saigon government organized a committee of the Communist Party of Vietnam and the *Hoa*, and then selected from this committee elements who could take on the job of providing information and documents, and rewarded them with money whenever they had achievements.

Fourth, the Department of Chinese Affairs was to work directly with the Ministry of Economy and Finance to help oversee the books of overseas Chinese merchants and industrialists. At the same time, the Saigon government also required all merchants and industrialists to have ledgers in Vietnamese or French for ease of administration. The government set up a committee composed of officials from the Ministry of Finance, the Ministry of Economic Affairs, and the Department of Chinese Affairs to oversee the procedures for overseas Chinese documents, to study Vietnamese-language forms of documents and invoices, and to require overseas Chinese to buy substitute old documents. The Department of Chinese Affairs was responsible for holding meetings with overseas Chinese traders and industrialists to explain to them about the documents and advise them to comply.

In order to check the implementation of Decree No. 53 by overseas Chinese, the President of the Republic of Vietnam ordered Do Van Cong to visit stores run by overseas Chinese in trade

or industry, and stores whose owners are overseas Chinese but use Vietnamese names of stores, checking the maintenance of accounting documents issued by the government. According to the order, Do Van Cong must investigate and make a declaration on traders, businesses or economic organizations that have borrowed Vietnamese names but are actually owned *by Hoa* or other foreigners.

However, *Hoa* people in southern Vietnam could still continue to practice the banned professions if they chose one of three methods: naturalization of Vietnamese citizenship, transferring rights to their wives and children with Vietnamese citizenship, but must have an appropriate marriage; contributing capital with Vietnamese and letting Vietnamese in their name with a ratio of 51% capital of Vietnamese to 49% capital of foreign Chinese. In order to support Vietnamese to replace the *Hoa* in the professions prohibited by Decree No. 53, the Saigon government allocated a sum of VND200,000 million from a fund housed in the Ministry of Economy to lend Vietnamese traders from VND50,000 to VND100,000 per person [Ibid]. Thus, Decree No. 53 severely affected only small traders, the rich bourgeoisie, and foreign Chinese industrialists, who could still move freely and continue to manipulate the economy of the Republic of Vietnam.

Conclusion

There were two reasons why the RoV government introduced measures to manage the Chinese in the economic sphere. *First*, because of the dominant role of the Chinese in South Vietnam's economy. *Second*, economic measures were taken to support political measures (especially the naturalization of the Chinese in South Vietnam).

Restricting and banning Chinese from certain professions was a matter of urgency, to avoid speculation, hoarding, rising costs of living, and wresting economic sovereignty from foreigners, especially Chinese citizens. The goal of the RoW government was to reduce the dominance of the Chinese in the economic sector, which was appropriate. The goal of the RoV government was very clear: any Chinese who wished to continue in the forbidden professions had to obtain Vietnamese citizenship. In reality, however, the RoV government had not yet organized the market and the manufacturing industry. RoW merchants and industrialists did not yet have sufficient funds, experience, and especially business organizations capable of assuming responsibility for the regulated supply of the Vietnamese consumer market. In spite of this, the RoV government was intent on banning Chinese supplies to South Vietnam, which, of course, led to the market being disrupted for a long time. This was the price that had to be paid for the hasty and unprepared policy.

These measures supported the RoV government's nationalization policy toward the Chinese in South Vietnam from 1955-1975, and were successful both legally and administratively. Most Chinese in South Vietnam were naturalized during this period, officially becoming ROV citizens. According to statistics as of January 31, 1960, the number of Chinese over 18 years old naturalized in Vietnam was 231,158/232,397 [Trinh Thi Mai Linh 2014]. By taking economic measures against the Chinese, the RoV government attacked native-born Chinese in Vietnam who were hesitant to obtain Vietnamese citizenship. In terms of popularity, due to harsh and coercive measures, the RoV government was unable to win the hearts of those Chinese who had by then only naturalized. However, it must be objectively recognized that after the national unification of

Vietnam, the Chinese continued to contribute to the building of the country under the leadership of the Communist Party of Vietnam.

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