Chinese new migrants in Suriname: the inevitability of ethnic performing

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5 THE PRC PRESENCE IN SURINAME

The position of the Chinese in Suriname – migrants as well as local-born – cannot be properly discussed without considering the role of the Chinese State. In the case of Suriname, the Chinese State is the People’s Republic of China (PRC), the original home of the Chinese minority and in particular the New Chinese. The PRC is present in Suriname through the New Chinese, who are New Migrants (xin yimin). As explained in the previous chapter, the category of New Chinese must be understood in the context of policies which are designed to keep migrants loyal to the modernization project of the PRC. The PRC works to keep New Migrants (i.e. all post-1978 migrants) loyal to the patriotic cause of development of the Chinese Motherland. New Migrants are also seen an instrument to reconnect pre-1978 migrants with the PRC. According to Zhuang Guotu, the presence of New Migrants influences the development of Chinese communities overseas by strengthening Chineseness, thus effectively countering assimilation; Chinese overseas might therefore develop from ethnic Chinese citizens of foreign countries¹ into members of the Chinese race.²

The increasing importance of the PRC in the New World and renewed Chinese migration to the region should be analyzed as two separate processes; the PRC would have deployed diplomatic activities and technical cooperation projects in Suriname with or without the presence of (New) Chinese migrants, and Chinese migration to Suriname developed independently of PRC-Surinamese ties. The PRC fills a gap in the Caribbean region left by the former colonial powers. Peter Clegg has pointed out that the former colonial metropoles have very little to gain from their relationships with their former Caribbean colonies; drug trafficking in the Caribbean and the marginal importance of trade with the region, and the burden of aid to former colonies contribute to the notion that the Caribbean is not a valuable asset to Europe. Clegg lists three main

¹華人, definition according to Nyíri 2001: 636.
²Zhuang 1997: 5. Zhuang conflates ethnicity and race in PRC civic discourse. He takes ‘Chineseness’ to be a translation of 華人意識: ‘being conscious of being a Chinese person’, i.e. being patriotic towards the PRC.
reasons for Chinese engagement in the contemporary Caribbean (the One-China Principle, access to natural resources, and Third World solidarity) and describes the practical impact of PRC policies in the Caribbean in terms of security cooperation and institutionalization of economic ties.3

However, the Surinamese public tends to misunderstand the PRC’s presence in Suriname in terms of globalization and geopolitics and conflate the PRC, Chinese migrants survival strategies and ethnic Chinese as ‘China’ / ‘Chinese’. This has two major consequences. On the one hand, non-Chinese in Suriname – the general public as well as individual agents in the apparatus of the state – base their perception and approach of the PRC and Chinese migrants on such misunderstandings. On the other hand, Chinese migrants and ethnic Chinese in Suriname need to choose their positioning strategies with the general image of monolithic Chinese-ness in mind, in which ‘China’ and ‘Chinese’ are inextricably intertwined.

Discussing the presence of the PRC in Suriname separately from that of the New Chinese helps to clarify two interlinked but in many ways independent processes that shape the image of ‘China’ and ‘Chinese’. Many Surinamese assume that the PRC is in control of Chinese immigration, and therefore distrust of the intentions of the emerging superpower can run high. At the same time the ‘flood’ of New Chinese migrants, indistinguishable from the flood of cheap PRC-made commodities and demands for imported Chinese contract labour from PRC-owned companies, magnified the growing influence of the PRC in Suriname. Then again untransparent links between resource extraction (usually logging) companies and the PRC government may be passively or actively misrepresented as development programs, usually by Surinamese counterparts. As a result the general public never fully understood the exact role of the PRC and made up its own minds about it through the rhetoric of decolonization: the Chinese were replacing the Dutch as the new colonizers, the Chinese were not actually doing anything for the Surinamese, just exploiting them.

The current relationship between the PRC and the Republic of Suriname is based on the goals of PRC policy in the region: recognition as the only true undivided Chinese state, and access to natural resources. The ties between the PRC and Suriname cover the period from the emergence of the PRC on the international stage at the end of the Maoist era to its emergence as an economic

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3 Clegg 2006.
superpower. The relationship between the two countries reflects the developments in the PRC. The establishment of diplomatic relations between the PRC and the Republic of Suriname following Surinamese independence in 1975 is best understood in the context of Western recognition of the PRC as the one and only ‘China’, symbolized by its entry in the UN in 1971. Following economic reforms in the PRC in the 1980s, the relationship between the two states was increasingly dominated by the ‘Pocketbook Diplomacy’ in the service of the One-China Principle. The increasing economic expansion of the PRC in the 1990s was reflected in Suriname by the implementation of ‘technical cooperation projects’ by the PRC, and it was paralleled by the phenomenon of New Migrants (xin yimin, see Chapter 4). By the mid-1990s, the result of sky-rocketing economic development was that the PRC was no longer self-sufficient in strategic natural resources, and again this is reflected in its presence in and relations with Suriname, where PRC or Chinese-related resource extraction projects have been operating since the late 1990s.

In this chapter we will explore the development of PRC involvement in Suriname along these historical lines and track its impact on local Chinese positioning.

5.1 Diplomatic Ties and the One-China Principle

The PRC formally established diplomatic relations with the Republic of Suriname on 28 May 1976, shortly after independence on 25 November 1975. Suriname had indirectly recognized the PRC a year earlier, when the Kingdom of the Netherlands recognized the PRC on 18 May 1972. Dutch recognition of the PRC followed general Western policy after the entry of the PRC in the UN (and the expulsion of the Republic of China) on 25 October 1971. The PRC set up its embassy in Paramaribo in May 1977. Suriname opened its embassy in the PRC much later, in January 1998. For much of the first ten years, the relationship between the two countries was not of much interest to either side. PRC policy in Suriname was initially aimed at keeping Suriname in the PRC camp away from Taiwan, while Suriname was too closely focussed on the

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aid relationship with the Netherlands to consider the PRC of any use. The period of Military Rule (1980 – 1991) covered most of the first ten years of diplomatic ties. The Dutch suspended development aid to Suriname after the ‘December Murders’ of 8 December 1982. The Surinamese military regime, leftist in name if not content, slanted to the PRC. In 1986 and 1987 the first of many Agreements on Economic and Technical Cooperation, as well as a Cultural Agreement were signed in Beijing. All administrations since the return to democratic rule in Suriname have supported the PRC. Between 1979 and 1993 there were regular official visits between the PRC and Suriname. Of the parties within the current ruling New Front coalition, the NPS has the oldest ties with Surinamese Chinese and the PRC.  

Diplomatic ties between the Republic of Suriname and the People’s Republic of China continue to be dictated by PRC foreign policy. The One-China Policy (yige zhongguo zhengce) is the dominant paradigm of PRC diplomacy in Latin America and the Caribbean, which in practice is about the PRC and Taiwan holding out competing financial incentives to the smaller states in the region. The PRC is winning this “pocketbook diplomacy” through its increasing economic reach in the New World. At present (2008) six countries in Central America (Belize, Panama, Nicaragua, El Salvador, Honduras and Guatemala), one in South America (Paraguay) and six in the Caribbean (the Dominican Republic, Haiti, St. Lucia, St. Kitts and Nevis, and St. Vincent and the Grenadines) still have diplomatic relations with Taiwan, these make up almost half of its diplomatic recognition worldwide (23 countries). Both the PRC and

5 The NPS has had a Chinese section since 1967, and has formal ties of friendship with the Chinese Communist Party.
6 The PRC is careful to avoid any impression of political pressure in the region, in keeping with the “peaceful rising” (和平崛起) strategy that presents China as a “soft power” that will benefit from stable and unaggressive relations with its neighbours. The ‘peaceful rise of China’ was first introduced at the 2003 Boao Forum for Asia by Zheng Bijian, chairman of the China Reform Forum. The PRC’s rapid development in the roughly 25 years since economic reforms started, have raised worries of a possible threat. Peaceful Rising would imply a move away from old-style industrialization, more equitable economic and social development, and disavowing violent acquisition of resources abroad and world hegemony. As a strategy based on reassurance, it was designed to counter the USA’s view of the PRC as a threat in the Asian-Pacific region. However, the term has been quietly replaced with ‘peaceful development’ and ‘peaceful co-existence’, following criticism within the Chinese Communist Party that it actually fuels the idea of the PRC as a threat rather than maintaining world peace, and that it might give Taiwan the impression that the PRC would not attack if the island declared independence (Leonard 2005).
Taiwan use aid and investments to entice the New World to switch or deepen allegiance to their own side.

PRC diplomacy in Suriname fits this pattern: the PRC increasingly presents itself as an alternative source of funding for the cash-strapped Surinamese State. Economic issues now dominate the PRC’s relationship with Suriname. Cultural exchanges are limited to visits from Chinese acrobatic groups and an occasional song and dance troupe to Suriname, and educational programs such as PRC scholarships have not proven popular. The PRC embassy clearly stated that financial assistance has consistently been answered by Suriname with political support.\(^7\) During the signing of a grant agreement of RMB 20 million (roughly US$ 2.5 million) on 27 December 2005 Ambassador Chen Jinghua called Suriname a loyal political ally, supporting Beijing in many international issues, especially with regard to the One-China Policy. According to the Ambassador, Suriname has actively supported PRC candidates with its vote in various international organizations since 2003.\(^8\)

The One-China Policy determines the way both countries describe their relationship. The theme of equality pervades diplomatic language; the PRC speaks of Surinamese support for the One China Policy, PRC support of Suriname as a friendly nation, mutual assistance in development, etc. Never is the suggestion raised that Suriname, or any other country in the region, could be described as a client state. Suriname’s relationships with foreign countries are very much coloured by its ties to the Netherlands as the former colonial metropole and primary aid donor. The notion of aid makes other countries either inconsequential or potential donors, and so the importance of the PRC is often framed by the Surinamese government in terms ‘development cooperation’. The PRC embassy never publicly resists this image.

There are other motivations behind PRC diplomacy in Suriname than the One-China Principle. Rivalry between the PRC and

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\(^7\) De Ware Tijd, 28 December 2005: ‘China schenkt 2,5 miljoen US$ voor projecten’ (China donates US$ 2.5 million for projects).
\(^8\) Times of Suriname, 28 December 2005: ‘China schenkt US$ 2,4 miljoen aan technische assistentie’ (China donates US$ 2.4 million worth of technical assistance).

This is where Surinamese recognition of the One-China Principle becomes broader support of the PRC in the international arena. Three of the G4 Nations – Brazil, Japan and India – actively lobbied in Suriname for support of their bid for a permanent seat in the Security Council. The PRC (itself a permanent member of the UN Security Council) opposes Japan’s bid, but announced its support for India in April 2005 – without a veto. The USA likewise supports Brazil’s bid without a veto, to retain the power of the original five Security Council members, which include the USA and the PRC.
the USA is played out by the PRC in the Caribbean, right in the USA’s backyard. Following the 1982 December murders, the Netherlands and the USA suspended military assistance programs to Suriname. Although they resumed limited military assistance after a democratically elected government came to power in 1991, there had been something of a void that the PRC stepped in to fill. Military cooperation proved to be the most consistent PRC interest in Suriname, and between 1991 and 2001 the PRC was the greatest donor of the Surinamese Ministry of Defence.

As is the case in Guyana and Trinidad & Tobago, PRC military assistance to Suriname is limited. Surinamese Defence Ministers Siegfried Gilds, Ramon Dwarka Panday and Ronald Assen visited China respectively in March 1996, March 1999 and April 2001. In June 1998, Deputy Chief of General Staff of the PLA Lt. General Kui Fulin visited Suriname. In July 2002, Vice-President of the Defence University Major General Chen Zhangyuan visited Suriname at the head of an inspection team of the PLA. PRC donations to the Surinamese National Army are now customary, averaging US$ 400,000 since 1996, usually consisting of medical equipment and logistical assistance. Surinamese also studied at military academies in the PRC.9 However, military programs (assistance and exercises) in Suriname which are carried out by the USA and the Netherlands, the PRC, and Brazil are basically little more than geopolitical posturing.

