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## Chinese Business in Latin America and the Caribbean: A Historical Overview

### *Abstract*

This article provides a historical background of Chinese presence in Latin America and the Caribbean from the arrival of the first Chinese workers in the 1850s until the Great Depression. The objective is to demonstrate that Chinese businesses and investment in the region is far from being a recent phenomenon. Methodologically, this article explores an extensive bibliographic corpus and analyzes the International Chinese Business Directory of the World of 1913, one of the most important sources on Chinese businesses in the region. By focusing on the early migration patterns, the establishment of Chinese businesses and transnational economic networks, this article reveals how Chinese businesses were part of the urban landscapes of several Latin American and Caribbean cities, establishing historical commercial ties which continue, if in different forms, to this day.

**Keywords:** Chinese businesses; China-Americas relationship; China; Latin America and the Caribbean; Coolie trade

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## Introduction

Within the growing context of Chinese businesses and investments in the global arena today, and as Chinese firms and economic agents continue to expand in Latin America and the Caribbean, it is necessary to contextualize this trajectory and move away from narrow interpretations that confine this expansion to the last decades. While the last decades of the twentieth and first decades of the twenty-first centuries have witnessed the intensification and growth of Chinese businesses across the Americas, there is still a lack of knowledge regarding the historical origins of Chinese businesses in the region. Indeed, most of the bibliography is centered around contemporary commercial exchanges. However, since the pioneering works of Hu-DeHart on Mexico, Peru and the Caribbean, recent years have seen a renewal in historiographical studies, mainly in English, that have valued diverse social, cultural and economic aspects of the Chinese diaspora in the Americas, focusing on their social and economic transnational ties. Within this context, this article provides a historical background of Chinese presence in Latin America and the Caribbean from the arrival of the first Chinese workers in the 1850s until the Great Depression. Considering that the development of Chinese businesses in the region was a phenomenon related to the presence of a large Chinese diaspora in the Americas, the history of Chinese migration to the continent is a key aspect.

As soon as the first Chinese newcomers contracted as coolies or free workers ended their contracts in rural zones in the 1870s, many of them moved to urban areas. Given the inclination of the Chinese community to open small shops in many of these cities, they became local suppliers of both national and imported products for the local population. Both the Chinese community and local population were also able to acquire products beyond the capitals or large cities; Chinese companies even reached the most remote towns in the Americas. Soon, members

of the community with capital and networks created large import-export firms and became an economic elite with significant influence in local matters for the ethnic community.

This article aims to highlight the early history of the strong presence of Chinese trans-Pacific businesses in the Americas by taking advantage of recent scholarship produced in English and Spanish. While previous studies on Chinese businesses in the Americas have focused on specific case studies, such as exploring specific geographical locations as case studies (Chao Romero 2010; González 2017; Hu DeHart 2017; Lin Chou 2004a; among others), this article builds on the scholarship (such as Hearn and León-Manríquez 2011) to take a broader regional perspective in its aim to demonstrate that Chinese businesses and investment in the region are far from being a recent phenomenon. By providing a better understanding of the economic roots of Chinese businesses in the Americas, this article aims to shed light on the lesser-known connections between China and Latin American societies, as well as the networks that were forged over decades, and that provide the basis for contemporary Chinese businesses in the region, and beyond, today.

This work is divided in three parts. Firstly, it provides a brief description of the early migrations to Latin America and the Caribbean, characterized by a majority of unskilled laborers during the nineteenth century who suffered of hard living conditions, partly due to the lack of diplomatic protection from China. Secondly, it explores the development of Chinese businesses in countries where the diaspora had an important presence. The development of these businesses occurred during a period of hostility towards Chinese immigration and their commercial presence in the region. Finally, we analyze Chinese transnational networks, focusing on one of the richest historical sources to study the Chinese business in Latin America and the Caribbean. Through a quantitative and qualitative analysis of the International Chinese Business Directory

of the World of 1913, we show the geographical presence and the main areas of development of Chinese business, and therefore, of Chinese migrant communities in the region.

### **Early Migration: Overseas Chinese and the “coolie” trade**

In one of the most important books published in the last years about Chinese Diaspora, Chee-Beng Tan (2013) points out that currently scholars have estimated the total population of Chinese overseas between 30 and 45 million. Of these, around 75% of Chinese overseas are living in Asia (especially Southeast Asia), while the second largest concentration of Chinese can be found in the Americas, accounting for 19% (Tan 2013, 4; Li and Li 2013). If the present annual rate of growth continues, experts indicate the numbers of Chinese overseas in the Americas will account for about 33% in 2030, and 38% in 2040 (Tan 2013, 4; Li and Li 2013, 26).

The massive presence of Chinese in the Americas was part of a larger diasporic movement that started in the mid-nineteenth century and involved millions of Chinese immigrants that occupied a subordinate status in the world market, destined to labor in mines, railroad, fields of cotton and sugar, where only a few fortunate ones rose to become entrepreneurs and tradespeople (Tong 2003, 21). This global Chinese migration was result of multiple internal and external events. The main source of American immigration came from Guangdong, a province that saw a dramatic rise in population between 1787 and 1850 (almost 80%). This overpopulation led to a struggle for limited cultivable land, without capital and technological improvements to absorb this population (Tong 2003, 20). Simultaneously, the country experienced multiple uprisings, including the Taiping Rebellion (1850-1864) and Red Turban Rebellion (1854-64). Natural calamities and famine declined living conditions in the coastal province of Guangdong, exacerbating the difficulties of poor peasants and proletarian families

(Tong 2003, 20), leading to an oversupply of cheap labor and thus triggering a desire for overseas emigration (Yen 2013, 73–74).

