

TO: MUNICIPAL MANAGER 1991 JUNE 04

FROM: DIRECTOR PLANNING &  
BUILDING INSPECTION

SUBJECT: MUNICIPAL PARTICIPATION IN AN INVESTMENT AND TRADE MISSION TO HONG  
KONG AND TAIPEI

PURPOSE: To provide Council with information on the recent Investment and  
Trade Mission to Hong Kong and Taipei that was participated in by  
the Municipal Economic Development Officer from May 17, 1991  
through May 27, 1991.

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RECOMMENDATION:

1. THAT Council receive this report for information purposes.

**R E P O R T**

1.0 SUMMARY:

- 1.1 This report provides an outline of the recent trade and investment opportunities mission to Hong Kong and Taipei in which the Municipality's Economic Development Officer participated. The mission was co-sponsored and organized by the Provincial Ministry of Development Trade and Tourism and included six participants from B.C. along with staff of the B.C. Representative Offices in Hong Kong and Taipei. The report provides the names of the participants in the mission, a summary of the Economic Development Officer's itinerary, the type of contacts made on the mission, and finally, information on follow up activities that will be examined and reported on to Council in order to pursue attracting and facilitating many of the business and investment opportunities that are possible. The total costs of Burnaby's participation on this trade mission were under \$2,000.

2.0 BACKGROUND INFORMATION:

- 2.1 On 1991 April 08, Council authorized the Municipality's Economic Development Officer to participate in an investment and trade mission to Hong Kong and Taipei Taiwan which was co-sponsored and organized by the B.C. Ministry of Development Trade and Tourism. The Ministry offered to pay for 50% of the associated costs which was estimated at approximately \$4,000 of which the Municipality would provide a contribution of \$2,000. The Economic Development Officer would be participating with the B.C. Government in their booth at the Hong Kong Trade and Investment '91 Show which would be held in the Hong Kong Convention and Exhibition Center from May 23 through 26 1991 and in the delivery of two Investment and Trade Seminars promoting business in B.C. to be conducted in both Taipei and Hong Kong.
- 2.2 Upon the Economic Development Officer's return, a report outlining the contacts made, events undertaken, accomplishments and required follow up was requested by Council for information purposes.

### 3.0 PARTICIPATION IN THE INVESTMENT AND TRADE MISSION:

3.1 The following people from British Columbia participated in the mission:

1. Mr. Chris Nelson, Assistant Deputy Minister, Ministry of Development Trade and Tourism.
  2. Mr. Lorne Sivertson, Assistant Deputy Minister, Ministry of Development Trade and Tourism.
  3. Ms. Susan Scullion, International Investment Counsellor, Ministry of Development Trade and Tourism.
  4. Mr. John Lainsbury, Economic Development Director, City of Vernon
  5. Mr. Lino Siracusa, Business Development Manager, City of Richmond.
  6. Mr. Phil Sanderson, Economic Development Officer, Municipality of Burnaby.
- 3.2 The Provincial Ministry of Development Trade and Tourism operates Trade and Investment Offices in both Taipei and Hong Kong. Staff from these offices had considerable involvement in this mission. The respective Directors of the Taipei and Hong Kong Offices are Mr. Michael Craddock and Mr. Dickson Hall.

### 4.0 MISSION ITINERARY:

The most effective way of providing an appropriate overview of the investment and trade mission will be to summarize the daily itinerary and include the important highlights, contacts made, and events attended. In order to maintain an appropriate degree of confidentiality, the majority of contacts made and related companies will not be outlined in this report, but can be provided to Council under separate cover if requested.

#### 4.1 Saturday, May 18, 1991 (Taipei)

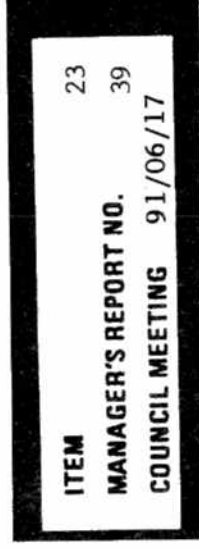
- Left Vancouver at 1:30 PM on Friday, May 17, arrived in Taipei at approximately 7 PM. Met with Mr. Fritz Renger, Vice President of Hitchcock International Ltd. based in Taipei who is involved in arranging for the manufacturing of a variety of specialty products in Southeast Asia for sale and distribution primarily in North America.

#### 4.2 Sunday, May 19, 1991 (Taipei)

- The mission contingent was briefed by the Director of the B.C. Investment and Trade Office, Taipei.
- Site tour of the Taipei New Town Project conducted by the two owner/developers of the project. The Taipei New Town Project is a large hillside single family and townhouse development located south of Taipei which presently includes approximately 2,000 units. The project has been underway for about ten years and will take another ten years to complete with a total of 4,000 units to be constructed. The unique aspect of this project is that these developers are pioneering the 2 x 4 wood frame construction technique which has not previously been undertaken anywhere in Taiwan. Several of the larger single family homes in the project fully utilize standard 2 x 4 wood frame construction techniques. All of their wood products are imported from B.C. and they have also hired three construction managers from the Greater Vancouver area to manage this part of their project. The two principals of this company are also part of a larger business group who are involved in a variety of other businesses including the importation of European automobiles, dairy products, and beverages.