By establishing diplomatic relations with the PRC, Suriname committed itself to the PRC’s One-China politics. All administrations in the Republic of Suriname have openly supported the One-China Principle.10 In practice, Surinamese politicians are fairly indifferent to the One-China Principle. There is no history of deep relations with Taiwan, and Surinamese foreign policy is very much geared to Europe, the USA, and the Caribbean region rather than Asia. Winston Jessurun of DA’91 has voiced the only dissenting opinion in Suriname. According to the 2000-2005 Government Policy Statement, presented by President Venetiaan on 15 November 2000, Surinamese foreign policy would be aimed at maintaining good relations with neighbouring states, increasing regional integration, and developing existing relations with the PRC, India and Indone-

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9 De Ware Tijd, 7 December 2000: ‘Leger ontvangt 350.000 US dollar aan materiaal van China’ (Army receives US$ 350,000 worth of material from China).
10 In 1986/1987, during the NDP administration, the government had received a Taiwanese loan of almost US$ 40 million. The loan could not be repaid, and Surinamese assets abroad were seized.
The Policy Statement was unanimously adopted by the Assembly on 9 February 2001, and yet two weeks later Jessurun, a member of the Assembly, suggested that Suriname should re-evaluate its position on the One-China Principle. Jessurun argued that Suriname would not risk international isolation by establishing trade relations with Taiwan. He also claims that since the PRC would very likely respond by turning its back on Suriname, this would leave Suriname free to pursue fuller diplomatic relations with Taiwan. He also pointed out that the relationship with the PRC had not resulted in actual investments in Suriname and that Taiwanese influence in Suriname might prompt the PRC to increase aid. Jessurun was sceptical about the support of former military strongman Desi Bouterse for President Venetiaan’s position with regard to the One-China Principle. The government ignored Jessurun’s plea and advice. During a reception on 26 September 2001 on the occasion of the 52nd anniversary of the founding of the PRC, President Venetiaan publicly reaffirmed Suriname’s support of the One-China Principle. The President and Ambassador Hu Shouqin both pointed to investments of Chinese enterprises in Suriname. The Ambassador repeated the mantra of the very long relationship between Suriname and China, which started with the arrival of ethnic Chinese indentured labourers in Suriname.

A year later, Jessurun reiterated his position following President Venetiaan’s address to the Assembly on 1 October 2002 which contained the explicit statement that “Suriname supports the One-China policy”. According to the President the PRC supports Suriname’s development efforts through direct investments, by which he meant housing projects, refrigeration facilities at the international airport, and the office of the Ministry of Foreign Affairs. Jessurun suggested that Taiwan had a US$ 150 million budget surplus that it was willing to invest in Suriname, and that Taiwan was interested in Suriname’s strategic links to European, Caribbean and Latin American markets. This was nothing new: the fact that Suriname was potentially of strategic interest as a link to the

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11 http://www.kabinet.sr.org/Regeringsverklaring/regeringsverklaring.htm
12 De Ware Tijd, 26 February 2001: ‘Winston Jessurun: Suriname moet zich heroriënteren in ‘One China’ politiek’ (Winston Jessurun: Suriname should re-orientate with regard to ‘One-China’ policy).
13 http://www.kabinet.sr.org/redevoeringen/1oktrede2002.htm
European Community, the Caribbean and Latin America, had always been recognized by all parties.\textsuperscript{15}

The One-China Principle is also an important factor in the relationship between the PRC embassy and the huqiao of Suriname. The embassy approaches the huiguan as representatives of the Chinese of Suriname, as well as strategic local links and pathways to the backdoors of power. To the huiguan the PRC embassy is sometimes just another Chinese institution, but at other times it channels the claims and demands of the PRC with regard to huqiao, especially since the PRC started appreciating huqiao as assets. When the Surinamese huiguan are not stuck between the demands of Surinamese State and the expectations of the PRC, they are courted by both players who wish to tap into the (perceived) personal networks of the huiguan elite. Because most diplomacy between the huiguan and the embassy is personal and occurs offstage, often literally behind the closed doors of the VIP-rooms in Chinese restaurants, it is difficult to find hard evidence for this relationship (however, see Appendix 2, ‘Hidden quarrels’ for a glimpse of an inside view). However, the One-China Principle is the one issue that the PRC embassy will not compromise over, and it is aimed past the huiguan elite and straight at a broader public that the embassy would call ‘Chinese’ (Chinese-speaking, immigrants, etc.).

The unity of China has never been questioned among Chinese in Suriname. Taiwanese ideology (Taiwan and the Mainland joined under Kuomintang rule) used to be much stronger. Double Ten Day (\textit{shuang shi jie}, the Taiwanese national day, celebrating the start of the Wuchang Uprising of 10 October 1911, which precipitated the collapse of the Qing dynasty) was an important holiday among the Chinese of Suriname up to the 1970s.\textsuperscript{16}

\textsuperscript{15} On 26 February 2006, Norman Girvan, held a lecture entitled ‘Regional Integration as a Response to Globalization; The Case of the Caribbean Community’s Single Market and Economy’, at the Centre for Latin American Research and Documentation (CEDLA), University of Amsterdam. According to Girvan the reason why Suriname was admitted to CARICOM on 4 July 1995 despite the policy to ‘Deepen not Widen’ the Community, was because CARICOM saw Suriname as a link to the European Union.

\textsuperscript{16} Local and foreign attempts to refocus the Overseas Fuidung’on Hakkas in Suriname on Taiwan had never been fully successful. For those who were opposed to the communist regime and those who required access to sources of Chinese culture beyond the qiaoxiang, Taiwan had become a substitute for mainland China. Some Fuidung’on Hakkas resorted to sending sons to Taiwan for a ‘Chinese education’. In the 1970s, Afoeng Chiu Hung as chairman of Kong Ngie Tong Sang proposed to shift the focus of the Surinamese huiguan from Taipei to Beijing. His reasoning was pragmatic: the Fuidung’on qiaoxiang was part of the PRC, and any concrete ties with
However, Taiwanese independence (taiwan duli, or tai du for short) never had much vocal support among Chinese in Suriname. In late December 2004 the Anti-Secession Law was to be discussed by the Standing Committee of the National People’s Congress of the PRC. The law would formalize PRC policy to use force if necessary to block Taiwanese independence.

Fa Tjauw Song Foei, still officially the local branch of the Kuomintang, placed a large advertisement on the front page of Zhonghua Ribao – nominally more pro-Taiwan than its Siamese twin Xunnan Ribao – in the shape of the Taiwanese flag with the text: “Congratulations. The Republic of China has achieved its 93rd anniversary. Double Ten National Day. Freedom; democracy; equality”. On 14 October 2004 the PRC embassy responded with a fairly large article in the Zhonghua Ribao on the issue of Taiwanese independence. The text was mainly propaganda, strongly criticizing and clearly rebuking any attempt at acknowledging Taiwan as an independent state. Chineseness was couched in patriotic terms, reflecting PRC nationalistic ideology; Chinese ethnicity, the PRC and Taiwan, Overseas Chinese, all were subsumed by the word ‘China’ (zhongguo). On 28 December Zhonghua Ribao carried a joint declaration dated 27 December (after the discussion of the law in Beijing) and signed by Kong Ngie Tong Sang, Chung Fa Foei Kon, Fa Tjauw Song Foei, Chung Tjauw, Zhejiang Tongxiang Hui, ‘the Chinese investment companies in Suriname’, and Huaqiao Cujin Hui (apparently Hua Cu Hui).

The declaration fully endorsed the patriotic view of the Taiwanese issue, and went even further than the PRC embassy by linking Chinese patriotism to all people of Chinese descent (huaren) rather than only ethnic Chinese born in China (huaqiao). The relatively short law (ten articles) was adopted at the Third Session of the
Tenth National People’s Congress on 14 March 2005. The Surinamese huiguan (the same list, without ‘the Chinese investment companies’) duly responded on 19 March 2005 with another declaration in Zhonghua Ribao, in which they endorsed the Anti-Secession Law. The huiguan also claimed to endorse the law even more so in the name of ‘all Surinamese of Chinese descent’ (quantī sulinam huaren).\(^\text{20}\) The huiguan had to tread a fine line between unconditional support of the PRC because of ethnic loyalty / patriotism, and asserting their independence. Taiwanese independence was already a non-issue in the public realm, and privately it was the status quo, and in any case the huiguan had stated their hopes for peaceful unification – and thus left open the option of at least neutrality in the case of PRC aggression versus Taiwan.

The broader (non-Chinese) Surinamese public had been aware of the Pocketbook Diplomacy of the PRC, but had not witnessed direct PRC competition with Taiwan until 2007, when Taiwan made overtures to the Surinamese government via the ‘Suriname-Taiwan Friendship Foundation’. This organization, which was indirectly linked to the Javanese Pertjajah Luhur party of the ruling coalition, passed on a Taiwanese offer of US$100 million in return for diplomatic recognition of Taiwan.\(^\text{21}\) Though the Surinamese government was quick to reaffirm its support of the One-China Principle, a delegation of members of the National Assembly and the opposition parties travelled to Taipei.\(^\text{22}\) The offer was not accepted, and the government even acted to curb promotion of pro-Taiwanese viewpoints on Surinamese television.\(^\text{23}\) The reaction

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\(^\text{21}\) De Ware Tijd, 27 April 2007, ‘Stichting pleit voor vriendschap met Taiwan’ (Foundation argues for friendship with Taiwan); Times of Suriname, 28 April 2007, ‘Bekendmaking Suriname-Taiwan Friendship Foundation’ (Announcement Suriname-Taiwan Friendship Foundation); ‘Taiwan biedt bijkans 200 miljoen dollar hulp in ruil voor “vriendschap”’ (Taiwan offers almost 200 million dollar in exchange for ‘friendship’).
\(^\text{22}\) De Ware Tijd, 14 July 2007, ‘Alendy zegt af voor Taiwan’ (Alendy no longer going to Taiwan).
\(^\text{23}\) De Ware Tijd 14 May 2007, ‘Ingrijpen Sardjoe bij STVS niet in staatsbelang’ (Sardjoe’s intervention in STVS was not in the interest of the State); 16 May 2007, ‘Venetiaan over censuur Suriname Vandaag: “Ik complementeer [sic] de vp”’ (Venetiaan on censoring Suriname Vandaag: ‘My compliments to the Vice President’). On 15 May 2007 Reporters Without Borders / Reporters sans frontières called the cancellation of the Suriname Today programme an act of censorship; strategic interests between the Republic of Suriname and the PRC could never be grounds for interference in news media programming, even if it happened to be public media.
of the PRC was limited to carefully worded protests and some offers of aid. The huiguan organized a concerted response aimed at the PRC, reaffirming huaqiao loyalty to China (see Paragraph 9.4.1 for a discussion of the Taiwanese offer following the 2005 legislative elections).

5.2 The PRC: Foreign Investor or Aid Donor?

As the One-China Policy is increasingly less of an issue in Latin America and the Caribbean, the PRC is taking the next step and promoting itself in the region as a model of development. This foreign policy goal is achieved through outward foreign direct investment (FDI), investments abroad by PRC multinational companies.\(^{24}\) The PRC’s outward foreign direct investment (FDI) started increasing around 1987, and rose sharply after 1991.\(^ {25}\) Whereas PRC outward FDI was only US$ 0.7 billion in 2001, in 2004 it was US$ 5.5 billion.\(^ {26}\) In 2005 the figure stood at US$ 6.9 billion, 25.5% higher than the previous year.\(^ {27}\) In terms of value, most (about 40%) outward-bound capital went to Hong Kong, and almost a quarter went to developed Western economies (North America and the USA in particular, the European Union, Australia / New Zealand). The ASEAN countries received a little more than African countries (both more than 8%), followed by Latin America (almost 6%) and the Russian Federation (almost 5%). Under increasing competition from foreign multinationals at home, PRC enterprises will continue to invest abroad. Investment will also continue to be strategic, as outward FDI serves the PRC’s economic goals of economic strengthening and growth, as well as its foreign policy

\(^{24}\) PRC companies are latecomers to transnational commerce compared to their Western and Asian counter-parts. European and American companies started modern multinational operations in the 1960s and 1970s, followed by Japanese companies in the 1970s and 1980s, and Korean companies in the 1990s. Following its ‘Open Door’ policy, the PRC government started a ‘Go Out’ policy in the early 1990s to start internationalization of PRC enterprises. Between 1991 and 1997, a ‘national team’ of 120 state-owned companies from strategic sectors (energy, mining, automobiles, electronics, iron and steel, machinery, chemicals, construction, transport, aerospace and pharmaceuticals) were provided with protection and financial support from the state, and special rights with regard to management autonomy, profit retention and investment decisions (Wu 2005).

\(^{25}\) UNCTAD 2003

\(^{26}\) PRC Ministry of Commerce 2005

\(^{27}\) PRC National Bureau of Statistics 2006
goals. The motivations of PRC enterprises themselves are not political; most are driven by the search for new markets, with the next important reason being to "secure resources"\(^{28}\), rapid urbanization, rising car ownership and accelerated construction of infrastructure is driving the PRC’s resource companies to scour the world for energy, building materials and minerals.