At an international level, European Imperialism precipitated the Opium Wars (1839-42 and 1856-60), which hampered industrial growth through an overabundance of cheap, mass-produced foreign goods that flooded the domestic market and limited demand for local products. The war also altered the relationships between China and the rest of the world. Indeed, under the pressure of Britain and France, the Qing Dynasty allowed for their subjects to work and live abroad. Because the colonial world required cheap labor, the coolie trade developed and expanded, with large numbers of Chinese being shipped abroad between 1845 and 1874 (Goutu 2013, 33; Yen 2013, 76).

Chinese migration to Latin America and the Caribbean in the modern era occurred in two moments. The first moment took place in the second half of the nineteenth century, characterized by Chinese workers being forced into slave labor known as the coolie trade. Between 1840 and 1900, around 225,000 (mostly male) traffic laborers arrived in Cuba and Peru. A second moment took place during the first decades of the twentieth century because of the Law of Exclusion in the United States (US) (1882): due to the law, many Chinese in the US moved to other countries in the Americas. Unlike the first wave, this period was characterized by free movement, with the Chinese population settling in cities and developing mainly commercial activities (Hu-DeHart and López 2008, 14-16).

The coolie traffic has been extensively analyzed by specialists of Chinese diaspora in the Americas (Steward 1951; Rodríguez 1989; Hu-Dehart 1989; Yen 2013). After the abolition of slavery in the early nineteenth century, Latin American and Caribbean (British and Spanish) looked for an alternative source of cheap and unskilled manual labor. In 1806, British contracted

and transported 192 Chinese to work in the island of Trinidad, a pattern followed by other countries in the region. Despite slavery being legal until 1886 in Cuba, Spaniards also turned to Chinese workers for sugar plantations in the middle of a boom of this product in the international market (Hu DeHart 2009, 58). Between 1847 and 1874, Cuban planters conducted what has been known as the “yellow trade,” importing around 125,000 Chinese coolies and establishing eight-year contracts with them. In South America, the Peruvian economy was strongly affected by the slave ban, and in November 1849, the Congress passed a new immigration law that allowed the introduction of Chinese laborers into the country (Yen 2013, 77). Peruvian landowners imported near 100,000 coolies during 1847-1974 to work the coastal guano mines and cotton plantations (Hu DeHart 2009, 58).

Coolies suffered greatly, not only during their transportation to foreign lands, but also when in foreign territories. In the case of Peru, for example, the coolie trade was similar to the sale of African slaves and followed similar procedures; the open sale system of coolies was also common in Cuba, as was witnessed by the Cuba Commission sent by the Qing Empire (Yen 2013, 82). Because of the extreme cruelties suffered by the coolies in the Americas between 1868 and 1972 – and especially after a Peruvian plantation owner in Callao marked his coolies with a hot iron as if they were slaves – an international anti-coolie movement emerged. In addition to this, the publication of the Cuba Commission report in 1872 made the Chinese aware of the real conditions suffered by overseas Chinese. Under mounting international pressure, and the actions of Qing officials, the coolie trade came to an end in March 1874 (Yen 2013, 85–87). The hard life and labor conditions of Chinese migrants overseas were hard in part because of the absence of protection of their government, as the country had no policies regarding overseas Chinese before the mid-nineteenth century. The lack of legal protection for Chinese

migrants allowed for the deception, enslavement and inhuman treatment experienced by coolies (Tan 2013, 4).

Between the end of the coolie trade and the Great Depression, free Chinese migrant laborers were recruited to different parts of the Americas. The US became the main destination of Chinese immigrants; by 1880, there were 105,000 Chinese in the United States. While most of the diaspora was part of the international migration of labor, an important group of mostly young Cantonese men departed for the US – known as Gold Mountain – to achieve upward social mobility and riches, planning on later returning to their villages (Tong 2003, 23). Most Chinese settled on the West coast (California) and the borderland of Mexico and the US, working in the mining regions, helping build the transcontinental railroad, and clearing land for commercial agriculture (Hu-DeHart 2013, 90).

The second wave of Chinese immigrants to Latin America was the consequence of the Chinese Exclusion Act in the US in 1882. As Erika Lee (2003) states, Chinese immigrants in the US were targets of racial hostility, discrimination laws, and violence. Local and national politicians raised many arguments in favor of restricting Chinese immigrants, ranging from their sexual ambiguity to the need of self-preservation. Finally, the country closed its gates to Chinese through the Chinese Exclusion Act, barring all Chinese laborers from entering the country for ten years and prohibiting Chinese immigrants from becoming naturalized citizens (Lee 2003, 30). While laborers were prohibited, merchants, teachers, students and diplomats were ‘exempt’ from the exclusion (Lee 2003, 3-4). The Exclusion Act redirected the immigration to other countries in the region, especially to the North of Mexico, and continued haltingly despite Chinese immigration restrictions passed by some Latin American countries (Hu-DeHart and López 2008, 15).



While early Chinese migrants were predominantly young men, the second wave of immigration reduced the disparity of gender. Early male immigrants worked in mines, on railroads and in the fields, workplaces that owners considered incompatible with the need for wives and children (Tong 2003, 27). With the second migration wave, women got involved in productive labor in the diaspora, and especially in the business and service sectors (Tan 2013, 6). Women had an active role in charity activities and transnational aid to China during the Sino-Japan wars (1937-1945), as Palma and Montt (2017) have demonstrated for the Chilean case.