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- . This is of particular interest to Burnaby since Royal Oak College was recently developed in Burnaby which specifically provides training to Japanese architects and construction people in the 2 x 4 wood frame construction technology which ultimately promotes the sale of B.C. lumber products to the Orient.
  
- 4.3 Monday, May 20, 1991 (Taipei)
  - . Meeting at the head office of CETRA, the China External Trade Development Council located in the Taipei World Trade Center. Co-sponsored by the government and private industrial and business organizations, CETRA is Taiwan's foremost trade promotion body which provides a wide range of services to the local and foreign business communities. CETRA has 29 overseas branch offices including one in Vancouver. Prior to leaving for Taiwan, Mr. Sanderson met with the Director of their office in Vancouver for a briefing. After receiving a formal presentation from Mr. Richard Tsai, the Deputy Executive Director of the CETRA head office, the B. C. contingent was given a tour of the Taipei World Trade Center which includes a recently completed, state of the art Exhibition Hall, International Convention Center, and International Trade Mart.
  - . Meeting with the President and principal of a well established immigration consulting firm with head offices in Taipei and branch offices in the Vancouver, Montreal, Toronto, and Hong Kong. Mr. Sanderson had met previously with their Vancouver office staff and assisted their office some months ago by conducting a Burnaby seminar for approximately 30 of their investor/immigrant clients which was conducted at the B.C. Club located on the former Expo grounds.
  - . Dinner meeting with the B.C. contingent and a group of leading Taipei businessmen which included one of the principals of the Taipei New Town project mentioned above; a person who is involved in real estate development, media, manufacturing, etc.; the owner of a large steel business; a businessman who among many business interests is the owner of a professional baseball team in Taipei; the president of a major Asian hotel chain; a businessman and former Rotary Club President. Three other well established Taipei businessmen who own various trading companies were also in attendance at the dinner meeting.
  
- 4.4 Tuesday, May 21, 1991 (Taipei)
  - . Participated in the B.C. Regional Business and Investment Seminar which was held at the Grand Hyatt Hotel in Taipei. A copy of a newspaper article that appeared in the China Post regarding this seminar has been attached for Council's reference.
  - . Each of the members of the B.C. contingent presented a specific portion of the seminar which was conducted over a two hour period. The seminar was attended by approximately 75 Taiwanese business people who were interested in the business and investment opportunities in B.C. along with information regarding immigration. Mr. Sanderson has obtained a list of the attendees and will be sending appropriate information about Burnaby to each person.
  - . Left Taipei in the late afternoon and arrived in Hong Kong at approximately 9:00 pm.



4.5 Wednesday, May 22, 1991 (Hong Kong)

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- Meetings with the president of a company involved with international banking and investment brokering. This person provided a tour of Hong Kong, Kowloon, and the New Territories to include, new town developments, housing sites, the university, sports stadium, business and retail districts of Kowloon, the banking district of Central in Hong Kong and the Stanley area on the south side of the island.
  - Dinner meeting with Mr. Jay Branegan, Deputy Bureau Chief of Time Magazine in the Hong Kong Bureau Office. Through mutual friends living in Vancouver, meeting arrangements were made prior to Mr. Sanderson's departure. Mr. Branegan coincidentally authored the recent cover story appearing in the May 13, 1991 issue of Time Magazine which covered Hong Kong and the concerns over the 1997 takeover. A copy of this article is attached for reference purposes.
- 4.6 Thursday, May 23, 1991 (Hong Kong)
- Briefing given to the B.C. contingent by the Hong Kong office of B.C Trade and Investment.
  - Opening ceremonies of the Hong Kong Investment & Trade '91 at the Hong Kong Convention and Exhibition Center.
  - Attendance at the Trade Show in the Hong Kong Convention and Exhibition Center which ran from 10 am until 7 pm. The Province of British Columbia with the assistance of the Economic Development Officers operated a booth at the trade show along with approximately 100 other government and private sector participants. The Trade Show ran from 10 am to 7 pm Thursday May 23 through Sunday May 26.
  - Participated in the last of the two B.C. Regional and Investment Seminars which was also held at the Hong Kong Convention and Exhibition Center using the same format as the first seminar held in Taipei as described above. A list of the attendees for appropriate follow up has been obtained by the Economic Development Officer.
- 4.7 Friday, May 24, 1991 (Hong Kong)
- Meeting with the marketing manager of an electronics company which manufactures childrens educational electronic toys and electronic keyboards. A tour of their manufacturing facility was provided by the marketing manager.
  - Attendance at the Trade Show and working in the B.C. booth.
  - "Festival Canada" Preopening Ceremony officiated by Prime Minister Brian Mulroney and the Governor of Hong Kong.
  - Dinner Meeting with a group of Hong Kong businessmen representing a variety of business interests. Included at the meeting were the Managing Director of a company involved in the production of plastics and related products; a businessman who is involved in corporate finance with a major worldwide bank; the Director of a company involved in the hotel business and real estate development; the Managing Director of a group of companies involved in textiles, chemical production and real estate etc.; the Manager of overseas banking with a major worldwide bank; the owner of a large garment manufacturing company. Several others who represent significant business interests in Hong Kong, Mainland China and other Southeast Asian countries were also in attendance.