Besides strategic considerations (reflected in military co-operation projects), this search for resources is the basic motivation behind PRC outward FDI in Latin America. Most Caribbean states are not rich in resources; PRC outward FDI in the Caribbean appears to be motivated by perceived indirect access to North American and EU markets. Apparently, the trade volume between the PRC and the Caribbean totalled US$ 2 billion in 2004, a 42.5% increase over the previous year.\(^{29}\) In February 2005 the first Ministerial Meeting of the China-Caribbean Economic and Trade Cooperation Forum 2005 was opened in Jamaica by PRC Vice President Zeng Qinghong. Representatives from the PRC and 11 Caribbean countries, including Suriname, signed an action plan for bilateral economic and trade cooperation. The forum, initiated by the PRC in 2004, is to be held every three to four years. It included parallel sessions, a business conference and a trade fair.

Suriname is much richer than the Caribbean Islands in natural resources such as timber and minerals, but less so compared to larger Latin American countries. It is therefore no surprise that PRC resource extraction projects have been established in Suriname, but few if any of these could be considered PRC outward FDI.\(^{30}\) In the 1990s the Venetiaan I administration saw the entry of foreign resource extraction projects, conducted by North American (mostly Canadian) gold mining companies and Asian logging companies notorious for human rights and environmental violations.


\(^{29}\) ‘China’s vice-president terms China-Caribbean trade forum as milestone.’ http://en.ce.cn/World/Wmericas/200502/03/t20050203_3026627.shtml.

\(^{30}\) The adjective ‘Chinese’ does not cover the full spectrum of links to the PRC and ethnic Chinese. Some companies are Chinese in the sense that they are based in the PRC, Hong Kong or Taiwan, others because they are controlled by ethnic Chinese. The meaning of ‘Chinese’ could be stretched to include companies that are not based in China, Hong Kong or Taiwan, or that are not headed by ethnic Chinese, but that do work directly for Chinese interests. Such links are not particularly transparent, and so projects fitting this last sense of the word ‘Chinese’ are not easily identified.
in the third world countries in which they operate. The logging companies are Chinese resource development projects in the sense that they are commercial projects to harvest and / or process natural resources for the purpose of supplying the Chinese market, organized through transnational Chinese personal and business networks. Unlike the technical assistance projects, resource extraction projects are not touted as diplomatic successes by the PRC, though some resource extraction projects have enjoyed a measure of political and financial support from within different levels of government in the PRC.

However, the relationship between the PRC and Suriname remains worded in terms of recognition, equality, mutual political support, and Third World solidarity, from the pre-1990s era of rapid development in the PRC. Surinamese national discourse, with its rejection of colonialism, also makes it very difficult for the relationship with the PRC to be rearticulated in terms of the PRC's discourses of development and reemerging power, and so resource extraction projects do not become the public focus of PRC activities in Suriname. The relationship with the PRC remains dominated by technical cooperation programs, which is basically a continuation of the "pocketbook diplomacy" of the One-China Policy. As in the rest of the Caribbean, PRC technical cooperation projects in Suriname

31 Blue Diamond Resources, Canarc Resources Corp., Savanna Resources Ltd., Homestake Mining, Newmont Mining, and Golden Star Resources Ltd. conducted feasibility studies or obtained gold mining concessions. Only Cambior Inc. from Canada operated a mine in Suriname in the early 2000s: the 14,000 tonne-per-day Rosebel mine, about 100 km south of Paramaribo. It has replaced the depleted Omai gold mine in Guyana as Cambior's most productive mine. Involved in the Rosebel project since 1994, Cambior acquired full interest in the project from Golden Star Resources Ltd. in 2002. Construction of the Rosebel mine was completed on 11 February 2004. Cambior Inc. owns 95% of the participating share capital of the Rosebel Gold Mines N.V. while the remaining 5% is held by the Government of Suriname (www.cambior.com). Cambior has a history of environmental failings. The dam of the tailings pond of the Omai gold mine in Guyana, leaking since its construction, catastrophically breached on 19 August 1995, resulting in a 3.2 billion litre spill of cyanide-laced effluent into the Essequibo River, Guyana's largest river. The mine was reopened in 1996. In Suriname there were regular problems with cyanide spills and mercury pollution related to the Rosebel mine. Cambior's relationship with local communities is also not spotless; economic and land rights of tribal groups have not been respected. In September 2006 Cambior was taken over by the Canadian IAMGOLD mining company and became IAMGOLD Corporation, with very little impact on its Surinamese operations. (De Ware Tijd 16 September 2006, 'IAMGOLD neemt Cambior over' (IAMGOLD takes over Cambior); 19 September 2006, 'Geen consequenties Rosebel Mines bij overname IAMGOLD; Suriname grote verliezer' (No consequences of IAMGOLD takeover of Rosebel Mines; Suriname will be the main loser)).
are not real PRC outward FDI. PRC multinationals are not actually directly investing their own capital in Suriname, but are indirectly funded by PRC government loans to Suriname. Furthermore, the PRC is not accumulating foreign currency (US$) through its technical cooperation projects in Suriname, PRC companies have never attempted to acquire local interests, PRC technical cooperation projects are not creating local employment (local labour and subcontractors are rarely employed and workers are mostly imported from the PRC), so the PRC is not out to control local markets, etc.

Though the PRC (indirectly) presents itself as an alternative source of funding for Surinamese development projects, this funding is not primarily given in the form of grants, but rather as (soft) loans for projects that are designed and implemented by PRC companies, in keeping with the policy of boosting the position of PRC enterprises in the global arena. On more than one occasion Surinamese government officials misrepresented a PRC project as a development grant, perhaps dictated by political expediency or maybe even genuine misunderstanding (inability to fully appreciate the differences between traditional Dutch development projects and the PRC’s technical cooperation projects, as well as general lack of transparency at the Chinese side). The rationale behind technical cooperation was diplomacy in the context of the One-China Policy, and so technical cooperation projects were mainly selected for their symbolic value. PRC representatives, government officials and members of the political opposition would strategically use the term ‘investments’ to refer to them, mixing and confusing its various meanings.

As a result of such official misconception the general public never fully appreciated the nature of the relationship between the PRC and the Republic of Suriname. People made up their minds about the role of the PRC through the rhetoric of decolonization combined with images of China as the Yellow Peril: the Chinese were replacing the Dutch as the new colonizers, the Chinese were not actually doing anything for the Surinamese, just taking advantage of them. Because of the lack of transparency, successive Surinamese administrations risked being taken to task about appearing to elevate the interests of a foreign power over those of the people. The only government views on the relationship with the PRC that filtered down to the general public were official foreign policy and diplomatic discourse reflected in the press, aimed at the representatives of the PRC in Suriname. Chinese organizations in Suriname did not effectively mediate the ‘peaceful rising’ image of the PRC to the Surinamese public, as the PRC appealed to
the patriotic pride of Overseas Chinese, which risked casting them
as outsiders and collaborators in the eyes of non-Chinese Surinam-
ese.

5.3 Technical Cooperation Projects

Technical cooperation is jargon from the world of development aid
for “the transfer of skills and provision of advice to developing
countries in various fields: administrative, scientific, professional,
and technical.” 32 Technical cooperation projects are generally
result-based projects, and when carried out by international NGOs,
local needs and sensitivities, as well as sustainability would ideally
be considered. In the context of PRC-Suriname relations, technical
cooperation projects are basically any PRC project that is not a
resource extraction project. They are usually not PRC grants, and
they are usually carried out by (more or less clearly) state-owned
companies from the PRC. Surinamese participation in the earliest of
these PRC projects was minimal; Surinamese experts were not
consulted on the best way to embed designs and construction activ-
ities in local cultural and environmental contexts.

As stated earlier, these projects generally serve a diplo-
matic purpose, and some are clearly primarily intended to elevate the
prestige of the PRC in Suriname. The clearest examples of these
are the reconstructions of the Anthony Nesty Gymnasium in the
late 1980s and the Surinamese Ministry of Foreign Affairs twenty
years later. These PRC technical cooperation projects however
often do increase Surinamese infrastructural capital. The clearest
example is the road rehabilitation projects facilitated by soft loans
and carried out by firms from the PRC, though other PRC projects
have included low-income housing, energy (biogas, electricity from
rice husk and coal gas), freshwater shrimp farming, upgrading of
equipment at the Surinamese State TV (STVS), cold storage and
freezer facilities at the Johan Adolf Pengel International Airport. To
illustrate the nature of PRC technical cooperation projects in Suri-
name, we will elaborate on the two prestige projects mentioned
above, as well as the public housing and road rehabilitation projects.

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5.3.1 Prestige Projects

The first large-scale project of the PRC in Suriname was initiated in the early 1980s; a gymnasium, the Anthony Nesty Sporthal. The idea apparently originated in the PRC, though the military regime in Paramaribo saw the project as a tangible revolutionary achievement. In any case the gymnasium project was fully carried out by the PRC, without Surinamese input; the building was designed by PRC technicians and built by construction workers from the PRC who worked and lived on the construction site. It was not well known at the time, but the construction of the gymnasium was funded through a PRC loan to Suriname, which is why it was described as built with ‘Chinese assistance’. In June 1987 Vice-Minister of Foreign Trade and Economic Cooperation Lu Peijian went to Suriname to attend the completion and hand-over ceremony of the Anthony Nesty Sporthal.

In 1990, during a visit by Vice Foreign Minister Liu Huaqiu, a number of documents were signed in Paramaribo on assistance grants from the PRC Government to the Government of Suriname. In 1994, President Venetiaan paid a state visit to the PRC at the invitation of President Jiang Zemin; the first visit by a Surinamese head of state to the PRC. During the visit, the two sides signed an agreement on loans, an exchange of notes on providing some general goods by the PRC government to Suriname, and an exchange of notes on postponing the reimbursement of China's loan for the construction of the Anthony Nesty gymnasium. In May 1998, President Jules Wijdenbosch also paid a state visit to China at the invitation of Chinese President Jiang Zemin. During the visit, a Trade Agreement, an Agreement on Economic and Technical Cooperation,

34 The workers’ barracks were never torn down. Not long after the gymnasium was completed, Maroon refugees from the 1986-1992 war between the military government and Maroon insurgents moved into the barracks, where they still live without basic amenities.
35 Agreement between the Government of the People’s Republic of China and the Government of the Republic of Suriname on Loan Provided by China to Suriname in the Construction of a Gymnasium, was signed in Paramaribo on September 7, 1984, by Charge d’Affaires a.i. Yang Daqun of the Chinese Embassy in Suriname and Surinamese Minister of Finance, Marcel J.B. Chehin.
36 The Anthony Nesty Sporthal (named after Suriname's first and only Olympic gold medal winner in 1988, and the first non-white Olympic gold medallist ever, Trinidadian immigrant Anthony Nesty) is actively used for local and international sports events, music performances, fairs, etc. Its Chinese background does not figure in the public consciousness.
and a Framework Agreement on the PRC Providing a Preferential Loan to Suriname were signed.

At the end of his term in January 2001, PRC Ambassador Li Jianying, announced that his government would be donating US$ 2,500,000 for the reconstruction of the Ministry of Foreign Affairs that had burned down on 1 August 1996. The donation was doubled to US$ 5 million, when a soft loan for the construction of refrigeration facilities (capacity 64 tonnes) at the Johan Adolf Pengel International Airport was discussed during a visit by Vice Minister of Foreign Trade Sun Guangxiang to Suriname in August 2001. In contrast to the Anthony Nesty Sporthal, the new building would be a gift from the PRC government. It would also be designed in the original Surinamese colonial style and though it would be built by PRC technicians, Surinamese counterparts were involved in adapting the design to local norms and conditions. Construction started on 16 October 2004, and it was carried out by Weihai International Economic and Technical Cooperation Co. Ltd. (also responsible for the Pokigron and Wakibasu low-income housing projects, see below). The project was completed in June 2006.

### 5.3.2 Public Housing

Public housing is a huge problem in Paramaribo; between 1950 and 2005 about 7,500 social dwellings (volkswoningen) and 400 low-

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37 De Ware Tijd, 19 January 2001: ‘China bouwt nu ministerie van Buitenlandse Zaken’ (China currently building Ministry of Foreign Affairs). A fire on the night of 1 August 1996 destroyed the buildings of the Ministry of Foreign Affairs, the National Assembly and the former Ministry of General Affairs. The loss of three beautiful examples of colonial architecture near the Presidential Palace, as well as important historical documents (including an original of the 17th century deed of the trade of Manhattan Island for Suriname), amounted to a national calamity.