### **Establishment of Chinese Businesses**

In consequence, in the first decades of the twentieth century, Chinese shops and services were an important part of the urban landscape in several cities in Latin American and the Caribbean. Chinese grocery and dry goods stores were found virtually everywhere from the Mexican border to Chile. However, the increase of Chinese stores and services provoked mixed reactions among the local population. A relatively small, but not less important, group acknowledged the contribution of Chinese stores and restaurants where the working class could acquire products and services at reduced prices. As Drinot (2005) has studied for the case of Lima, in the middle of the food riots of 1909, a group of anarchists stated that far from undermining the economy, Asian business had become an integral and necessary part of the working-class economy, by providing not only the cheapest food available, but also a number of goods and services at affordable prices.

However, a majority considered the presence of Chinese business as an economic and social threat to the interests of the local population. As Hearn (2016) points out for the case of Cuba and Mexico – and we can extend this to the rest of Latin America and the Caribbean – resident Chinese communities were confronted by the common perception that their commercial



activities were strongly linked to ethnic favoritism and therefore threatened the national interest. Because of this, an important part of society responded fiercely to the increase of Chinese immigration and their establishing of businesses. Anti-Chinese riots took place in diverse cities, such as Lima (1909), Mexico (1911) and Jamaica (1918), transforming the vandalization of Chinese stores into a symbol of racial hatred. As Johnson (1983) notes in the case of Jamaica, riots and violence were addressed toward the property of Chinese immigrants rather than at persons themselves.

Economic hardship had direct consequences regarding the anti-Chinese feeling, which made their businesses particularly vulnerable to attacks throughout Latin America and the Caribbean. The Great Depression and its consequences exacerbated popular protests, causing forced closures of Chinese businesses in some countries, while other cases were much more dramatic. As an example, we find the Sonoran (Mexico) looting, boycotts, massacres and racist legislation that banned Chinese-Mexican intermarriage and ordered the segregation of Chinese into racially restricted neighborhoods (Chao Romero 2010). As Hu-DeHart (2009) concludes, Sinophobia in Latin America and the Caribbean had economic roots and economic competition is central to explaining the anti-Chinese atmosphere in the first decades of the twentieth century. Racist xenophobia provided the rationale for eliminating Chinese immigrants as competitors in the local economy or singling them out for blame in times of economic crisis (Hu-DeHart 2009, 85; López-Calvo 2014, 28).

While the establishment of businesses was a characteristic of all the Chinese diaspora in the Americas during this period, their development was conditioned by specific contexts and legislation. For the case of Mexico, Chinese immigration and prosperous commercial activities can be traced back to 1876, but accelerated after the 1882, when the Exclusion Act barred legal

immigration of male Chinese laborers to the US (Hu-DeHart 1989). The Exclusion Act had as consequence the movement of an important group of Chinese immigrants to Mexico, and especially to the states bordering the US, with the migrants hoping to enter to the US eventually (Hu-DeHart 2004b, 54). However, many of these immigrants remained in Mexico, ultimately settling throughout the country – mainly in the northern cities of Tijuana and Mexicali – and participating actively in local commerce as small traders. As Chao Romero (2010) explains, although the Chinese were initially recruited to serve as agricultural contract laborers, many of them transitioned into employment as merchants in the grocery and dry goods trade. A small group went to Mexico with capital to set up merchant houses along the Sonoran Railroad and mining towns. In Mexico, Chinese merchants and skilled artisans enjoyed a higher social status in comparison to Chinese agricultural and unskilled labors, thus having greater possibilities of assimilation (Chao Romero 2010). And within this group of businessmen, there existed two levels regarding commercial activity: while an upper level dedicated themselves to the shoes and clothing industry, importing and exporting products from Asia and the US, a lower level of smaller companies dedicated themselves to the domestic trade (Hu-DeHart 2004b, 57).

Indeed, the Chinese had an important presence in the Mexican market, particularly in laundry, restaurants, grocery and general merchandise. In 1919, of the 6,078 Chinese residents in Sonora, 70 percent of them were merchants, including store owners (Hu-DeHart 1989, 100). Within this context, and according to the conservative and xenophobic press, the Chinese in Mexico held the monopoly of the small commercial sector, practically excluding Mexicans. Indeed, already towards the end of the nineteenth century, a part of the press had begun a campaign that sought - according to them - to warn the Mexican population about the monopolization that the Chinese businesses were to small (Mexican) enterprises and how they could damage the local economy.

For example, the newspaper *El Tráfico*, of the city of Sonora, regularly published editorials accusing the Chinese commercial bourgeoisie of harming Mexican merchants (Hu-DeHart 2004b). According to Hu-DeHart's research (1989), one of the characteristics of Chinese businesses in Mexico was their low presence among large enterprises, with Chinese merchants only being part of the petit bourgeoisie in Sonora and their companies having much smaller capital than Mexican, European and North American companies present in the North of Mexico. The Chinese store owners encouraged a climate of solidarity among their compatriots; large merchants exclusively fellow Chinese in stores and factories (Hu-DeHart 1989, 98).

The important presence of the Chinese in the commercial sector was considered a threat in racial and economic terms; many Mexicans reacted with violence towards them, especially during the Mexican Revolution (1910-20) and the early 1930s. The Anti-Chinese movement and the consequences for the Chinese community in Mexico has largely been analyzed by historians in recent years (Schiavone 2012; Hu-DeHart 2009, 2010). In terms of Chinese businesses, during the 1910s, thousands of Chinese were victims of violence against property and their persons, especially in Sonora, while in the Torreón (Coahuila) Massacre in May 1911 over 300 Chinese residents were killed, and their properties looted and destroyed (Hu-DeHart 2013, 102-103). Some groups of Mexicans vilified the Chinese, arguing that they had usurped resources that belonged to Mexicans. As a result, associations were founded, such as the Commercial Association of Businessmen in 1916, which aimed to defend 'Mexican' merchants from Chinese business owners (Schiavone 2012, 41). Despite the *antichinismo*, other Mexicans kept shopping at Chinese stores, continuing their friendship and kinship despite legal repercussions. The expulsion of the Chinese from Sonora in the 1930s had a large impact among the community, and also in the economy. The sudden closure of Chinese businesses caused a

shortage of essential supplies, and the exodus of capital reduced the State revenues from taxes. As Schiavone (2012) explains, the Sonora government nearly went bankrupt after the removal of the Chinese.