- 4.8 Saturday, May 25, 1991 (Hong Kong)
- Attendance at the Hong Kong Investment & Trade '91 and working in the B.C. booth.
  - Dinner meeting with the Managing Director of a garment manufacturing business.
  - Meeting at the hotel with three Hong Kong businessmen involved in paint manufacturing, and the shipping industry.
- 4.9 Sunday, May 26, 1991 (Hong Kong)
- Attendance at the Hong Kong Investment & Trade Show '91 and working in the B.C. booth. Over the four day period made contact with numerous individuals from a variety of business sectors who expressed interest in investment and business opportunities in B.C. and specifically Burnaby.
- 4.10 Monday, May 27, 1991 (Hong Kong)
- Met with the Managing Director of a major diversified company which manufactures a variety of electronics products that are distributed worldwide. Departed Hong Kong in the late morning and arrived back in Vancouver at 10 am the same day.
  - Returned to work on Tuesday morning, May 28, 1991.

#### 5.0 GENERAL COMMENTS:

- 5.1 This investment and trade mission is considered to be extremely successful as a first economic development effort participated in by the Municipality. In this regard, Burnaby was able to raise its international profile and obtain a great degree of exposure to a variety of significant and influential business interests in Hong Kong and Taipei. The contacts that were established with individual businessmen and numerous related investment and business organizations such as CETRA and the immigration consulting group mentioned above should prove to be of great value to Burnaby.
- 5.2 There is a considerable amount of interest in B.C. from a variety of business interests in the Orient. Canada along with Australia, New Zealand and the U.S. are well positioned to receive the benefits of trade, joint venturing, technology transfer, investment and development. Several of the opportunities explored with many of the business contacts were in the areas of high technology, research and development, food manufacturing, specialty manufacturing, electronics, garment manufacturing, retailing, plastics, hotel development, private recreation facilities, the film industry and education. Ultimately, this effort is intended to bring new capital investment into the community, diversify our economic base, enrich our multicultural fabric and create more well paying employment opportunities.
- 5.3 The businessmen and women mentioned above represent only a portion of the contacts that were made on the mission. Many additional contacts were made at the Trade Show along with those in attendance at the two seminars. At this point in time it is difficult to predict the extent to which any of the contacts made and exposure received will provide specific results. However, following up on these contacts will provide the greatest likelihood of bringing business and investment opportunities to fruition.

- 5.4 Burnaby has much to gain by endeavoring to establish an economic and business profile in the Orient. There is a tremendous amount of interest, capital, technology, and human resources in the Orient that can benefit our entire community through trade, joint venture activity, and investment from Hong Kong, Taiwan and Japan. British Columbia is very well known and respected in the Orient and Burnaby is relatively well known as an established community with many business opportunities and as a desirable place to live. Burnaby has reached a mature state in its evolution where it can justifiably raise its profile in order to pursue economic endeavors that will benefit a broad spectrum of the community as outlined in the Economic Development Strategy.

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**6.0 THE NEXT STEPS/FOLLOW UP:**

- 6.1 In order to fully realize the potential benefits from this investment and trade mission, we will review the follow up efforts required to establish a good relationship with the contacts that have been made along with making new ones as the opportunity arises. One important follow up activity will include correspondence. In this regard, letter with accompanying information related to their respective business interests will be sent to each individual contact that was made by the Economic Development Officer. Reciprocal visits to Burnaby by Hong Kong and Taipei business interests are also anticipated in the near future which would involve some minimal expense and assistance from the staff of various Municipal Departments. The value of return trade missions made to build and maintain a networking relationship which could be undertaken jointly with the Provincial Government, independantly, or on a co-ordinated basis with several municipalities working together to share expenses, contacts, etc. will also be examined.
- 6.2 Burnaby was very fortunate to have been able to participate in this investment and trade mission which was well organized and received in both Hong Kong and Taipei by the respective business communities. Many long term benefits to the community can be derived from this type of endeavour. However, in most cases, the beneficial results are not achieved overnight but rather take a certain amount of time and a fair degree of effort to be realized. As a result, we will continue to pursue the many opportunities that are possible by employing the follow up activities outlined above. Further information on the progress of these activities and other appropriate measures that may be taken to further Municipal objectives in this area will be provided to Council as required.

PDS/ds

Attachments



A. L. Parr,  
DIRECTOR PLANNING &  
BUILDING INSPECTION

ATTACHMENT 1

## Boeing delegation to court ROC plane markets

Boeing Aerospace Corp., one of the leading aircraft manufacturers in the United States, has sent high-ranking officials to the Republic of China to offer a better deal on the sale of its airplanes than it has in the past, according to the Chinese-language Economic Daily News.