38 De Ware Tijd, 10 August 2001: ‘China schenkt US$5 miljoen voor bouw nieuw ministerie Buitenlandse Zaken’ (China donates US$ 5 million for Construction new Ministry of Foreign Affairs).

39 De Ware Tijd, 18 December 2001: ‘Buza wil maart eerstesteenlegging nieuw gebouw’ (Ministry of Foreign Affairs wants construction of new building to start in March).


41 中國威海國際經濟技術合作股份有限公司.

Income houses (sociale woningen) were constructed, most of these were built before 1985. Since then housing construction has decreased dramatically, as the sector was heavily reliant on donor funding, which virtually dried up after the 1982 December murders. Many different housing projects were started through the years, for instance in Albina, Helena Christina, Nieuw Weergevondenweg, Voorburg, La Paix, Coronie, etc, though none were completed as planned. In 1996 the Wijdenbosch Administration mentioned a shortage of up to 30,000 houses. The government started a social housing project for 2,500 homes on the outskirts of Paramaribo, for which it contracted a company called Sunny Point. It was the visible result of an extremely convoluted corporate construction. The company was basically a cooperation between Hongkongese and PRC counterparts, with an unquantified Surinamese (huaqiao) component. Sunny Point Investment Suriname Co. N.V. had a locally registered subsidiary, Sunny Village Investment Corp., running the project from its headquarters in northern Paramaribo. Sunny Point Investment Suriname Co. N.V. contracted Nanjing Overseas Construction and Engineering to build 1000 homes.

It is unclear exactly how funding of the construction project had been visualized, or by whom and during which period. The Sunny Point project seems to have been conceived of during the previous Venetiaan I administration, which had been faced with financial trouble after the Structural Adjustment Programme imposed by the IMF. During the Venetiaan I administration foreign resource extraction projects started up in Suriname: Canadian gold-mining companies and Southeast Asian and PRC logging companies, some of dubious reputation. In any case, the Wijdenbosch administration described the funding of the Sunny Point project as a US$ 37.5 million loan from Sunny Point Ltd. All labour was to be imported; when the issue of local labour was raised, it turned out that local workers were neither cheap enough,

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44 De Ware Tijd, 30 November 1996: ‘Minister Brunings bezorgd om woningsituatie’ (Minister Brunings concerned about housing situation).
45 南京海外建築工程總公司.
46 Documentation relating to Sunny Point is exceedingly rare. The Ministry of Planning and Development Cooperation was unable to find any relevant documents in connection to a report on the background of the Sunny Point project in Sophia’s Lust in November 2005.
nor able to meet the labour requirements set by the company. Eventually about 200 construction workers from the city of Nanjing were housed (under very questionable conditions) at the building site, while varying numbers of employees from various places in the PRC were brought in for specialist worked at the company headquarters.

Construction work started in 1997, but it had stalled by 1999 after the government failed to pay Sunny Point. Faced with spiralling foreign debt, the cash-strapped Wijdenbosch Administration could not shake off allegations of monetary financing. In March 1999, the National Audit Office published an overview of loans, collateralizations and promissory notes registered during 1998. There were US$ 40.1 million plus about US$ 7.58 million, which added up to US$ 47.68 million worth of newly registered financial obligations, which would determine the limitations of new foreign loans. However, in an attempt to downplay foreign debt the National Audit Office did not include the US$ 37.5 million loan from Sunny Point Ltd. for the construction of low-income housing, the US$ 2.5 million Inter-American Development Bank loan for institutional strengthening, the US$ 5.1 million Islamic Development Bank loan for the construction of policlinics in the interior, the US$ 10 million Islamic Development Bank Loan for limited payment of fuel debts, the US$ 5 million PL-490 wheat credit, and the US$ 12.5 million loan granted during the visit of President Wijdenbosch to the PRC. 47 The exact nature of the Sunny Point loan remains unclear; at the time, rumours had it that there was no loan, but that the project was being paid for with state funds. Apparently the Wijdenbosch administration planned to use timber in lieu of money payments in an attempt to save the Sunny Point deal and to negotiate a deal for the Dalian road rehabilitation project (see below). 48

At this point, Surinamese counterparts misconstrued the Sunny Point project as a type of development aid, while various groups within the company frantically tried to find alternative sources of funding. Certain Chinese stakeholders (in Suriname and Hong Kong) took advantage of this vulnerability. For instance, an entity called Ningsheng Construction and Engineering Cooperation

48 Reformerisch Dagblad, 10 May 1999: ‘Paramaribo bevestigt geheimzinnige deal; China bouwt huizen in ruil voor Surinaams hout’ (Paramaribo confirms mysterious deal; China to build houses in exchange for Surinamese timber).
Ltd.\textsuperscript{49} was registered in Suriname by the main office of Nanjing Overseas Construction and Engineering as a corporate entity called Hong Kong Sing To Investments Ltd.; it is unclear what exactly the role of this organization was, though it was suggested that it was established to make investments.

There were allegations of irregular migration; corporate links to the Surinamese authorities and local government levels in the PRC were used to obtain exit and entry visa and work permits. Even so, the number of irregular immigrants linked to Sunny Point was not spectacular, and most seem to have continued on to other destinations. Most of the construction workers from Nanjing eventually returned to China, after they rebelled against management because they had not been paid. Eventually it became clear that the project was a failure. Despite the government's promises of 2,000 new houses annually, which has been a goal of Surinamese governments since Independence in 1975, only 288 were built by 1999.\textsuperscript{50} Of the 1,000 houses promised in the Sunny Point project, 275 houses were partly finished and have been occupied by squatters since 1999.\textsuperscript{51} Most of the squatters were Maroons, many of whom had fled to Paramaribo during the 1986-1992 Jungle War.

Roughly parallel to the Sunny Point episode, there was a plan to construct low-income housing in the interior of Suriname, the District of Sipaliwini. During a visit by then State Advisor Desi Bouterse to the PRC and Hong Kong in 1997, Beijing reserved US$ 2.4 million for technical cooperation projects. In a document signed by Minister of Foreign Affairs Errol Snijders and Ambassador Li Jianying on 27 September 1997 the funds were allocated for electrification of villages in the District of Brokopondo and refrigeration facilities at the Johan Adolf Pengel International Airport. Construction of low-income housing in the interior was also approved, and in May 2003, 40 houses were completed in Pokigron, District of Sipaliwini, followed by 30 houses (40-60 m\textsuperscript{2}) in Wakibasu, Brownsweg in the District of Brokopondo, in 2004.\textsuperscript{52} The Surina-

\textsuperscript{49}寧盛建築工程合作有限公司.

\textsuperscript{50}Grote behoefte aan woningen in Suriname (Great housing shortage in Suriname), http://www.waterkant.net/cgi-bin/wk/nieuws/_old/archives.cgi?category=1&view=5.17.01-5.24.01


\textsuperscript{52}De Ware Tijd, 12 May 2003: ‘Chinezen dragen 40 volkswoningen Pokigron over; Awana-lo komt in aanmerking voor toewijzing’ (Chinese present 40 low-cost houses in Pokigron; Awana-lo eligible).
Chinese counterparts were responsible for preparing the building sites, security, water and electricity, while building materials and labour were imported from the PRC, which apparently doubled the costs of construction compared to complete local production. The Pokigron and Wakibasu projects were carried out by Weihai International Economic and Technical Cooperation Co. Ltd., who had also built STVS television transmitters in Paramaribo, Nickerie, Wageningen, Moengo, Coronie and Brokopondo, and the reconstruction of the offices of the Ministry of Foreign Affairs (see above).

The Surinamese government was the counterpart in the Chinese housing projects, and the results are very uneven. Whatever the quality of the construction work, the Surinamese government is responsible for the actual houses, but it failed to provide a coherent urban development vision. In 2001, low-cost housing and urban planning were on the agenda again. By 2004, traditional housing policy was becoming more diversified, with activities ranging from Dutch development aid projects, through international technical cooperation projects to private sector projects. In February 2004, President Venetiaan paid his second state visit to the PRC; a specific goal during that trip was to discuss funding for social projects. Eventually agreements were signed on loans for the construction of public housing by PRC companies; these construction companies won out over local and other foreign, particularly Dutch, companies. Basically, the PRC loan that was freed from a transmission line project (see below) was allocated to the housing projects; construction of 200 low-income homes in Tout Lui Faut would cost US$ 5 million. Two other soft loans were

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54 De Ware Tijd, 24 February 2001: ‘Sozavo en HI willen binnen 5 jaar 10.000 prefab-woningen opzetten; Commewijne wordt vrijhandelszone’ (Ministries of Social Affairs and Trade and Industry want to build 10,000 prefab houses within 5 years.)
56 De Ware Tijd, 3 February 2004: ‘Regering bestudeert obligatielening internationale kapitaalmarkt’ (Government looking into debenture loan on international capital market.)
available for other housing projects, which meant that a total of US$ 16.4 million was available for all housing projects.\textsuperscript{58} While the design of the 10 one-bedroom houses, 60 two-bedroom houses, and 130 three-bedroom houses was in Surinamese hands, PRC companies would do the construction work with labour to be imported from the PRC.\textsuperscript{59} In February 2006 the work was put out to tender in the PRC, and construction was planned to last from the second quarter of 2006 to 2007, but it only started in late 2008.\textsuperscript{60}

\textbf{5.3.3 Road Rehabilitation}

The city of Dalian in Liaoning Province was on the itinerary of President Wijdenbosch’s state visit to the PRC in May 1998. There a letter of intent was signed with the China Dalian International Cooperation (group) Holdings Ltd. (popularly referred to as ‘Dalian’ in Suriname) for the rehabilitation of 270km of road infrastructure.\textsuperscript{61} With agreements on trade, economic and technical cooperation and a preferential loan signed, there was some confusion about the nature of the deal signed with Dalian. Dalian was portrayed as a PRC-funded company that would start the refurbishment work in November 1999 under the supervision of a local company, Suriname Anneng Construction Company N.V., under management of the Suriname International Engineering Consultant (Sintec, owned by Member of the Assembly for the DNP, and former NDP member Frank Playfair).\textsuperscript{62} The Surinamese counterpart would provide all necessary materials and equipment. Minister Rudolf Mangal of Public Works told the Assembly that the project would be funded by the PRC, as it was a technical cooperation project, but he later changed that story and claimed that there was

\textsuperscript{58} De Ware Tijd, 3 January 2006: ‘China betaalt volkswoningen Tout Lui Faut’ (China pays for low-cost housing in Tout Lui Faut).
De Ware Tijd, 14 January 2006: ‘China verlicht woningnood’ (China alleviates housing shortage).
\textsuperscript{60} The Surinamese government explained the fact that the PRC dominated the whole project to the Surinamese public as resulting from the terms of the original grant. Dagblad Suriname 5 July 2007, ‘Minister Setrowidjojo: “Bouw 200 woningen een schenking”’ (Minister Setrowidjojo: ‘Construction of 200 houses is a grant’); 19 November 2008, ‘President geeft startsein bouw 200 woningen’ (President announces start of construction of 200 houses).
a deal with a PRC state-run company. Chen Ribiao, spokesperson for the PRC embassy, stressed that the PRC government had not in any way been involved in the negotiations for the contract, after which Minister Mangal admitted that it was a private company that would be subcontracted by a Surinamese counterpart and paid with Surinamese state funds. Moreover, Suriname Anneng Construction Company (parallel Chinese name unknown) which was in the process of establishment, and headed by a shadowy person with double PRC and Surinamese nationality and did not have any background in road construction, had petitioned the Ministry of Foreign Affairs for assistance in acquiring visa for 61 labourers from the PRC.

As an opposition party under the Wijdenbosch administration, the NPS was highly critical of the Dalian contract; opposition leader Otmar Rodgers spoke of “thieves and murderers” in the Assembly, while Ronald Venetiaan noted that the company was a holding, which implied that at least one intermediate link was still invisible. The relationship between the various players was eventually settled; the road rehabilitation project was a joint venture between China Dalian International Cooperation (group) Holdings Ltd. and the Government of the Republic of Suriname, who would provide capital and preferential treatment, while Sintec would be the local counterpart for Dalian. The project started in 2002, and was completed in 2003 after some delay. The Venetiaan II administration negotiated a second contract with Dalian (the Dalian II Contract), and in March 2004, the company started with the


62 http://www.parbo.com/dwt/nov0599.html, ‘Startschot asfalteringsproject te Abrabroki op 19 november’ (Starting Signal for Asphalting Project on Abrabroki on 19th of November). The Dalian Investment Group was totally unaware of the ‘asphalt scandal’. On 13 September 1999 a delegation from the Dalian Group held a presentation in Hotel Torarica to interest local investors in various other possible joint ventures. This did not go well; not only did the Surinamese expect to hear an explanation for Dalian being involved in a corrupt deal, but they had expected the Chinese to have come as investors.

