Remittance houses and the qiaopi networks

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The qiaopi

Chinese migrants in Singapore sent a large part of their earnings to their families in China. The instrument was the *qiaopi*, a letter accompanied by a remittance of money. More than sixty per cent of these letters were addressed to parents or grandparents, most of them male, which reflects the patriarchal structure of the Chinese family.[1] Because many migrants could not write, professional letter writers composed the letters for them, charging three to six cents a letter.[2]

The qiaopi served both economic and social purposes. They supported families at home, financed the education of children and the building of houses and paid for ancestral rites. They also maintained the migrant's place in his family and village, which mattered for his eventual return and for his standing in the lineage. The letters were written in the dialects of the different communities, since migrants sought writers from their own group. The remittance system therefore reinforced the dialect structure of the Chinese community in Singapore.

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The remittance firms

The letters and money were carried by specialised firms, the *qiaopiju*. In 1887 Singapore had 49 such firms, of which 34 were run by Teochew, 12 by Hokkien, two by Hakka and one by Cantonese operators. They sent 180,000 packages of qiaopi in 1886 and 280,000 three years later.[3] In the early twentieth century Singapore had around 200 remittance firms, far more than Penang with 70 to 80, Bangkok with about 50 or Jakarta with 20.[4]

These figures show Singapore's role as a hub. Remittances from migrants across Southeast Asia were channelled through Singapore to southern China, which made the city the principal node of the corridor between the Nanyang and the home districts.[5] The same role as a regional hub for flows of money reappears in every later period of Singapore's history, from the Asian Dollar Market of 1968 to the family offices of the present.

How the remittance business worked

The remittance firms combined the functions of a post office, a money transfer business and a trading house. They collected letters and money from migrants, often through shops and agents in the migrants' neighbourhoods, and delivered them to the families in China through correspondent firms in the home districts. The money often did not travel in cash. The firms used the funds collected in Singapore to buy goods or exchange for export to China, after which their correspondents paid the families from the proceeds.[6] The firm earned a fee and profited from the float and the exchange.

The system rested entirely on trust. Migrants handed their savings to firms from their own dialect group and home district, trusting them to deliver the money to families they would not see for years. The firms depended on correspondents in China whom they trusted in turn. Receipts and replies returned by the same route and confirmed delivery. Losses through fraud or failure occurred, but the network proved remarkably reliable over more than a century.

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Peak, decline and heritage

The remittance business reached its peak in the years after the Second World War, when it became one of the most profitable businesses in Singapore. The number of firms fell from about 200 in the late 1940s to about 60 in 1970, as the political changes in China and the transformation of Singapore into a nation-state undermined the system.[7] Banks, including the Chinese banks of Singapore, took over much of the remaining business. In 2013 the qiaopi documents were inscribed in UNESCO's Memory of the World Register.[8]

For the modern compliance officer, the remittance firms have an uncomfortable resonance. Informal value transfer systems that move money through networks of trusted correspondents, often without the physical movement of funds, are a familiar concern in the fight against money laundering. The same features that made the qiaopi system efficient – trust within closed networks, settlement through trade and limited documentation – make its modern successors difficult to supervise. Part H of this book examines how Singapore regulates payment services and remittance businesses today.

Common misconception

The Chinese networks of Singapore are sometimes described as closed systems based purely on family ties. In practice they were layered: the family formed the inner circle, the lineage and the district association the next, the dialect group a wider one and the Chinese community as a whole the widest. Each layer had its own institutions and its own degree of trust. Successful merchants such as Tan Tock Seng and Seah Eu Chin also built relationships with European houses and the colonial government. The networks were open enough to connect with the wider economy and closed enough to enforce obligations among their members.

Notes

1. "Qiaopi: Remittance letters from Chinese migrants", *Culturepaedia* (Singapore Chinese Cultural Centre), accessed September 2026: over 60 per cent were

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addressed to paternal grandparents or parents, predominantly male recipients. ↩

2. "Qiaopi: Remittance letters from Chinese migrants", *Culturepaedia*, accessed September 2026: letters were often written by professional letter writers who charged "three to six cents per letter". ↩
3. Hong Liu and Huimei Zhang, "Singapore as a nexus of migration corridors: The qiaopi system and diasporic heritage", *Asian and Pacific Migration Journal*, 2020 (abstract and summary): 49 qiaopiju in 1887, with Teochew operators controlling 34, Hokkien 12, Hakka 2 and Cantonese 1; "180,000 packages of qiaopi sent in 1886, which increased to 280,000 three years later". ↩
4. Liu and Zhang, "Singapore as a nexus of migration corridors", *Asian and Pacific Migration Journal*, 2020: approximately 200 qiaopiju in Singapore in the early twentieth century, against 70–80 in Penang, about 50 in Bangkok and 20 in Jakarta. ↩
5. Liu and Zhang, "Singapore as a nexus of migration corridors", *Asian and Pacific Migration Journal*, 2020: remittance firms and business associations solidified Singapore's position as the primary migration corridor connecting Chinese communities in Southeast Asia with their hometowns. ↩
6. On the business model of the remittance firms, including the use of collected funds for trade and exchange operations and settlement through correspondents in China, see Liu and Zhang, "Singapore as a nexus of migration corridors", and the chapter "Money by Mail to China: Qiaopi and Chinese Remittance in Singapore", in Kwa Chong Guan and Kua Bak Lim (eds), *A General History of the Chinese in Singapore*, 2019. ↩
7. Liu and Zhang, "Singapore as a nexus of migration corridors", *Asian and Pacific Migration Journal*, 2020: the post-war period was the "golden era"; the number of qiaopiju "declined from its peak of 200 in the late 1940s to about 60 in 1970". ↩

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8. “Qiaopi: Remittance letters from Chinese migrants”, *Culturepaedia*, accessed September 2026: the qiaopi were “included in the UNESCO Memory of the World Register in 2013”. ↩

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