This U.S.-based jet airliner manufacturer giant hopes to beat its competitors from Europe as well as the States in the race to sell planes to the ROC. Boeing officials met with those foreign makers.

## Business Spotlight

### UK trade mission in town

A trade mission from the coron of West Sussex Institute of Federation of Sussex Industries and Chamber of Commerce will visit Taiwan from May 20 to 24 to develop trade with Taiwan.

Mission members include John Cox of Ace Sanderex UK Ltd, Mrs Robson of Corner Keep Ltd, Carmel Bond of H.M. Suppliers Ltd, Paul Toben of Molbrink Mercantile Ltd., A.J. Coombe of Sturtevant Engineering, Chris Robson of Rolatrim Ltd, R. Carberry of Quintessence Frangrances Ltd., Jacqueline Forsyth of BESS College, Steve Cor-

### \* BC to hold investment seminar

The representative office of British Columbia, Canada announced it is sponsoring a seminar on regional investment opportunities in BC, Canada on May 21 at the Grand Hyatt Taipei, announced Michael Craddock, director, BC representative office in Taiwan.

The seminar will focus on opportunities available to companies and individuals in Taiwan who are interested in investing in the various regions of British Columbia. It aims to educate participants of the opportunities available beyond the boundaries of Vancouver City by highlighting the unique characteristics of BC's eight economic regions.

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Taipei (CENS) With relations turning sour between Czechoslovakia and Communist China, the ROC is set to send a high-powered trade mission to visit the East European nation shortly, the Economic Daily News (EDN) reported.

Vice Economics Minister P.K. Chiang will lead the mission set to depart at the end of this month.

Czechoslovakia is a member of the Chinese National Association of Industry and Commerce. It will also visit Prague in early June at the invitation of Czech President Vaclav Havel, the paper said.

## Taiwan traders taking interest gap, bankir

An increasing number of traders have recently paid off their previous New Taiwan dollar loans and then obtained funds calculated in U.S. dollars, taking advantage of the significant gap of interest between the two currencies, a chief executive officer with an American "bank" here said yesterday.

"What prompts traders to borrow U.S. dollars instead of the local currency is a 2-3 crepancy in their interest rates," he explained. Traders would normally borrow in U.S. dollars, but they are now borrowing in New Taiwan dollars. As a result, some banks operating here have increased their overseas liability account for up to 90 percent in the past few months. The ratio was a percent in the past few years. In a recent meeting with financial "burden" in the U.S. dollar market, he said. "We are now seeing a new wave of interest in U.S. dollars."

## Bank Montreal exec to visit ROC

On May 28, the Canadian Trade Office in Taipei will hold a luncheon in his honor at the Grand Hyatt during which Barrett will address some 120 business leaders on the world economic climate and the strength of Canadian banks at this time.

Matthew W. Barrett, chairman of the Bank of Montreal in Canada, is scheduled to arrive in Taipei on May 27 for a short visit. While in Taipei, Barrett will meet with high ranking government officials and local bankers.



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## Hyatt welcomes business group



Over 70 members of the Japanese Federation of Economic Organizations group arrived at Grand Hyatt Taipei recently. Top Japanese companies such as Seiko, Sony, Mitsubishi, Toyota, and Sumitomo as well as ministers from the House of Representatives and House of Councillors. Officials from the Ministry of International Trade and Industry, Japan Chamber of Commerce, Tokyo Chamber of Commerce are also included.

Pictured welcoming Shoichi Akazawa, president of the Japan economic foundation is Marc R. Hediger, manager of Grand Hyatt Taipei.

## W

## Asian Securities

## TAIEX INDEX

- Non-Financial Ind
- Economic Daily N
- Mfg. & Svc. 31.51
- Manufacturing 20
- Cement 13
- Food
- Plastic
- Textile
- Electrical
- Paper
- Construction
- Financial

Investor confidence a large opposition markets. The TAIEX close at 6018.04. The dealing department is in bellwether. Following Sunday's announcement, the index close at 6157.02. People's anger for lively mild, the waves of panic sell off the index in a mark to close at 5 hunters helped the confidence quickly