63 http://www.parbo.com/daily/n250899.html, ‘Minister Mangal kent zijn Chinese contractpartner niet eens’ (Minister Mangal does not even now his Chinese contract counterpart).

64 http://www.parbo.com/daily/n270899.html, ‘Minister Mangal jokt er in het wilde weg op los’ (Minister Mangal lying like crazy).

65 De Ware Tijd, 11 January 2003: ‘Nog 30 meter van de Meursweg ingezakt’ (Another 30 metres of the Meursweg collapses).
rehabilitation of a further 275km of roads in Paramaribo.\textsuperscript{66} 85% of the cost would be financed through a loan (approximately € 42 million)\textsuperscript{67} from the Export Import Bank of China.\textsuperscript{68} The opposition accused the Venetiaan II government of using the road rehabilitation project as a political stunt in the run-up to the 2005 elections. Despite the obvious goodwill Dalian’s activities generated, the relationship with the Surinamese authorities was not always smooth. The Surinamese were responsible for preparing the infrastructure for the roads, such as public facilities, with varying success. After a section of a recently resurfaced road collapsed, conflict over responsibility for its repair erupted between the authorities and Dalian, eventually warranting a visit from China Dalian International Corporation Holdings Ltd. Vice President Liu Shengde in October 2002.\textsuperscript{69} Eventually a Dalian III contract was signed in April 2008 for the rehabilitation of 500 km of roads outside Paramaribo.\textsuperscript{70}

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\textsuperscript{67} De Ware Tijd, 15 November 2003: ‘Asfalteringsdeal beklonken’ (Road refurbishing deal closed). De West Nieuws online, www.dewestonline.cq-link.sr/main.asp?id=14076. Established in 1994 and wholly owned by the central government, The Export-Import Bank of China is a state export credit agency under the direct leadership of the State Council. The loan is a Loan to Overseas Construction Contracts; a loan, either in Renminbi or foreign currencies, that China Exim Bank provides to Chinese enterprises for financing their construction projects implemented in foreign countries, which may result in the export of Chinese equipment, machinery, building materials, technology, and labour services.

\textsuperscript{68} 中國進出口銀行.

\textsuperscript{69} De Ware Tijd, 22 October 2002: ‘Vice-president Dalian en DNA-voorzitter bespreken samenwerking’ (Dalian Vice President and Speaker of the Assembly discuss cooperation). Another issue was rent. In 1999 Dalian rented 2.4 ha of the Bruynzeel property for US$ 3,000, to store machinery and house workers. After the term expired in 2002, the Venetiaan II administration extended the lease for another three years. Dalian, however, never paid the rent.

\textsuperscript{70} De Ware Tijd, 22 April 2002: ‘Dalian III-asfalteringsproject gestart; China verzekert kwaliteitswerk af te leveren’ (Dalian III road rehabilitation project starts; China guarantees quality work). The Dalian III project which started in April 2008 caused controversy when it became known that the company wanted to import 450 labourers from the PRC and was intending to mine laterite itself instead of using Surinamese producers. De Ware Tijd, 22 April 2008: ‘Dalian wil 450 Chinezen importeren’ (Dalian wants to import 450 Chinese); De Ware Tijd, 1 August 2008: ‘Dalian wil eigen laterietconcessies; NH voorstander gebruik lokale componenten’ (Dalian wants its own laterite concessions; Ministry of Natural Resources prefers use of local components). Further controversy arose when the renovation of the road south from Paramaribo to Afobaka (which was included in the Dalian III contract as
Dalian is not exclusively involved in road construction in Suriname, despite the information listed on the company webpage. Staatsolie Suriname N.V. provided the bitumen for the project, but the rocks were originally imported from Guyana. In early 2001, Dalian started mining for the rocks in Brokopondo District as a cheaper alternative.\footnote{De Ware Tijd, 18 May 2001: 'Nationaal Leger: Dalian moet gebruik springstof aan hem overlaten' (Armed Forces: Dalian should leave use of explosives to them). Surinamese army officials warned Dalian that its use of explosives did not follow international safety rules. About a quarter of the article in De Ware Tijd was a description of mining accidents in the PRC, implying that Chinese / Chinese companies are not concerned with mining safety.} Dalian also diversified into forestry with Dalian International Corporation Timber Suriname N.V. (listed as exporter; see Resource Extraction Projects below). About 30 labourers were imported from the PRC for the initial road rehabilitation project, mainly from Liaoning Province. Many of these original contract labourers remained in Suriname for the second rehabilitation contract, connecting with the earlier Manchurian (Liaoning and Jilin Provinces) forestry workers.

The Dalian road rehabilitation project is the only example of a Chinese enterprise that produced positive images of Chinese in Suriname. Reactions from the public were initially negative. The allegations of corruption involving Frank Playfair's Sintec consultancy and the scandal over the government's ignorance about the exact nature of the Dalian deal were potently useful to the opposition. The political opposition to the Wijdenbosch administration focused its attacks on government spending in large-scale infrastructure projects. Pro-opposition publicists and media tended to describe the Dalian deal as a financial disaster for Suriname. Some anti-PRC sentiments also surfaced; some suggested that the PRC embassy and the Communist Chinese government had tried to mislead the Surinamese, finding the idea that the PRC government might not have been fully aware of the deal completely implausible.\footnote{http://www.parbo.com/daily/inside210899.html, 'Chinese ambassade moet zwijgen' (Chinese embassy should keep silent); http://www.parbo.com/daily/inside280899.html, 'Bevriend' (Friends).} Dalian's credibility was also questioned, and it was described as an obscure entity, even non-existent, that had unde-
servedly acquired preferential treatment, and in many ways could be considered an exploiter.\(^{73}\)

Responses ranged from anti-government sentiments due to concerns over the Dalian deal itself and distrust of the PRC, to ranting against Chinese immigrant labour. The general impression was of masses of Chinese coming to Suriname to work on the roads, taking jobs from locals.\(^{74}\) Communication was a persistent problem, especially at the start of the project; the Surinamese counterparts had trouble communicating the resurfacing schedule to the public, and the Chinese crews were faced with language barriers. The police even accused the Chinese road crews of randomly changing the traffic situation without consultation, and threatened to halt the project.\(^{75}\) However, as work progressed local attitudes towards the workers from the PRC changed. The public was generally impressed by the speed at which the Chinese crews worked, and the quality of the resurfaced road.\(^{76}\) By the start of the second refurbishing contract, the Dalian presence at least appeared not to be increasing, and Surinamese companies also clearly profited from the plans to upgrade the road net. The ‘Asfaltchinezen’ (Asphalt Chinese), as they were now commonly known, were admired for their willingness to work hard and suffer hardship. At worst they were ignored, at best they were held up as an example of what local Surinamese seemed incapable of achieving.\(^{77}\)


\(^{74}\) For example: “…No places were created in the current road rehabilitation project. Chinese came here en masse to do the work” De Ware Tijd, 31 October 2001: ‘C-47 bereidt zich voor op nieuw leiderschap’ (C-47 prepares for new leaders).

\(^{75}\) De Ware Tijd, 26 April 2001: ‘Politie overweegt werkzaamheden Dalian stop te zetten’ (Police considers stopping activities Dalian).

\(^{76}\) For example: “We hope they learn from the example with regard to road resurfacing that the Chinese have given us (foundation, thickness, quality), because everyone now realizes what it should be like.” De Ware Tijd, 31 January 2002: R.A. Sweet in Opinion Section, ‘Onze “wegen”, mijn God!’ (Our ‘roads’, my God!).

\(^{77}\) For example: “If the Brazilians can get at the gold in the dirt by working ridiculously hard in the interior, why can’t we? If the Chinese from Dalian can work hard day and night resurfacing the roads, why can’t we? We don’t appreciate our own Surinamese TV and radio productions, but we eagerly watch and drool over the plastic babes and hunks in American films.” Column on the Radio 10 homepage, http://www.radio10.sr/giwani_2.php: G.K. Zeggen, ‘Voor iets, krijg je heel wat terug!’ (For something you get back a lot).
5.4 Resource Extraction Projects

PRC resource extraction projects in Suriname are commercial projects to harvest and process timber for the purpose of supplying the Chinese market. Unambiguously PRC-owned logging enterprises started operating in Suriname in the late 1990s, their presence should be viewed in the context of the Surinamese activities of Southeast Asian logging companies in the early 1990s. One reason is that the track record of the Southeast Asian companies shaped the response of the Surinamese state to the strategies of subsequent PRC companies. In late 1992, Malaysian and Indonesian companies which were invited to invest in neighbouring Guyana, started to scout for investment opportunities in Suriname. In the face of economic collapse, the promise of the South-east Asian companies to invest US$ 26,000,000 in Suriname was too good to resist. When the Indonesian companies Mitra Usaha Sejati Abadi (MUSA) Indosuriname N.V. and Suri-Atlantic\(^\text{78}\), and the Malaysian Berjaya Timber Industry Suriname N.V. applied for huge concessions covering 40% of the country against the guidelines of the Surinamese Forest Act, a huge international outcry followed.\(^\text{79}\) The result of pressure from the transnational environmental field to the threat of these disreputable logging ventures was the establishment of the Central Suriname Nature Reserve in 1998.\(^\text{80}\)

\(^{78}\) MUSA’s entry was said to have been facilitated by KTPI (Kerukunan Tulodo Pranatan Inggil) chairman Willy Soemita during the Venetiaan I administration (De Groene Amsterdammer, 13 March 1998: Iwan Brave, ‘Goud, coke en malaria’ (Gold, cocaine and malaria)). In 1993 MUSA acquired a 150,000 ha logging concession in western Suriname, but in 1994 it became known that the company was buying timber from local concession holders in other parts of the country. MUSA got into trouble a number of times for felling protected timber species. In 1995 the team negotiating with MUSA advised the government against signing the contract, as MUSA had been unable to provide information about its parent company, the Porodisa Group. A visit by MUSA director Irawan Imoek to Suriname did not change the minds of the Surinamese authorities. According to some sources Suri-Atlantic of the Antang Group was “another name for MUSA”. Just as MUSA was linked to the Javanese KTPI, Suri-Atlantic was said to have links to the Creole NPS, while Berjaya was said to be linked to the East Indian VHP (De Ware Tijd, 4 January 1995: ‘Terugblik of 1994 (3); Uitverkoop natuurlijke hulpbronnen en de moordende inflatie’ (Looking back at 1994, part 3; The selling out of natural resource and the killing inflation)).

\(^{79}\) De Ware Tijd, 26 November 1996: ‘Vertegenwoordigers milieuorganisaties: Concessie-aanvragen Aziaten aanhouden tot 2000’ (Representatives of environmental organizations: hold over applications for concessions by Asians till 2000).

\(^{80}\) Comprising 1.6 million hectares of virgin rainforest in the Upper Coppename River watershed, the CSNR was designated a World Heritage Site by the UNESCO in November 2000.
There is also a strong link between the PRC logging enterprises of the late 1990s and early 2000s and the Southeast Asian companies because the PRC logging enterprises more often than not rely on transnational personal and business networks of ethnic Chinese individuals. Uncovering the formal identities of all Asian logging companies in Suriname has been fraught with difficulty, as business affiliations and ownership ties have proven to be very murky. The business ties of these companies often seemed to overlap with Chinese transnational networks that linked ethnic Chinese businessmen in Southeast Asia with the government of the PRC on the one hand and individual ethnic Chinese entrepreneurs in Suriname on the other. They run their Surinamese operations in such a way that the PRC state-owned enterprises formed something of a continuum with companies that were more indirectly related to ethnic Chinese, hence the phrase ‘PRC or Chinese-related’ in this chapter. By blurring the distinction between the interests of the Chinese state and ethnic Chinese individuals, the lack of transparency which was a business asset for such enterprises operating in Suriname contributed to the image of ‘shady Chinese coming to exploit Suriname’, which is the constant theme confounding the positioning of Chinese in Suriname, as we shall see in the next chapter.