While in Mexico the Chinese immigration was a direct consequence of the US policy, in the Caribbean islands and continental enclaves of Belize and Guianas (French, British and Dutch), the presence of Chinese laborers responded to the need of a new cheap and unqualified workforce after the abolition of African slavery. The presence of Chinese persons in Cuba is one of the most emblematic cases of the region due to the large number of Chinese workers that entered the island within a few years: more than 125,000 Chinese coolies arrived in Cuba in the space of twenty-five years (1847-1874) (Hu-DeHart 2004a, 20). After the original eight-year service as captive labor force alongside slaves on plantations, Chinese migrant laborers moved away from the plantations to provincial towns and to Havana, where they established the first *barrio chino* (Chinatown). In the cities, they were employed as workday employees or set up their own small businesses, and married and formed families (Hu-DeHart 2017, 354).

In the twentieth century, a second wave of Chinese migrants arrived in Cuba. During the 1920s, a particularly prosperous time fueled by prodigious sugar harvests, Cuba attracted some 20,000 free immigrants from Guangdong — mainly the Siyi counties — at a time when China's economy was racked by continuous civil war and social calamities. Chinese migrants, mostly men, set up small businesses in Havana and the sugar-rich provinces, sending money home regularly through established remittances channels. Eventually, women and families migrated as well, so that the Chinese communities took on the semblance of a traditional community life, with schools, newspapers, recreation centers and clubs. The growth in families was much the

result of Chinese men and Cuban wives leading to mixed-race *chinos cubanos* or *chinos mestizos* (Hu-DeHart 2017, 357).

Cuba was one of the many islands and Caribbean territories that hosted a Chinese community in the second half of the nineteenth century. As Hu-Dehart (2004a) points out, during this century around 18,000 Chinese workers in semi-slavery condition arrived in Guianas, Trinidad, Jamaica, Belize and The Bahamas. But, unlike Cuba where Chinese were part of the agricultural workforce until the 1880s, in Guiana, Trinidad and Jamaica, the Chinese used diverse strategies to leave the fieldwork and settle in cities. Thus, in the twentieth century few Chinese as agricultural laborers could be found; rather, they had established their own small business (Hu-DeHart 2004a, 19). In Trinidad, for example, during the 1880s and 1890s Chinese shops sold fruits and vegetables throughout the island, especially in its capital (Puerto España). These businessmen also established commercial networks in the local cacao industry, investing and becoming intermediaries between small producers and big exporters (Hu-Dehart 1989; 2004a, 24).

A less analyzed case study of the Chinese diaspora in the Caribbean is Puerto Rico. José Lee-Borges (2015) has studied the influence of Chinese in the country, showing how it helps to understand the circulation of people, and social and economic networks. In the mid-nineteenth century, Puerto Rico was a Spanish colony like Cuba and other Caribbean islands. An important part of the first wave of immigration came from Cuba, where most were people condemned for homicide in Cuba and Dominican Republic. During the period of confinement, the Chinese became the workforce in the construction of the Central Highway and also participated in other complex infrastructure works. Many of them died during their confinement, but 134 of 350 served their sentence and decided to stay in Puerto Rico. Of those who stayed, many of them

dedicated themselves to the food industry, opening their own restaurants or *fondas chinas*, similar to other cities such as Lima, San Francisco or Havana. However, their commercial presence decreased in the first decades of the twentieth century, when the country was ruled by the US and the Exclusion Law applied to the island. From mid-twentieth century, the Chinese presence gained importance again. In the 1950 Puerto Rico lived through a process of industrialization, modernization and economic development, attracting a diverse group of immigrants – mostly merchants and professionals – including Chinese people.

In South America, Peru became the main destination of Chinese workers in the mid-nineteenth century. During the early period of migration (1849-1909) they worked principally on plantations, in the processing of guano beds, in the mines and on the railroads. Lasting until 1874 – when a Treaty of Friendship, Commerce and Navigation was signed in Tianjin – the coolie trade brought more than 100,000 single Chinese men to Peru (Lausent-Herrera 2011, 70). After eight years of servitude, approximately 80 percent of all coolies imported ended up working on plantations, while a small group moved to cities – mainly Lima and El Callao – mostly working as domestic servants, artisans and unskilled laborers (Hu DeHart 1989, 106). Following the 1869 Business Record of Lima, Hu De-Hart (1988) points out that all Chinese were humble merchants, the main working sector being *fondas* or small restaurants. During the following years, the number of stores increased and congregated near the Central Market on Capón Street. This neighbourhood was identified as Lima's Chinese quarter, and in the twentieth century as Chinatown (Lausent-Herrera 2011).