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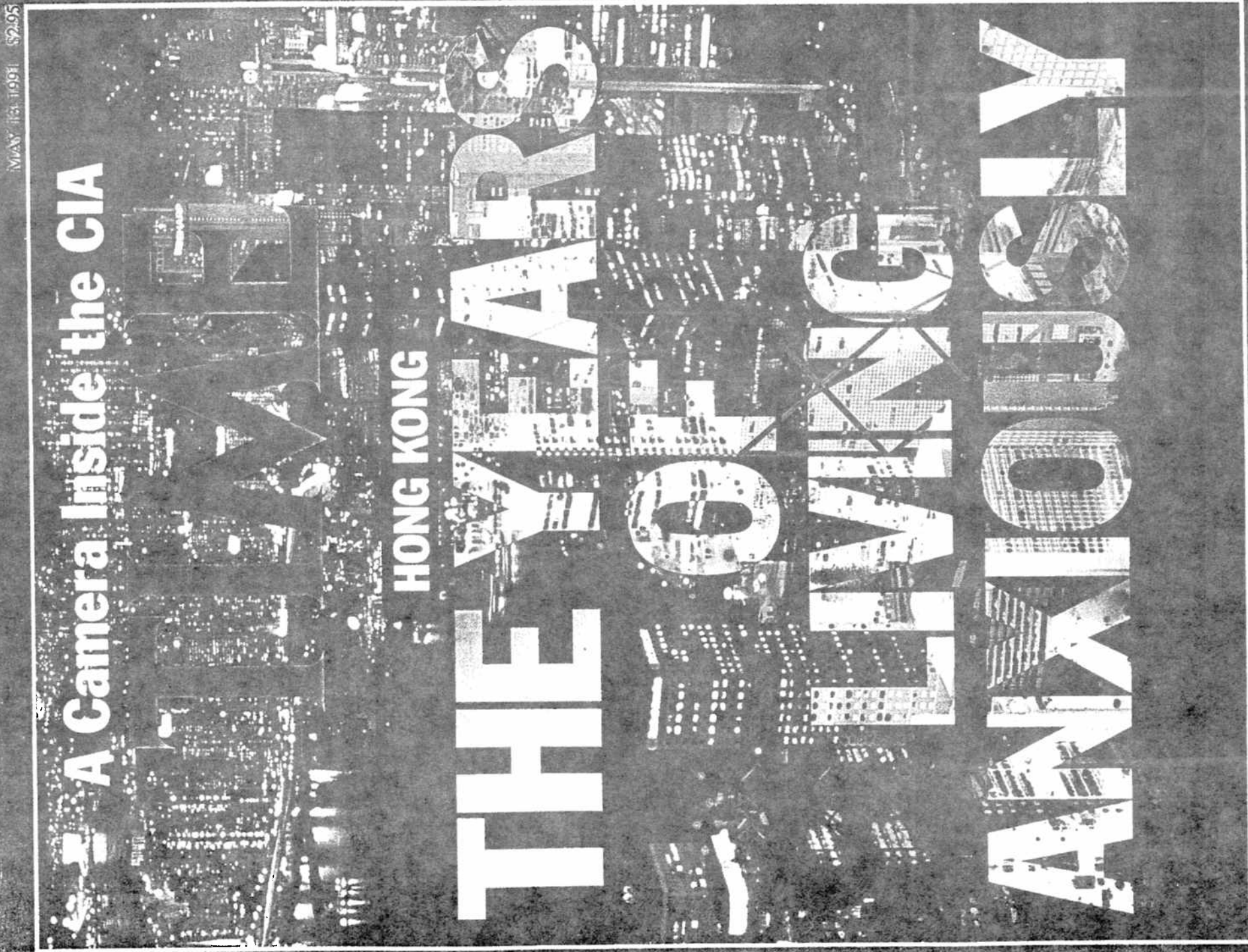
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ATTACHMENT 2

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Cities

• COVER STORY

# Petris of 1997

*Too many people, too much noise, too much work—and now, Hong Kong is anxious about its future*

By JAY BRANEGAN HONG KONG

**A**h, life in the World's Most Exciting City. You can open a company, close a deal and get a custom-tailored suit, all in 24 hours. You can live in a luxury high-rise overlooking a magnificent natural harbor thronged with ships from around the globe. There, in the last jewel left in the British colonial crown, an unreconstructed enclave of laissez-faire, you can sip Cognac with old-money expatriates or rags-to-riches local tycoons. Rolls-Royces, shark's-fin soup, the world's finest hotels, the greatest bargains—you can have it all.

That is the Hong Kong of travel posters and epic romances. But most of the crown colony's nearly 6 million ethnic Chinese live in a different Hong Kong, a city of cramped apartments, vast crowded public-housing developments and work, work, work. They spend their days striving to make a living in a demanding "I need it yesterday" business world dominated by hard-driving entrepreneurs with a time-is-money credo. At night many ambitious young office workers have little time for dinner because they are rushing off to evening classes in computers, accounting, English and other subjects that can speed their job promotions. Parents hurry home to help their children with schoolwork. The result, says psychology professor Michael Bond of the Chinese University of Hong Kong: "The pace of life here is a lot faster than anywhere else in the world."

And a lot harder on the nerves. Given a flimsy social safety net, a society driven to achieve and an obsession with material wealth, Hong Kong is a pressure cooker in a class by itself. "Stress has always been high here," says Jenny Mak, a lecturer in applied social sciences at Hong Kong Polytechnic. "From a very young age

you are socialized to be competitive."

More anxiety comes from living in perennial uncertainty at the southern tip of China. During periodic upheavals on the mainland, such as the Cultural Revolution of the 1960s and the Tiananmen Square massacre in 1989, Hong Kong's blood pressure went off the scale.