China’s post-reform economy was fuelling a steadily increasing demand for wood, but logging had been banned in China following the flooding of the Yangzi, which was blamed on deforestation along the upper reaches of the river between Tibet and Sichuan Province. Chinese companies first obtained wood closer to home in South-east Asia, and then moved on to Africa and South America. In August 1994, following the state visit by President Venetiaan, a PRC Government Forestry Delegation headed by Forestry Vice-Minister Wang Zhibao visited Suriname, where a memorandum on forestry cooperation was signed. By the mid-1990s, with the South-east Asian Financial Crisis in full swing, Chinese-owned and more subtly Chinese-linked logging companies started entering Suriname; the governance void that had initially attracted the Southeast Asian companies still existed, and there was a significant ethnic Chinese population that could provide middleman services as well as access to migrant networks.

Virtually none of the companies had any real experience in tropical forestry. Seizing fleeting opportunities for quick profits is their basic motivation. As a result, forestry operations are not based on proper forest surveys and forest management plans, entry into Suriname and investments are badly planned, and opera-
tions may quickly prove to be unprofitable or unsustainable. The more successful companies generally obey the letter of local regulations, and copy local practices, both legal and illegal (e.g. manipulating export statements, not declaring timber cutting, etc.). Chinese globalization is inextricably intertwined with Chinese overseas migration, and so some companies may enter Suriname via contacts made in other contexts with ethnic Chinese in Suriname, while others become facilitators of Chinese migration. Use of personal and / or business networks may be a necessity (institutional weaknesses and language barriers may require mediation) or an added value (easier and quicker access to information and other networks, fostering outward obscurity as an asset).

The PRC or Chinese-related logging companies form business networks with other PRC or Chinese-related companies involved in timber processing and marketing. Some of these relationships are formal business links with logging companies, sawmills and exporters sharing individual Chinese investors or board members or owners. Their business practices are meant to be adaptable rather than stable, and most switch between logging and exporting. A few logging companies are apparently attempting to diversify, for instance into manufacturing wood products, or possibly other natural resources. The relationships between local subsidiaries and parent companies on the one hand and governments on the other can be very opaque.

An important pull-factor for the PRC or Chinese-related timber companies is the weakness of the Surinamese forestry management. In the mid-1990s only about 6% of the forests within the Surinamese Forestry Service’s area of operation were considered to be ‘managed’ or ‘partly managed’. Even though the forests were in fact being over-harvested, the Forestry Service did not move to reduce allowable cuts in the system of managed concessions. The Forest Management Authority (SBB, successor of the Forestry Service) grants concessions and permits, and thus registers the location and size of the logging concessions, as well as the different timber species harvested and production volumes. But it is incapable of assessing or proving the impact of logging operations on biodiversity, the environment in general, and local communities.

Forestry, if properly carried out, does not quite have the potential that Surinamese politicians or Chinese loggers wishfully assume it has. As all forest sector revenue (taxes on logging, milling and exports) as well as other public funds are used up in regu-

81 Sizer & Rice 1995
latory costs, the foreign currency from exports is the only contribution of the forestry sector to the coffers of the state. Export-led growth through FDI in logging is not promising, and in fact the tax incentives and favourable concessions that would be needed to promote FDI fosters speculation. At the beginning of the Millennium, there was evidence which suggested that Chinese logging companies might be "speculating on potential prices for less well-known species, without concrete financial information on viability of harvesting these species." 82 Forest conservation was one possible policy alternative with regard to forestry. This basically involves allowing conservation groups to compete with loggers for concessions, and so be paid for leaving the forests intact. The formation of the Central Suriname Nature Reserve in 1998 was seen a first step in that direction. 83

No other (reliable) sources of data on the effects of PRC or Chinese-related timber operations and other resource development projects exist. What can be said is that the lack of tropical know-how is causing problems in the field, with extraction of timber currently the main problem. In the past locals were subcontracted to cut specific timber species (the most valuable timber) on the company concession or on private concessions, and without planning, supervision or control in the field, trees that were too young or unusable were also felled and left to rot. 84 When companies work the concessions themselves, they often do it without proper timber surveys or timber extraction plans. Consequently haphazard felling of trees and extraction of the logs from the concession causes a lot of damage to the forest. Trucking these logs to the coast has also proven to be a burden on road infrastructure and a danger to the public. 85

The larger companies are somewhat well documented, but there is very little information available on the smaller PRC or Chinese-related timber companies. SBB has data only for a few of these companies, and they only include export figures. Some companies are only recorded for a single year in the available SBB data; some of these operations may have proven unprofitable or unsustainable, while others are perhaps in the process of starting up. According to data derived from SBB and Surinamese Chamber of Commerce and Industry, at least 18 timber companies were

82 Hardner & Rice 2001: 263.
83 Hardner & Rice 2001: 270.
84 Ibid.
85 De Ware Tijd, 15 September 2000, ‘Chinezen in houttrucks een gevaar op de Afobakaweg’ (Chinese in timber trucks a danger on the Afobaka road).
involved in logging, timber processing and trade in Suriname between 1995 and 2005. Tacoba Forestry Consultant N.V., Finestyle Investments (Suriname) N.V., and Suriname Ji Shen Forestry and Timber Industry N.V. may be considered typical of Chinese / Chinese-linked lumber companies. Tacoba Forestry Consultant N.V. is a subsidiary of China International Marine Containers (Group) Co., Ltd. (CIMC), a joint venture company principally engaged in the design, manufacturing and marketing of ISO containers. In 1999, CIMC had two other subsidiaries in Suriname: Topco-Forestry Consultants N.V. (an investment company) and Lumbrex Suriname N.V. (logging, timber processing and trade; no longer registered with the Suriname Chamber of Commerce), both were represented by one Mu Feng. CIMC timber processing initially consisted of the production of wooden floor linings for containers, and the primary processing of raw timber, but it gradually shifted towards value-added processing. CIMC had logging concession of 76 hectares in Surinam and Cambodia.

According to an article by Mark Jaffe, which is often quoted online, the Cambridge-based NGO Forest Monitor claimed that Tacoba was owned by Jin Lin, a Chinese timber company. According to a 1998 annual report, CIMCHK, a CIMC subsidiary, bought 88% of the shares of Highfield Development Corp. through its wholly-owned subsidiary, Goldbird Holding Inc. Highfield in turn owns Tacoba Forestry Consultant N.V. and Topco Forestry N.V. Tacoba was incorporated in May 1996, and was originally founded by Paulis K. Todirijo, Chatoerdew Ramgoelam and Zhang Xuequan. Its board currently consists of two Chinese nationals: Jin Jianlong (Zhejiang Province; chairman, manager and legal representative of Highfield Development Corporation), Yuan Jun (Henan Province; manager). Its activities include forestry, timber processing and trade, and it is registered as a company that exploits and explores timber for exports. In 1997 the Surinamese CIMC subsidiaries obtained a 20-year timber concession rights to 150,000 acres of a large area beginning near the Bronsberg Nature Reserve and

86 特高霸林业顾问有限公司.
87 中国国际海运集装箱(集团)股份有限公司.
88 Philadelphia Inquirer, Sunday, May 20, 2001: ‘For a Global Treasure, a New Threat’. By Mark Jaffe (http://inq.philly.com/content/inquirer/2001/05/20/front_page /logging20.htm). However, the online database of the Forest Monitor website (http://www.forestsmonitor.org/) contains no references to Jin Lin.
89 http://www.csrc.gov.cn/CSRCsite/eng/ebshare/e1998ar/e2039/e2039_08.htm
90 Surinamese Chamber of Commerce & Industry file no. 265764
southward to within three kilometres of the Maroon village of Pokigron. By 2003 this concession was being withdrawn. SBB data for Tacoba only show actual timber production in 2002. The same data show constant exports from 1997 through 2003, with Tacoba the largest (recorded) Chinese timber exporter in Suriname during that period. No activities were formally recorded after 2003, so it is not exactly clear how Tacoba obtained the timber it exported.

Finestyle Investments (Suriname) N.V., and Suriname Ji Shen Forestry and Timber Industry N.V. are both from Jilin Province, in Manchuria. Finestyle Investments (Suriname) N.V. was the local counterpart of Finestyle Wood Industrial Company Limited, a Hong Kong-based company engaged in marketing and trading hardwood swan timbers and logs from Latin America. In August 2000, Luen Cheong Tai Engineering Limited91 acquired full ownership of Finestyle Investments (Suriname) N.V.92 Due to financial troubles, Luen Cheong Tai Engineering Limited was reorganized as Baker Group International Holdings Limited93 in June 2002, but it was eventually liquidated in April 2005. Finestyle’s current ownership is unclear. Finestyle Investments (Suriname) N.V. was founded by Gilbert J. Kuik and Jimmy D. Kasdjo and incorporated in June 1999. In 2005 its board consisted of two Chinese nationals: Ma Jiaqi (chairman-manager; Liaoning Province) and Sheng Hui (manager; Shandong Province).

Despite its Hong Kong origins, most of the Chinese expat workers at Finestyle are from Liaoning and Jilin Provinces in Northeast China. Its activities include logging, timber processing and trade, transporting timber, building, trading in and exporting houses, and importing company equipment. It is registered as an exporter, but engages in timber harvesting and running a sawmill near Paramaribo. It holds 30,000 ha of forest concessions at Brownsweg granted by SBB in 2001, but in 2000 and 2001 it used the concession of a Surinamese national with official approval. SBB was aware of the financial troubles faced by Finestyle with the demise of its parent company. Finestyle has continued to meet its obligations and maintains a (comparatively) unremarkable track record. Controversy did surface in 2002, when Suriname tax authorities discovered that Finestyle and Suriname Ji Shen Forestry and Timber Industry N.V. had evaded some US$ 3,000,000 in

91联昌泰工程有限公司.
93倍可集团国际控股有限公司.
export duties by manipulating statements of timber categories.\textsuperscript{94} Finestyle stopped exporting timber after that. It never achieved its goal of producing pre-fab housing and hardwood floors, and its annual timber production is steadily decreasing.

Suriname Ji Shen Forestry and Timber Industry N.V. – also spelled ‘Suriname Jisen Forestry and Timber Industry N.V.’\textsuperscript{95} – is a subsidiary of Jilin Forestry Industry Joint-Stock Company Ltd.\textsuperscript{96} Ji Shen was founded by Hoi Sjauw Rick Chou and Standard International Trading N.V. and it was incorporated in December 1999. Its activities include forestry, timber processing and trade, and it is registered as an exporter, owner of a sawmill and seller of timber products. Its Managing Director is Chinese national, Tang Ping (Jilin Province).\textsuperscript{97} Ji Shen works three concessions of 10,350 ha. Ji Shen and Finestyle are virtually neighbours, with their sawmills along the same road near Paramaribo. Just as it is the case for Finestyle, Ji Shen’s Chinese expat workers are from North-eastern China, most from Jilin Province.

According to a Ji Shen spokesperson, the parent company had acquired a loan from the provincial branch of the Bank of China and backing from the Jilin Provincial Government for overseas logging ventures. In September 2001, Vice-Chairman of Jilin CPPCC, Liu Xilin, visited Suriname at the head of an economic and trade delegation from Jilin Province. During the visit which was described as a Sino-Surinamese joint venture, Liu visited Jisen.\textsuperscript{98} However, the operations in Suriname were not successful; though experienced in timber processing, the company had no prior experience in tropical forestry, there were also problems with local labour, and work in the concessions was hampered by lawlessness (one ex-pat worker was kidnapped and one murdered, and equipment was stolen). In 2002 Ji Shen’s operations in Suriname were geared to repaying the Chinese State loan, after which they planned to exit Suriname.

\textsuperscript{94} De West, 22 August 2002, ‘\textit{Chinese houtgiganten lichten Suriname voor miljarden op}’ (Chinese lumber giants cheating Suriname out of billions).
\textsuperscript{95} 蘇里南吉森林工業有限公司.
\textsuperscript{97} Surinamese Chamber of Commerce & Industry file no. 31034
\textsuperscript{98} http://www.fmprc.gov.cn/eng/wjb/zzjg/lmdzs/gjlz/3523/default.htm
5.4.1 China Zhong Heng Tai Investment Co. Ltd.