The period between 1905 and May 1909 marked the golden years of free migration to Peru, with as many as 3,000 Chinese arriving in El Callao each year. Similar to other countries analyzed before, the growth in Chinese migration was accompanied by a rise in local anti-

Chinese activities (McKeown 2001, 45). As McKeown (2001) analyzes, urban working-class dissatisfaction and hatred of Chinese resulted the riot of 1909. Competition for jobs and excessively inflated prices in stores caused attacks against the Chinese. Despite of the presence of other foreigners (such as Italians) in the commercial sector, the Chinese became the symbol of economic threat to the local population. During the riots, people shouted “down with the Chinese” and, in diverse part of the cities, mobs attacked and looted Chinese shops. A commission of Chinese merchants counted 24 looted stores after the riots. As McKeown (2001) points out, the president of Peru sacrificed the interests of the Chinese in his attempt to smooth over relations with the laboring classes, establishing that no Chinese would be allowed to arrive in Peru unless they could show cash resources equal to 500-pound sterling in their possession. Then, in 1909, Chinese immigration became strictly regulated and, in 1930, prohibited.

In the 1910s a new wave of migration with a very different immigrant profile started; it included several professionals, relatives of Chinese immigrants living in Peru and working in the main cities, and Chinese businessmen. As Wong (1978) analyzes, the immigration policy of 1909 favored the Chinese merchants particularly because the Peruvian middle class believed that their participation in commercial activities would contribute to the economic welfare of the country. Many former Chinese laborers and newcomers started small business units, such as bodegas, grocery shops, furniture and repair stores, providing for the daily needs of Peruvians. The arrival of Chinese traders, merchants and professionals in the following years further diversified their economic pursuits in Peru. Indeed, in the early twentieth century, the Chinese in Peru were rising in the social hierarchy (McKeown 2001, 55).

Consequently, Lima saw the emergence of a Chinese merchant elite that claimed social recognition through their economic position. They reinforced a self-image of the Chinese as a



cosmopolitan commercial community in Peru and developed a strategy to become known as ‘foreigners’ rather than merely as Chinese (McKeown 2001, 137-9). Thanks to their high economic success and social prestige, they were able to move up socially and gain entrance to affluent neighborhoods and prestigious clubs and associations (Wong 1978, 351). This elite not only had financial power and social connections, but also sought the appreciation of the local population through generous philanthropy. They also cooperated in the project of modernizing Peru, willing and able to fulfill President Augusto Leguía’s (1919-1930) demand for progress, international commerce and the full utilization of Peru’s natural resources.

The final two cases we explore here are Chile and Brazil, currently two emblematic countries regarding commercial exchange with the People’s Republic of China (PRC). Chile was the first country in the region to recognize the PRC (1970) and to give its support for its entry to the World Trade Organization (WTO) (Lin Chou 2004a). It was also the first country outside the Association of Southeast Asian Nations (ASEAN) to sign a Free Trade Agreement with the PRC in 2005. However, at the beginning of the twentieth century the presence of Chinese businesses was small or marginal in comparison to other Pacific Ports. As Lin Chou (2004a) has studied, the presence of the Chinese community in the north of Chile increased after the takeover of the territories of Tarapacá and Antofagasta from Peru and Bolivia in 1883.

Despite the importance of mining and the saltpeter industry in Chile, very few Chinese were engaged in work in the mines. The majority preferred trade to get more money in less time and return to their homeland. As of the 1895 Census, there were 242 Chinese merchants in the country, most of whom had stores around saltpeter offices or provided groceries to these stores. A minor number were dedicated to other sectors, such as restaurants or “Chinese coffee shops” (cafés chinos), described as places of “vices,” where prostitution was practiced. In 1891, there

were more than twenty of these *cafés chinos* in Santiago, damaging the reputation of Chinese merchants (Lin Chou 2004a:170-179). During the following decades, the number of Chinese immigrants and shops decreased, and commercial exchange was only reactivated in 1970 after the establishment of diplomatic relations, and in 1980, with the growth of Taiwanese migration to the country (Lin Chou 2004b).

Brazil is the country of the region where the PRC has invested the most, and São Paulo is home to the largest Chinese population in Latin America. However, in contrast with other countries, Chinese migration to Brazil was minimal until the first decades of the twentieth century. While 174,000 Japanese immigrants “Asianized” Brazil between 1908 and 1935, no large-scale immigration from China was approved even though it was a widely discussed (Lesser 2013, 159; Stenberg 2012, 105; Conrad 1975, Freitas 2004). Brazil was the first country to recognize formally the Republic of China in 1912, which allowed the migration of people from Qingtian. In Brazil, these new migrants developed peddling and commercial activities (Lee 2018, 5). As Araujo (2015) states, Chinese from Qingtian established businesses and sales points near commercial or immigrant centers. This trade was characterized by traditional products from China brought by suppliers. Over time, and after a trajectory of privations and hard work, the traveling cavalymen became bazaar owners. As Lee (2018) explains, the establishment of social aids and cultural centers (by merchants and businessmen such as restaurant and laundry owners, for example), are revealing of the small waves of Chinese immigration to Brazil throughout the twentieth century. Until 1974, when Brazil recognized the PRC, immigration became very difficult, with migrants from Taiwan predominating. Indeed, contemporary mainland migration and investment is very recent, beginning in early 1990s (Stenberg 2012, 108).

**Transnational Economic Networks: The 1913 International Chinese Business Directory**

As can be seen, since their establishment in Latin America and the Caribbean, in response to the adverse commercial and living conditions, Chinese communities encouraged in-group solidarities and loyalties over time in order to protect their cultural and economic security (Hearn 2016, 60). As Hearn (2016) analyzes, family ties and local networks played a key role in the establishment of Chinese business in the Americas; these networks benefited from the raising of capital, market access, a flexible labor force, a loyal customer base and informal advice about opportunities. Thanks to these connections, Chinese merchants developed a strong local and transpacific commerce. In addition, for those living in the Americas, transnational commerce was a symbol of prestige, as commercial advertisements published in the press demonstrate (Kin 1913).