And the biggest upheaval is coming ever closer: the 1997 takeover—unless China's present leadership is changed before then—of a freewheeling capitalist nirvana by the hidebound, unreformed communists of Beijing. The prospect has already sent thousands of families—an estimated 62,000 people last year alone—looking for new homes overseas. For many of those who remain behind, the questions of whether, how, where and when to emigrate can be all consuming. Even those who will end up staying (perhaps 90% of the population) may face distressing departures of families and friends, as well as worries about Hong Kong's future economy and, most important, China's true intentions toward the enclave. Says Mak: "Nineteen ninety-seven has added a whole new dimension of stress."

The outsider may wonder why Hong Kong's collective psyche does not crack. Streets, buses and subways are nearly always crammed with jostling crowds. The din of pile drivers and jackhammers fills the air as developers rush to build apartments and offices to squeeze a last few dollars from the pre-1997 economy. At lunchtime secretaries and clerks barely have time for a quick bite at one of hundreds of fast-food outlets. White-collar workers prefer noisy dim sum restaurants, where waitresses wheel around carts laden with steamed delicacies; the cacophony gives them the ambiance of the soybean pit at the Chicago Board of Trade. With peak decibel levels that can damage hearing, one study concludes, a typical Chinese restaurant is so loud that 40% of normal table conversation is drowned out.

Inside the light-industry factories and trading offices that line the narrow streets, the pressure for social and economic mobility brings its own kind of strain. Born largely of immigrant stock from southern China, Hong Kong citizens are convinced that brains and hard work can make anyone a millionaire. While that can be an inspiration, says psychiatrist Bernard Lau, "seeing other people in the workplace surpass you and become rich and prosperous can be very stressful." One of the most popular sayings among local Cantonese is "Never fall behind others." Surveys show that the locals rank money just after good health as the most important ingredient of happiness.

The result, as employers happily note, is a striving, ambitious work force for whom overtime is routine and moonlighting is common. One international marketing study covering 14 countries found that

Hong Kong workers are more driven to succeed than those in any other place, including Japan and the U.S., and are more materialistic. Yet unlike Westerners, Hong Kong people do not want to get wealthy in order to relax and put up their feet. "The idle rich is a rare species here," says Professor Wong Siu-lun, head of the sociology department at Hong Kong University. "People don't seek money for personal enjoyment; they want it for social status."

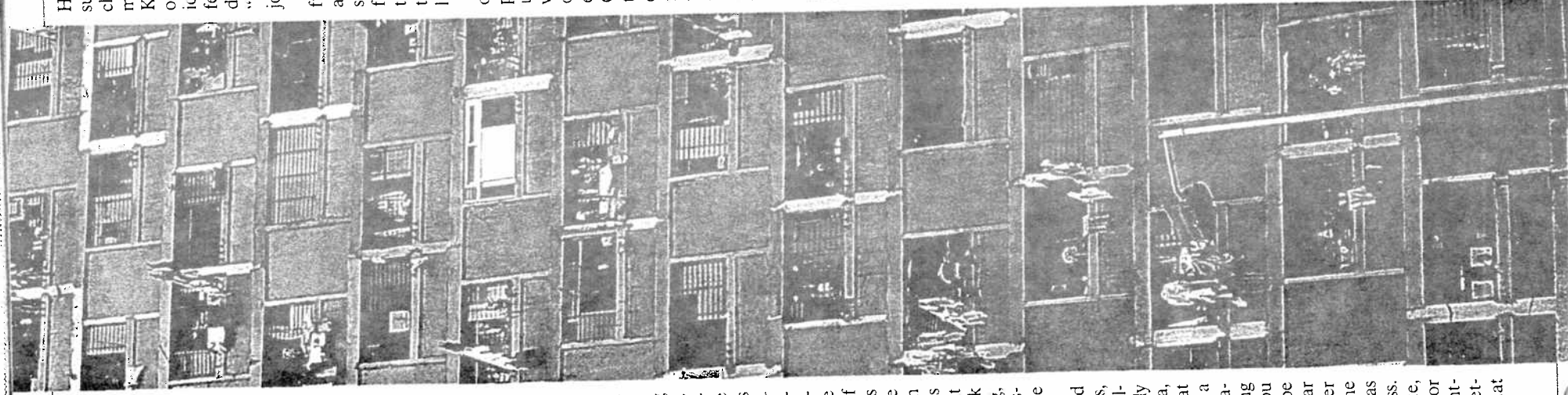
That means that even for the successful, there is virtually no letup in the drive to achieve ever more. The same marketing survey claims that 62% of the respondents feel "under a great deal of stress most of the time," that more than half are usually tired, and that nearly three-quarters think life is changing too fast.

Small wonder, then, that Hong Kong is one of the world's leading markets for the portable telephone: an expensive, conspicuous, high-status gadget that lets you work while walking down the street or eating in one of those clamorous restaurants. Even escapist literature may provide no escape. One of the colony's best-selling pulp-fiction writers, Leung Fung Yee, a publishing executive and popular newspaper columnist who churns out tearjerkers set in the boardrooms and bedrooms of the financial set, has simple advice for the lover: "From Monday to Saturday you work; having a full-time broken heart is not good for the bank balance."