The activity of China Zhong Heng Tai provoked so much controversy in the Surinamese public debate, that it deserves separate treatment. Between 1975 and 1980, Dutch development aid funds were invested in developing a palm oil industry, and about 10,000ha of oil palms were planted in Victoria, Phedra, and Patamacca, Eastern Suriname. The sector eventually collapsed: development aid was withdrawn in the early 1980s, leaving the government unable to continue investments. The global market prices for palm oil were lower than initially projected, harvests were lower than expected, labour was scarce, and finally the plantations were destroyed by spear rot and the civil war. Therefore it was decided to stop investing in the palm oil sector.\(^{99}\)

In 1996 the new Wijdenbosch Administration declared that it wished to salvage the palm oil sector.\(^{100}\) In 25-26 May 1998, President Wijdenbosch paid a State Visit to Malaysia, where a trip to the Palm Oil Research Institute of Malaysia (PORIM) was on the agenda.\(^{101}\) An assessment by PORIM in October 1998 singled out Suriname as offering the best conditions in the region for a palm oil industry.\(^{102}\) A month later, Minister Saimin Redjosentono of Agriculture visited Malaysia for a PORIM seminar. Zakariah Ismail and Professor Jalani Sukaimi, Deputy Director PORIM, visited Suriname from 4 to 7 April 1999, after which a memorandum of understanding was signed between Santri Holdings (M) Sdn Bhd and then Ministers Redjosentono of Agriculture and Robby Dragman of Trade and Industry.\(^{103}\) No Malaysian investments ever materialized.

On 25 July 2002, a company called China Zhong Heng Tai Investment Company Ltd. and the Surinamese Ministry of Agriculture and Fisheries signed a memorandum of understanding on a

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\(^{99}\) 2004 Plan for the Agricultural Sector, Ministry of Agriculture

\(^{100}\) De Ware Tijd, 11 November 1996: ‘Regering wil oliepalmindustrie behouden; Miljoeneninvestering noodzakelijk’ (Government wants to preserve palm oil industry; investment of millions required).

\(^{101}\) http://domino.kln.gov.my/KLN/events.nsf/0/9d9c1b6e93aa9dafc825660f001f60fb?OpenDocument

\(^{102}\) De Ware Tijd, 4 September 2003: ‘Suriname regionaal uitermate geschikt voor palmolieindustrie’ (Suriname particularly suited for palm oil industry in the region).

\(^{103}\) De Ware Tijd, 8 April 1999: ‘Suriname en Maleisië openen palmolierafinaderij’ (Suriname and Malaysia open palm oil refinery). Zakariah Ismail was the contact person for Santri Holdings, a company involved in blended oil, ghee, margarine, palm oil, palm oil based products, sawn timber. (http://freeweb.wtexpo.com/200306/santriholdingsm/index.php.) Both Ministers were members of the Javanese KTPI party, led by Willy Soemita.
new palm oil project in Marowijne District in eastern Suriname. 104 During a press conference a week earlier, president Venetiaan had hinted of investments in Marowijne. Although this was the first time that China Zhong Heng Tai was publicly mentioned, the same conglomerate had apparently applied for a concession to the previous government. 105 The new investment proposal was welcomed by the Surinamese government as a way to revive the palm oil sector and generate foreign exchange. The company would construct factories, plant palms, and do some logging, and would therefore be granted a concession that would incorporate the former oil palm plantations of the Landbouwmaatschappij Patamacca agricultural company and old logging concessions of the Bruynzeel Houtmaatschappij lumber company.

Details of the project remained sketchy, but the forestry aspects were more concrete than the palm oil plans. 106 An attempt by China Zhong Heng Tai to show its willingness to abide by the rules and regulations of the Republic of Suriname, in particular with regard to labour and the environment, hinted at plans to import foreign labour. 107 China Zhong Heng Tai Investment Company Ltd. submitted its business plan on 3 March 2003 to Minister Geetapersad Gangaram Panday of Agriculture. 108 The business plan basically described an agreement with the Surinamese government for a palm oil enterprise to be established with funds generated from the sale of timber cut from the palm oil concession. In his column in De Ware Tijd of 1 September 2003, Drs. A.C. Jethu of Jetinvestments cautioned that there was a well-documented link between PRC or Chinese-related palm oil projects and deforestation in South-east Asia, and that China Zhong Heng Tai was an unknown entity without any track record in the palm oil industry, and explicitly warned that the project might be a cover for logging

104 De Ware Tijd, 25 July 2002: ‘Marowijne krijgt nieuwe palmolie-industrie’ (Marowijne District gets new palm oil industry).
105 De Ware Tijd, 26 April 2005: ‘Chinese investeerder afgewezen door vorige regering’ (Chinese investor turned down by previous administration).
106 De Ware Tijd, 4 January 2003: ‘Chinese investeerders positief over investeringen palmoliesector’ (Chinese investors positive about investments in palm oil sector).
107 De Ware Tijd, 27 May 2003: ‘ATM informeert Chinese investeringsgroep over arbeidswetgeving’ (Ministry of Labour, Technological Development and the Environment informs Chinese group of investors about labour laws).
108 De West, 4 March 2003: ‘Chinees bedrijf biedt businessplan oliepalmproject aan’ (Chinese company submits business plan for palm oil project).
activities. On 2 September 2003 two members of the government’s negotiating committee, Paul Rellum and Iwan Krolis, and the economist Winston Ramautarsing, discussed the plan during a public meeting organized by Agriforum, a think tank of Surinamese agricultural specialists. The conclusion was that the state could only expect income from taxes on timber exports, while there were no guarantees that the project would create jobs for locals or that China Zhong Heng Tai would not withdraw from Suriname after logging was completed. Maroon communities in Marowijne, who had been neither consulted nor actively involved, were opposed to the project, which they considered to be primarily a plan to clearcut the area. During a visit to the Surinamese plant breeding centre Phyto Tech, representatives of China Zhong Heng Tai indicated that their core business in Suriname would be timber felling, and were not able to answer technical questions on oil palm propagation.

Controversy only increased when the terms of the agreement became known. The agreement described the workings of the ‘integrated palm oil enterprise’. China Zhong Heng Tai would be granted a concession of 526km² in the Patamacca area (the former palm oil plantation of Victoria) near Moengo in Eastern Suriname, of which 400km² would be for palm oil production. The concession would be granted for the term of 38 consecutive years. The forest would be cleared, and the timber would be used to fund the establishment of a nursery with an initial capacity of 160,000 plants. The actual oil palm plantation would start in the third year, and the palm oil factories would be opened between the sixth and 12th years. Ten percent of crude palm oil production would be purchased by Suriname, to be resold in the region and processed into cooking oil for the local market. Suriname could also claim

110 De Ware Tijd, 4 September 2003: ‘Eigen inbreng investeerder oliepalmproject rond 110 miljoen US dollar’ (Contribution of investor in palm oil project about US$110,000,000).
111 De West, 20 December 2003: ‘Overeenkomst met Chinees oliepalmbedrijf in behandeling bij DNA’ (Agreement with Chinese palm oil company discussed in the National Assembly).
112 De Ware Tijd, 7 February 2004: ‘Activiteiten oliepalm-investeerder pas vierde kwartaal merkbaar’ (Activities of palm oil investor to be noticeable only in fourth quarter). Quoting Phyto Tech general manager Tony Zuiverloon.

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25% of timber production. The following is a description of the financial terms of the agreement:

The agreement will provide the China Zhong Heng Tai Company with a timber supply for the first 12 years of the agreement with a total projected value of US$ 946 million. Part of the income generated will be invested in the setting up the palm oil industry. Total Palm oil income generated from year 6 – 38 is estimated at US$ 1,480 million. The company will receive a tax holiday for six years. Total net profit during the life cycle of the project is projected at US$ 490 million. Besides providing both timber and palm oil for its domestic market, the company will expand its market share on the regional markets. Both governments have international obligations for environmental protection and the Chinese company has therefore agreed to immediately replant the deforested area from year one with oil palms.

The deal seemed to be more about clear-cutting than about revenues from palm oil. The paradox of a foreign investment company that would finance its operations in Suriname by exploiting Surinamese natural resources was not lost on the public, who were now squarely against the "oil palm Chinese". According to China Zhong Heng Tai, replanting the abandoned palm oil plantation implied risking reinfection with spear rot, but no analysis had been made of the actual situation to support this claim. Although such studies were promised, no assessment was made of potential environmental impacts, which, besides deforestation, may include erosion, sedimentation, soil compaction, surface water pollution, and loss of soil productivity and biodiversity. The only positive impact of the project would be the generation of direct and indirect employment. According to China Zhong Heng Tai’s business plan, full production required 5,550 workers, 4,440 of whom would be recruited locally. The business plan did not clearly provide for locals working in management or technical jobs. But wages proposed by China Zhong Heng Tai for local workers (US$ 8 - US$ 16 a day)

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113 De Ware Tijd, 4 September 2003: ‘Suriname regionaal uitermate geschikt voor palmolieindustrie’ (Suriname particularly suited for palm oil industry in the region).
115 De Ware Tijd, 30 September 2003: ‘Milieustudie is voorwaarde voor oliepalm-concessie van Patamacc; ‘Er wordt geen boom eerder geveld’” (Environmental assessment condition for Patamacca palm oil concession; ‘No tree will be felled before then’).
were lower than those of unskilled labourers in Suriname. It was also unclear how 4,440 Surinamese workers would be recruited to work in the sparsely populated Patamacca area. Under these conditions, suspicions that China Zhong Heng Tai would use the project to facilitate Chinese overseas migration by importing cheap labour only increased, and the increasing numbers of New Chinese in Paramaribo did not help make China Zhong Heng Tai’s denials about importing Chinese labour any more believable. In short: the business plan as it was submitted was too vague, costs estimates seemed too high while income from timber appeared to have been downplayed, stakeholders had not been involved, the exact identity of China Zhong Heng Tai remained unknown.\(^{117}\)

On 6 January 2004 the agreement with China Zhong Heng Tai, which was now called simultaneous exploitation of timber and oil palms, was discussed in the National Assembly.\(^{118}\) After intense discussion of the agreement, a narrow majority (56.9\%) of the National Assembly approved the agreement with China Zhong Heng Tai. The opposition parties (\textit{Millennium Combinatie}) refused to cooperate in setting up the legal framework for the Patamacca deal, leaving the government parties to approve the Act on Approval of the Marowijne Palm Oil Industry Development Project on 8 January.\(^{119}\) On 16 January 2004 the “Agreement on the Set-up and Exploitation of an Integrated Palm Oil Enterprise” was signed by Minister of Agriculture Geetapersad Gangaram Panday and Minister of Natural Resources Franco Demon for the Surinamese government, and Mr Liu Jiang representing China Zhong Heng Tai Invest Co. As soon as the agreement came into effect, China Zhong Heng Tai had to present the Surinamese state with a first bank guarantee for US$ 16,200,000. In June 2005, six months after the deadline, the company still had not come up with the guarantee. According to Paul Rellum, chairman of the government-appointed steering group that is supposed to monitor and supervise the

\(^{117}\) De Ware Tijd, 9 January 2004: George Orie, ‘\textit{De zwakke punten van de oliepalm-overeenkomst (1)}’ (The weak points of the palm oil agreement).
\(^{118}\) De Ware Tijd, 2 January 2004: ‘Concept-overeenkomst obéplamindustrie dinsdag in parlement’ (Draft agreement palm oil industry to be discussed in parliament on Tuesday).
\(^{119}\) \textit{Times of Suriname}, 7 January 2004: ‘\textit{Millennium Combinatie wil niet tegen elke prijs ontwikkeling}’ (Development at any price not acceptable to \textit{Millennium Combinatie}). The MC position was explained during a press conference by Jenny Geerlings-Simons of the NDP and KTPI chairman Willy Soemita. Interestingly, the KTPI had been behind the earlier Malaysian initiatives for the Patamacca area.
deal. The Chinese embassy in Suriname said that the PRC government is now more wary of companies working abroad with state funds. In the meantime, China Zhong Heng Tai had started to export wood, acquired from other producers. According to SBB data: 500m³ (4.4% of total timber exports) worth US$ 56,919 (2.4% of total export value). In January 2006 China Zhong Heng Tai was given a reprieve of 90 days to produce the bank guarantee, but it failed to do so at the end of that period.