In the last decades of nineteenth century, Hong Kong-based transnational firms established branches in major diasporic cities in the Americas, such as San Francisco, Lima, and La Havana (López 2013, 104). In the case of Cuba, López (2013) states that these transnational merchants transformed the urban landscape, altering social classes within communities and modifying the image of the Chinese for Cubans. Chinese firms imported luxury products – such as silk, food and medicines – and installed wealthy restaurants, theaters, ethnic associations and newspapers. In the economic field, these transnational merchants opened banks, became moneylenders and financed gambling on a large scale. Inside the Chinese community, merchants of large import firms played an important role in cultural terms, aiming to transmit Chinese culture and education to their Cuban born children, and remaining connected to their homeland (López 2013, 83, 110).

Similarly, Lausent-Herrera (2011) has analyzed the influence of California in the Chinese local market in Lima (Peru). At the end of the 1860s the first Chinese merchants from California settled in the market *La Concepción* (which later became known as Chinatown), opening big commercial houses, importing manufactured and food products from China and the United States. The stores in the market brought multiple products, and also portrayed specific representations of China as “exotic” and “full of culture”. Lausent-Herrera exemplifies with Wing On Chong stores, which exhibited signs and decorations imported from China, and sold luxury products such as Chinese dishes, porcelain ornaments, furniture and ivories projecting a specific exotic image of Chinese culture. The transnational networks were also reflected in these commercial houses’ workers. In Lima, the employed managers, stockholders and many workers from Hong Kong and California also incorporated Chinese who, freed from their contracts, moved to cities (Lausent-Herrera 2011, 72). The young generations of Chinese-born and *Tusán* (Chinese-Peruvian) intensified social and commercial networks during the twentieth century. The transnational commercial links among Chinese merchants overseas strengthened in the first decades of the twentieth century. To promote the commercial relationship among Chinese businesses in China and around the world, Wong Kin published in 1913 – on behalf of the International Chinese Business Directory Co. Inc. based in San Francisco – a comprehensive list of prominent Chinese firms and individuals in parts of China, Japan, the United States, South America, and other countries overseas. As his editor explained, The International Chinese Business Directory of the World (Directory) was not simply an ordinary directory: “it is designed of inestimable value to the Chinese race at home or abroad, as well as importers, business men anywhere and to those who come in contact with the Chinese” (Kin 1913). The project responded to the need to collect and arrange data of Chinese commerce in San Francisco,

records destroyed after the great earthquake and fire that devastated the city in April 1906. But it also sought to facilitate the communication between businesses in China and others part of the world, where a large proportion of business letters sent from China to the rest of the world were not properly directed due to issues spelling names of cities and countries.

The Directory aimed to promote transnational trade at a time of change for China. For many, especially Chinese overseas, the Republic – established in 1912, a year before the publication of the Directory – would bring modernity and progress to the nation. As Kin states in the text, the Chinese were rapidly assimilating western ideas, and adopting the business methods of Occident, an advancement that opened up a great commercial field in expansion; in his words, “It opens up new fields and avenues of business to the Chinese merchants, and they will not be slow to take advantage of any opportunity presenting itself” (Kin 1913).

This document is one of the most complete sources of information about Chinese businesses in Latin America and the Caribbean, although it may – of course – include many imprecisions. As Liu (2005) suggests, it is possible that the Directory under-registered some of the Chinese businesses. For example, in his research about Chinese herbalists in California, he realizes that in Los Angeles (California) an important number of these practitioners were not listed, maybe because some herbalists were afraid of being persecuted by the justice system (Liu 2005, 54). In other cases, the Directory did not provide information from some cities. For example, in the case of Brazil, only businesses in Rio de Janeiro are listed, despite the existence of a small trade community in São Paulo.

The Directory was organized by country and the respective cities arranged alphabetically. In each city, it provided the name (店名), type of business (生意) and their address of commerce (門牌街道名稱). Among its more than 1800 pages, the directory included an “advertisement

section,” written in Chinese, English or both languages, where some companies published their services and goods. Some of these advertisements included images of products, and in few cases a photograph of a businessmen. This was the case of Chinese herbalists such as Dr. Wong Him, who practiced in San Francisco. Unlike others, the advertising was written only in English because many Chinese herbalists sought to reach to the American population. Although there is no advertising of companies or products from Latin America and the Caribbean, within the Directory some businesses stand out above others. In the listings, there are some business written with a larger font size than the rest, and in some cases highlighted in bold.

**Image 1.** Dr. Wong Him advertisement, 1913

**ADVERTISEMENT SECTION**

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**THEY SPEAK FOR THEMSELVES**

San Francisco, Nov. 21, 1909.

Dr. Wong Him, 1268 O'Farrell Street, San Francisco—Dear Doctor: After suffering for a number of years from Bright's disease and Stomach Trouble, I came to you for an examination and treatment. Your diagnosis of my case, by simply feeling the pulse, gave me confidence, and after taking your herb treatment for a few months I am entirely well and free from pain.

Faithfully yours,  
HECTOR BEULA,  
1032 Kearny Street, San Francisco.

San Francisco, February 2, 1910.

Dr. Wong Him—Dear Sir: For three or four years I suffered with nervous gastritis of the stomach, kidney and liver trouble. I could not eat potatoes, bread or any starchy foods for months and was at death's door. As a last resource I applied to you. I did not care to take Chinese herbs, but was compelled to, as I could not receive any relief from any other source. After a few months I was entirely cured and can eat all kinds of food, even starchy foods, for which I tender you my sincere thanks.