**T**he compulsion to succeed, and succeed big, begins early, almost as soon as children enter the highly competitive school system. Parents put so much emphasis on education, child-welfare workers say, that bad grades are the leading factor in child abuse, involving up to 60% of cases. "In many Western countries it is infants and toddlers who are the usual victims," says Priscilla Lui, director of the volunteer organization Against Child Abuse. "But here many are ages six to eight because their parents have such high expectations for school performance." Among Chinese families, she adds, "to spare the rod is to spoil the child."

In one case, Lui recalls, a mother, angered that she had been summoned to school to discuss her eight-year-old's poor grades, stripped the girl, wrote the words "Lazy Pig" on her face with a pen, and forced her to ride up and down in the elevator of her apartment building. More common are working mothers who take a week off to help their children prepare for exams in primary school. Says a busy secretary who recently used vacation time to tutor her daughter, 7: "I don't want my daughter to have any bad marks on her record."

Education is considered a traditional virtue in Chinese culture. For Hong Kong's strivers, though, the maxim may not be the proverbial "Scholars are superior to all other walks of life" but rather the bottom-line



**High-rise apartment: high stress level**



"Golden houses and beautiful wives may be found through study." Recent history contributes to the message: the typical Hong Kong resident comes from a family that fled China and was forced to leave everything behind. "In this refugee mentality," says sociologist Wong, "education and skills are mobile and transferable assets." A final dollop of pressure comes from the wide gap between hope and reality in an elitist educational system: only about 1 primary-school student in 20 will earn a coveted spot at one of Hong Kong's two universities.

In this scholastic hothouse, one poll shows, high school students spend an average of 60 hours a week in class or doing homework and flock to after-hours tutorial schools for extra help. During exam time, because apartments are noisy and school study rooms overflowing, some youngsters take their work to the departure areas at Kai Tak Airport, where they can study in peace. Yet despite such devotion to academics, the survey shows, nearly half of high school students feel their efforts are not good enough. In a poll of primary-school pupils released last month, more than 40% say they have considered committing suicide.

Looking at such evidence from the outside, says Mak, "we should all be crazy." But, she adds, "the place has not gone crazy." Like residents of other frenetic cities—Tokyo or New York—most people in Hong Kong have learned, outwardly at least, to adjust to the pace, even to thrive on it. Many émigrés consider moving to clean, scenic Vancouver, British Columbia, a city much admired by Americans for its quality of life. "It was like an old folks' home," sniffs a medical technician who has just returned from a scouting trip. "Soooooo boring." Stress makes us great, say Hong Kong people; it is the source of economic success.

Yet it seems to many that Hong Kong residents have a special way of coping. "I've not been able to find this amazing degree of adaptability anywhere else," says John Koo, a practicing clinical psychologist in Hong Kong. Experts have a host of theories to explain why: the immigrant heritage that keeps immediate demands low, for example, or the respect for elders that makes it tolerable to live with older relatives in cramped quarters. Surprisingly, for one of the world's most high-tech cities, the experts also credit widely held traditional Chinese beliefs and superstitions, such as *yuan* or predestination, fortune telling, lucky numbers and geomancy, known as *feng shui*.

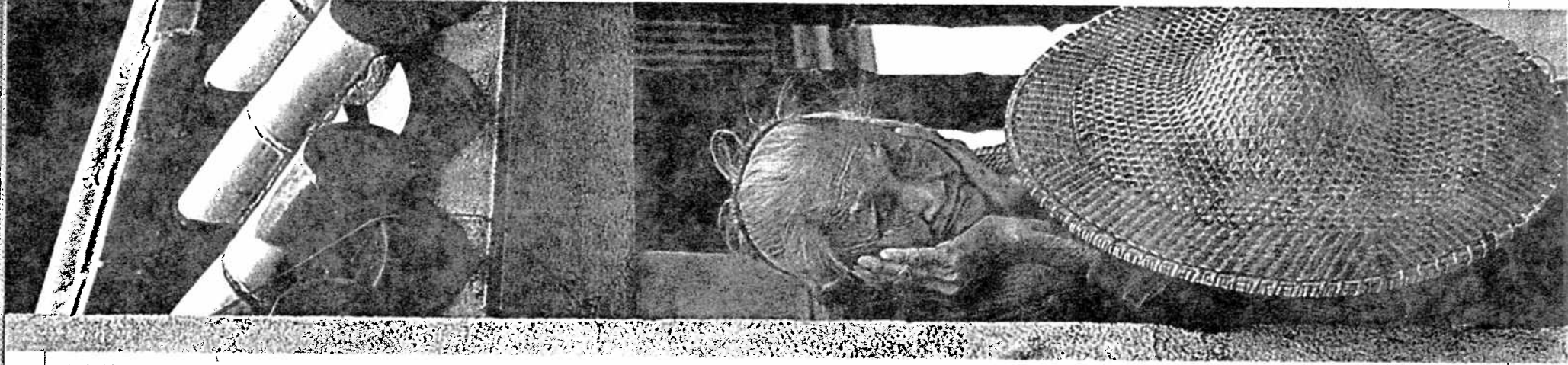
Those beliefs are evident in a mania for gambling, from the ubiquitous mah-jongg games to horse racing at Happy Valley and Sha Tin, where bettors wager nearly \$12 million a race, one of the highest figures in the world. A wealthy textile-company owner once bid \$641,000 for automobile license plate No. 8, considered the luckiest of num-

bers. Every day thousands of people stream to the Wong Tai Sin Temple, which is surrounded by high-rises in the shadow of the airport, to consult the scores of fortune tellers plying their trade there. Explains Koo: "A Westerner might take the blame if he fails. Here we shift responsibility and say, 'The stars weren't favorable.' That makes a person less vulnerable."