The exact identity of China Zhong Heng Tai Investment Company Ltd. is still unclear. In keeping with Surinamese law, China Zhong Heng Tai Suriname N.V. was set up as a local counter-part of Beijing Zhong Heng Tai Investment Co. Ltd., a company specifically set up for the Patamacca operation. It was founded by one Snake Wang and China Zhong Heng Tai Investment Co. Ltd., and incorporated in April 2004. On its board are three ethnic Chinese: Sun Liang (General Manager; US citizen born in Heilongjiang Province), Snake Wang (Vice General Manager; holder of Nauru passport, born in Anhui Province; according to one source, his original name was recorded as ‘Wang Chou Lung’), Liu Jiang

120 The Steering Group for the Development of the Marowijne Palm Oil Industry (Stuurgroep Ontwikkeling Oliepalm Industrie Marowijne). De Ware Tijd, 24 November 2004: ‘President Venetiaan bij installatie stuurgroep oliepalmindustrie: “Toezien op Surinaamse belangen allereerste opdracht”’.
121 http://www.waterkant.net/nieuws, Still no Bank Guarantee from Chinese Investor
122 De Ware Tijd, 28 March 2006: ‘Zhong Heng Tai heeft weer geen bankgarantie’. Ten days later China Zhong Heng Tai managing director Liu Jiang announced that a new partner had been found in Hong Kong, and that the US$ 16.2 million bank guarantee had been obtained. The new partner was named as NSW Holding, a real estate company (market capitalization US$ 3 billion). (De Ware Tijd, 6 April 2006: ‘Patamaccaproject China Zhong Heng Tai gaat door; Bankgarantie rond’ (China Zhong Heng Tai’s Patamacca project to proceed; bank guarantee settled)). During the press conference, the Royal Bank of Trinidad & Tobago (RBTT) was named as guarantor for two years. A representative of the PRC embassy thanked the Surinamese government. Rumours interpreted the latest developments as a smokescreen to keep the project alive for another player waiting in the wings to take over the contract.
124 Registered capital was increased to SRD 30,000,000, and participation in issued capital was set at 5,999 shares for Beijing China Zhong Heng Tai Investment Co. Ltd, and 1 share for Snake Wang.
125 De Ware Tijd, 21 January 2004: Henry Carbière Falls, ‘Naamsverandering mede-oprichter Chinese olie-palm-investeerder dubieus’ (Name change of co-founder Chinese palm oil investor suspicious). Located in the South Pacific, Nauru is the world’s smallest independent republic. Its phosphate reserves depleted, Nauru faces virtual bankruptcy. It moved into off-shore banking and passport sales. The Financial
Chairman of the board of Supervisory Directors and legal representative; (Chinese citizen, born in Guizhou Province).

By January 2004 the activities of the company had still not been registered with the Surinamese Chamber of Commerce and Industry, but two years later they were finally registered to include: investing in and exploitation of oil palm and other enterprises in agriculture, animal husbandry, fisheries and forestry, processing of and trading in vegetable oils, and trade in agricultural, animal, fishery and forestry products. Its parent company was apparently a conglomorate of six companies from the People’s Republic of China. Initially a seventh company seemed to be involved: the Djajanti Group from Indonesia. Owned by Burhan Uray, a former general who is linked to the Suharto family, it started out as a forestry company in 1956. It is strongly diversified with many subsidiaries, and remains one of Indonesia’s biggest timber groups. It holds 25 forest concessions totalling 2.8 million ha in Kalimantan, Maluku and West Papua (Irian Jaya). The Djajanti group is hounded by accusations of forestry crime. According to local sources, the Djajanti group was present at a meeting in Suriname with government and business people in August 2002. The press was not allowed to attend. Apparently, the Djajanti Group was asked “by the Chinese government” to carry out this project in Suriname.

The names of the six Chinese companies only became known when the agreement for the Patamacca project was presented publically, but confusion about the status of China Zhong Heng Tai persisted. In a publication of the European Commission, China Zhong Heng Tai is listed in a donor matrix as a project of the PRC government, valued at approximately € 90,000,000. The company has also been described as wholly state-owned and set up by the PRC government for the express purpose of the oil palm project. It was apparently using state funds, as it claimed to have started with an initial capital investment of US$ 40,000,000.

Action Task Force (FATF/GAFI) removed Nauru from its list of non-cooperative countries and territories in 2005 after the country made substantial moves to address money-laundering (http://www.fatf-gafi.org/dataoecd/13/36/3549762.pdf). Nauru is now looking to the Far East for assistance. About 8% of the population or roughly 1,000 people are Chinese. In 2002, Taiwan severed its 22-year old ties with Nauru after the Nauruan prime minister established diplomatic ties with the PRC. In 2005 ties with Taiwan were restored, after which the PRC se-versed diplomatic ties with Nauru.

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126 Surinamese Chamber of Commerce & Industry file no. 38285.
provided by the PRC government. But public questions about the company’s creditworthiness and the actual source of its capital were never completely answered. On its website (2005 / 2006), China Zhong Heng Tai identified the Chairman of its Board as Mr. Zhang Han, and stated that its shareholders were “five state-owned large and medium enterprises”:

- Zhong Tai Investment Company; its sole purpose is development of palm oil projects outside the PRC. Branches in Hainan, Shenzhen, Shanghai and Malaysia.  

- Suntime International Tech-Economic Corporation.  

- China Petroleum Oriental Geophysical Prospecting Co., Ltd. Major businesses in the PRC, Pakistan, Indonesia, Kazakhstan, Georgia, Iran, Libya, Yemen, Sudan, Peru, Ecuador, Venezuela, Mexico, among other places.  

- China National State Forest Farm Development Corporation. Forestry development group affiliated with the State Forestry Administration. 

- Shenzhen Weiji Investment Development Co., Ltd. 

China Zhong Heng Tai is a compact example of everything that could go wrong with PRC or Chinese-related development projects in Suriname. The company has no clearly proven experience in either palm oil production or tropical forestry, its exact busi-
ness links are unclear, it obfuscates the nature of its link to the PRC government, it may very well have entered Suriname via Overseas Chinese networks, it seems to be motivated by the prospect of quick profits from uncontrolled resource extraction, and so on. The difference with previous projects is the almost immediate critical reaction from civil society, despite it having a more subtle entry strategy than earlier companies. The government of the People’s Republic of China is apparently also more wary of supporting this project, which might indicate a new trend. It is unclear if, and how this project will proceed.\(^{135}\) Four years later the project had yet to start despite the fact that China Zhong Heng Tai had agreed to import no more than 100 Chinese workers in the first five years, to pay salaries according to Surinamese standards, and not to clear-cut all of the 40,000 ha concession in one go, but to develop 1,000 ha first. Local Maroon communities, supported by the Maroon A-Combinatie coalition partner, remained fiercely opposed.\(^{136}\)

This chapter has not been intended as an encyclopaedic listing of or a black paper on PRC activities in Suriname, but instead as a historical context for discussing the relationship between Chinese migrants and the Chinese State and its repercussions in Suriname. Reflexive Chinese group identity is sinocentric, and the ‘China’ cur-

\(^{135}\) Interestingly, by August 2008 three foreign entities had shown interest in palm oil production in Suriname: China Zhong Heng Tai, Food Fast and Fertilized from India, and Quality Palm Oil Suriname consisting mainly of Dutch investors. There is very likely a political dimension to the Quality Palm Oil Suriname proposal. It does not entail logging, but redevelopment of the old Mariënburg sugar plantation near Paramaribo which has a majority ethnic Javanese population. Soewarto Moestadja, Press agent for Quality Palm Oil Suriname, was an ex-minister and member of the Javanese D21 party. As such he was a rival of Paul Somohardjo of the Javanese coalition party Pertjajah Luhur, which had courted the Chinese in the 2005 elections (see Paragraph 9.1.1). The future of the initiative is unclear, though a memorandum of understanding has been signed and Mariënburg NV has ceded 3,500 ha of land to Quality Palm Oil Suriname. De Ware Tijd, 11 August 2008: ‘Derde palmolie-investeerder dient zich aan’ (Third palm oil investor presents itself).

\(^{136}\) De Ware Tijd, 18 October 2007: ‘Geen wijziging in oliepalmoveerkoenst Patamacca’ (No changes to Patamacca palm oil agreement); 1 February 2008: ‘Volksvertegenwoordigers Marowijne niet positief over Patamaccadeal’ (Marowijne representatives not positive about Patamacca deal); 3 May 2008: ‘Voortgang palmolieproject Marowijne in gedrang’ (Postponement of Marowijne palm oil project likely); 24 January 2008: ‘Regering wil spoedig uitvoering Patamacca-deal’ (Government wants execution of Patamacca deal soon).

By the end of 2008 it was clear to the Surinamese government that the Patamacca deal was off. President Venetiaan indicated that local opposition in Marowijne District, encouraged by ‘lower echelons’ of the Maroon parties (ABOP and BEP of the A-Combinatie coalition), was the reason. De Ware Tijd, 15 January 2007: ‘Patamacca-oliepalimpsej van de baan’ (Patamacca palm oil project shelved).
Currently at the centre of that view is the PRC. Publicly articulated Chinese group identity in Suriname is not based on Chinese nationalism, but patriotic pride does determine the style of intra-ethnic public events. Such group identity is not inclusive; it depends on clear ties to a Chinese ‘motherland’ and while it can incorporate mixed Chinese as *huayi*, it is basically a migrant identity. Its articulation is strongly limited to settings that are (intentionally or not) segregated by the use of Chinese language. Resinicization in the sense of re-imagined ties with the PRC never produced a publicly articulated, inclusive and instrumental Chinese group identity that was useful for migrant positioning in Surinamese society.

The Chinese of Surinamese readily volunteer public shows of loyalty to the PRC, though there are few indications that the PRC embassy systematically demands such loyalty, not since the beginning of diplomatic ties between the PRC and the Republic of Suriname, and more particularly not since the appearance of New Chinese migrants in Suriname. The ethnic Chinese population of Suriname is too marginal and the number of its citizens in Suriname is too small. Suriname is of interest to the PRC in a regional context for geopolitical reasons (i.e. strategic interest in securing access to natural resources); the Chinese of Suriname are not really necessary to achieve that purpose. To the PRC embassy in Paramaribo, New Chinese are *xin yimin* (New Migrants); like the older term *huaqiao*, *xin yimin* is a political category that serves to link migrants with the Chinese state, the PRC. However, New Chinese have not proven to be of special interest to the embassy.

When Surinamese backing of the One-China Policy seems under threat, the PRC embassy in Paramaribo does try to mobilize ethnic Chinese support in terms of sinocentric nationalistic discourse, often via huiguan institutions. However, PRC nationalism is not an effective basis for resinicization in Suriname. There are basically two aspects of PRC nationalism: state-sponsored nationalist discourse which features narratives of resurgent pride after ‘a century of humiliation’ (the mid-18th century to the mid twentieth century), and popular nationalism which separates the Chinese Communist Party from the ‘motherland’ of ‘the Chinese race’ (Gries 2004). Both contrast Chinese national identity with the West, which makes for an aggressive positioning that only exacerbates anti-Chinese sentiments in Suriname. New Chinese are very much aware that Chinese patriotic pride can backfire in Suriname, and Tong’ap and Laiap confine expressions of ethnic pride to closed arenas, just as other ethnic groups tend to do.
The link between ethnic Chinese in Suriname and the PRC should not be assumed to mean transnationalism. Transnationalism in the sense of socio-political participation of migrants with their homeland, insofar that it is actually possible, is not a public issue in Suriname. PRC interest in the individual Chinese of Suriname is also limited; it no longer actively courts huaqiao as sources of investment, nor does it actively approach New Chinese as its expat representatives in Suriname. The PRC also does not actively promote a new (globalized) discourse of Chinese identity and modernity in Suriname. In turn the attitude of Chinese migrants in Suriname to the PRC embassy most resembles appeasement; Fuidung’on Hakka migrants engage with the embassy by approaching it as a huiguan, while New Chinese migrants depend on its goodwill in consular matters. The embassy’s approach to the Chinese of Suriname is not tight control, but more that of guarding the recognition of the unity of the Chinese state, as it funnels the same patriotic rhetoric that serves to mobilize loyalty to the PRC state to the ethnic Chinese in Suriname.

The centrality of the PRC in patriotic Chinese identifications is an important reason why Chinese ‘groupness’ evokes negative images among non-Chinese audiences in Suriname. It is safe to say that there would have been PRC technical cooperation and resource extraction projects in Suriname with or without the presence of New Chinese. However, the controversy engendered by these projects, in particular the logging companies, reflects on New Chinese and even affects the image of Chineseness in Suriname. Surinamese patriotic discourse frames the interests of foreign states in terms of colonialism. In this view the new superpower PRC is eroding Surinamese sovereignty through resource extraction and technical cooperation projects, migration, and cheap commodities.

Surinamese discomfort with the increasing global influence of the PRC will continue to combine with the ongoing process of ‘othering’ Chinese in terms of old Yellow Peril and Contamination stereotypes, to produce an image of Chinese migrants as the ultimate outsiders and the new colonizers. As an ascribed identity, Chineseness becomes monolithic and homogenous, and Chinese ethnic identity is a holographic shard of a Yellow Peril image. Individuals – migrants, PRC nationals, ethnic Chinese – are irrelevant in this outside view of Chineseness. In the next chapter we will explore the negative image that has recently grown around Chinese identity in Suriname, which is necessary to understand the choices made by ethnic Chinese with regard to political participation.