MRS. ELIZABETH KLUBER,  
2273 Post Street, S. F., Cal.

**DR. WONG HIM**  
**1268 O'FARRELL STREET,**  
Between Gough and Octavia                      San Francisco, Cal.  
Office Hours—10 a. m. to 1 p. m., 2 to 6 and 7 to 8 p. m.

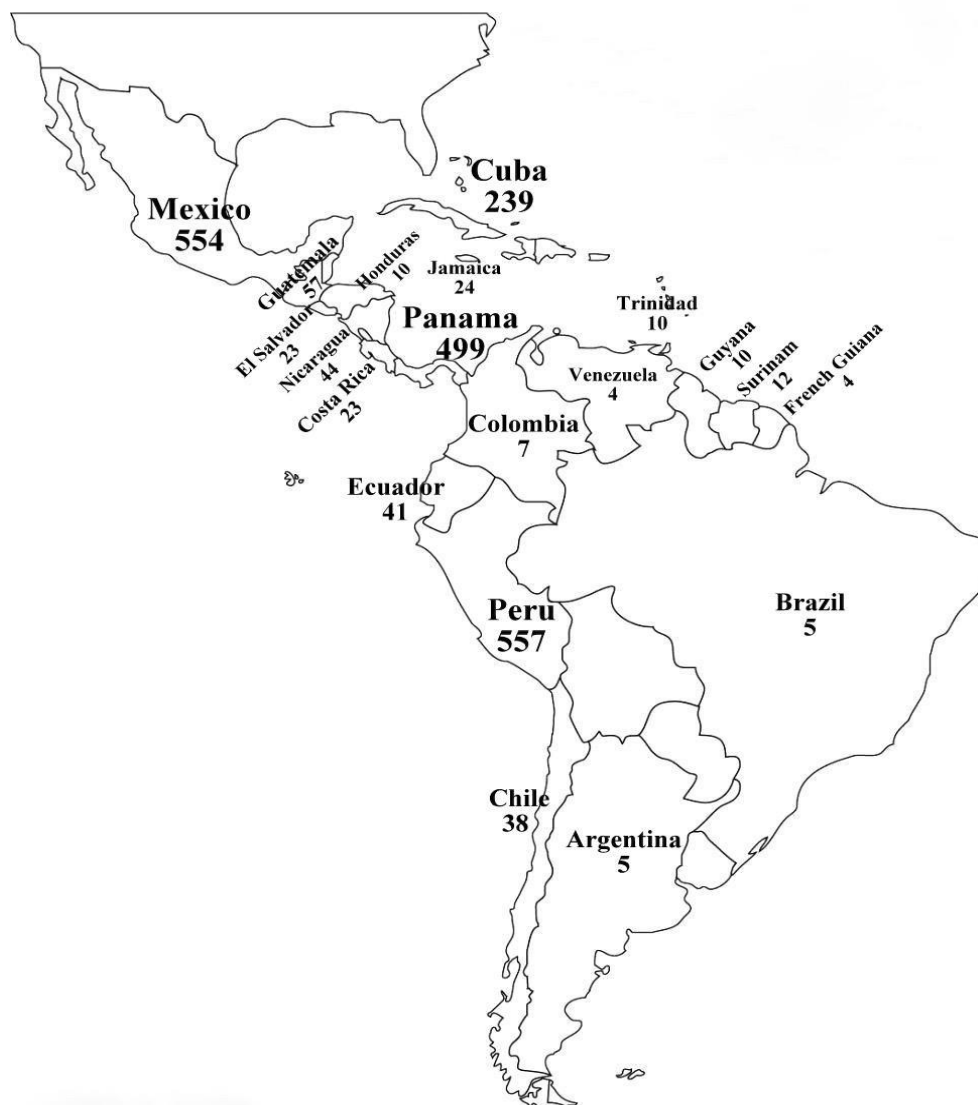
Source: Wong Kin (comp.) *International Chinese business directory of the world* (San Francisco, 1913)<sup>1</sup>

<sup>1</sup>From HATHI TRUST, digital library – Note Public Domain : There are no restrictions on use of text transcribed from the images, or paraphrased or translated using the images.



The Directory listed 2,166 Chinese business in Latin America and the Caribbean, present in 242 cities. Considering the total of Chinese businesses, Peru was at the top with 557 establishments, followed by Mexico (554) and Panama (499). Below in the list were French Guiana (4), Venezuela (4) and Argentina and Brazil (with only 5 commercial establishments each).

**Map 1.** Number of Chinese business in Latin America and the Caribbean, 1913



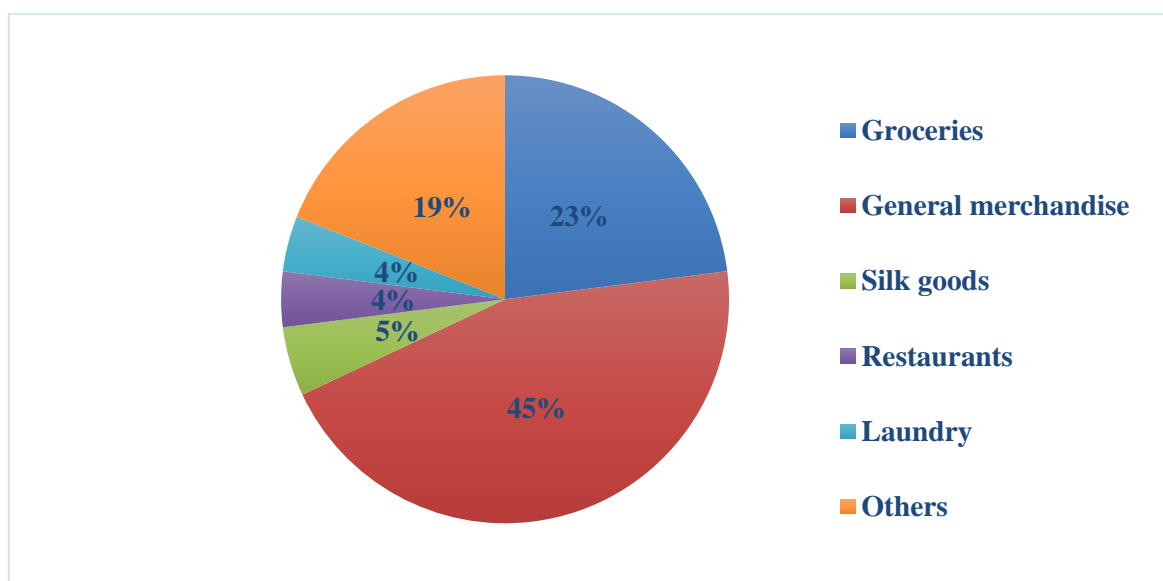
Source: Designed by the authors from Wong Kin (comp.) *International Chinese business directory of the world* (San Francisco, 1913).



The analysis of the Directory demonstrates the relevance of the Pacific in transnational commerce; most countries with a greater presence of Chinese shops had ports on the Pacific coast. The Pacific Rim thus emerges as playing a key role in the commerce between China and the Americas, while also allowing interregional commerce between ports throughout the West coast of the Americas.

Regarding the “kind of business,” the Directory listed 37 commercial establishments, societies and professionals; over 98% of the list included this information. Eighty percent of all the Chinese businesses corresponded to the sale of groceries, general merchandise and silk goods, followed by the management of restaurants and laundries. The sale of general merchandise was the main sector in Chile, Venezuela, British Guiana, Nicaragua, Panama, Cuba and Mexico; while in Peru, Dutch and French Guiana, and Trinidad the sale of groceries was the main sector. In a third group we find countries that specialized in the sale of luxury products such as silk; these were Argentina, Ecuador, Guatemala, and El Salvador.

**Graph 1.** Distribution of Chinese business in Latin America and the Caribbean, 1913



Source: Wong Kin (comp.) *International Chinese business directory of the world* (San Francisco, 1913)

Although there was a certain homogeneity in the type of commercial establishments, some countries stood out for some sectors. For example, in Peru many merchants engaged in the sale of beans and rice, a sector that did not exist in other countries. The Chinese commerce in Mexico saw a large sector that provided services to the community, with an important number of laundries, hotels and restaurants. In Jamaica, Chinese merchants focused on the trade of salt goods, while in Cuba the trade of dry goods was one of the most important sectors.

It is also possible to observe the presence of infrequent businesses and professions in the Directory. For instance, J. Harris Carr & Co. was a business specialized in the sale of ice cream in Jamaica; in the Canal Zone in Panama, Wing Wo & Co. managed a saloon, while in Colon (Panama) Wo Hing Lung & Co. was a company that specialized in soda and water. In Lima (Peru) twelve Chinese physicians practiced in three establishments in charge of drugs sale. Also in Lima, Tan Chong Long was the only merchant in Latin America and the Caribbean who specialized in the sale of bamboo ware; while in El Callao (Peru) the only company of photographers in the region could be found, chaired by Jose Achin. The Directory provides only a small sample of the number and growth of Chinese businesses overseas in the early twentieth century, which would expand in the following decades among the second and third generations of Chinese descendants in the Americas.

## Conclusion

As Hearn (2016) states, overseas Chinese communities in Latin America and the Caribbean are uniquely positioned to broker trans-Pacific cooperation. It is projected that in 2020 the PRC will increase its attention to the region as a destination for their exports, and it is very likely that it will replace the European Union as the second commercial destination for all Latin America, second only to the United States (Chang-Rodríguez 2015, 16). These privileged

economic and trade relations have led China to adopt deep and comprehensive free trade agreements with several of the countries in the region and have been accompanied by a growth in Chinese migration to the region.

However, within the background of the growing economic relationship between China and Latin America, and with Chinese investments in the region growing exponentially, it is still possible to see how many of the experiences of the Chinese people and their businesses in Latin America and the Caribbean during the past continue up to today. Not only are Chinese shops and services important parts of the urban landscapes in cities of Latin America and the Caribbean today, but the notion of the Chinese as a threat to local economic enterprises still feeds many of press reports that appear in local newspapers today, accompanied by images of tentacles or threatening dragons (Montt Strabucchi 2018). Indeed, as Hearn (2012) explains regarding Chinese communities in contemporary Mexico, during periods of economic hardship, Chinese are still accused of and made to feel a threat to national interests.

As we have seen above, the new historiography that this article builds upon demonstrates is that trade relations between China and Latin America and the Caribbean have a long history, which originated as a result of the massive migration of Chinese workers to the Americas since the mid-nineteenth century. In some cases, these relationships have remained through time, as is the case of Peru. Indeed, Peru had the largest number of Chinese businesses according to the International Chinese Business Directory of the World of 1913; at present, China is its main foreign investor in one of its main economic areas, mining (Chang-Rodríguez 2015, 16). In other cases, commercial relations are recent, as is the case in Brazil. This article thus reveals how Chinese businesses were part of the urban landscape of several Latin American and Caribbean cities, establishing historical commercial ties that continue, if in different forms, to

this day. Within this context, the history of the commercial links between China and Latin America and the Caribbean appear as necessary, as it provides insight into the hardships and histories that inform such relationships, shedding light into the possibilities and challenges that they hold today.

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