Cultural tradition also keeps the Chinese from complaining openly about mental problems, perhaps masking just how troubled people really are. Despair does show up in medical complaints, such as headaches and stomach problems, doctors say, and a preliminary study at Hong Kong University reports that the incidence of perforated ulcers, often an indication of anguish, is steadily rising in the territory while it is generally falling everywhere else. An authoritative questionnaire of 1,600 people shows that a quarter are suffering from mental health problems. Says psychiatrist Lau: "They're not sick, but they're not healthy either."

**A**nxiety over 1997 could push many over the edge. Under Deng Xiaoping's "one country, two systems" principle, China has agreed to give Hong Kong a "high degree of autonomy" after unification and to preserve its life-style and capitalist system for 50 years. Many in Hong Kong do not believe that. "You can't trust the communists" is the familiar refrain. Skepticism turned temporarily to panic after the June 1989 crackdown on pro-democracy demonstrators in Beijing, and China has done little since to restore confidence. Beijing squelched British efforts to introduce more democracy to the colony, for instance, and is currently locked in a struggle with London and Hong Kong over a proposed \$16 billion project to build a new airport, highways and port facilities. Contrary to the British interpretation of the hand-over agreement, Beijing is demanding a say in the airport and other major projects in the territory before 1997, and colonial officials have hinted that they would sooner scrap the vitally needed facility than accede.

As a result, says political commentator T.L. Tsim, "you can hardly find a family that isn't talking about 1997. It has become a major part of everyone's life," especially for the middle and upper classes. Nineteen ninety-seven affects decisions as basic as marriage, children and home. Beyond the popular quip that an eligible bachelor is one with a foreign passport, there are reports that young people are choosing to live together without getting married (not yet as fashionable a practice as in the West) in the belief that a single person has a better chance to emigrate. The birthrate plunged last year to a historic low—a vote of no confidence in the future. Many couples are trading down to smaller apartments to save money and build a cash reserve. A middle-rank civil servant has



**At a local temple: Is life changing too fast?**

**Cities**

moved with his wife and two young children from a 102-sq-m apartment to one only 65 sq m, "in case we need to make a down payment someplace else."

By far the most difficult decision a family must make is whether to risk staying or risk leaving, abandoning relatives and friends for a foreign culture and an uncertain economic future. Specialty magazines have sprung up devoted entirely to emigration, and radio and newspapers devote much time and space to the subject. Tam Hung Hoi, a fortune teller at a popular night market, advertises in large red characters **ADVICE FOR A NICE HOME AND GOOD CAREER AFTER EMIGRATION**. Palm reader Fung Loi at the Wong Tai Sin Temple estimates that 20% of his customers consult him specifically about emigration worries. Now, he complains, "business is down because so many have left."

Canada and Australia, with more liber-

al entry policies than the U.S. and Britain, are the destinations of choice for people of means and solid professional or business backgrounds. Those less fortunate, people who lack special skills, money or family connections to qualify for foreign citizenship, have found haven, or at least travel documents, in scores of other countries from Panama to South Africa and Tonga. To stop the resulting brain drain, Britain last year belatedly—and grudgingly—offered U.K. citizenship to 50,000 key government and private-sector workers, waiving the normal requirements to live in England. The U.S. last week began issuing 36,000 conditional immigration visas, good until the year 2002, to employees of American firms and their families. By guaranteeing the visa holders future entry into the U.S., the plan aims to keep them in Hong Kong for now.

In just about every case the decision to

is agonizing. Most would prefer to stay. "I feel very, very sad to leave Hong Kong," said Thomas Wang, 56, before he departed for Canada last month. "I do not want to, but it's because of Tiananmen. Before that, I didn't think of it." For Wang, the conductor of the Hong Kong Youth Symphony Orchestra and a leading violinist, the decision was a painful reprise: he had fled the mainland in 1962. Although he insisted that he suffered little under Mao Zedong because of his privileged position with the Shanghai Symphony, he was reluctant to talk about those days. "Let's just say I don't have full confidence," he said. "I've seen enough in my life." Leaving his students and his esteemed place in the community at the peak of his career, he once again faced the unknown. "I'm not sure about my prospects in Canada," he said. "I hope I can contribute."

Adding to the angst of departure are the reports about hardships, both social



High school: trained to compete from youth



Have phone, will lunch: uninterrupted work

On guard at the jewelers: secured assets

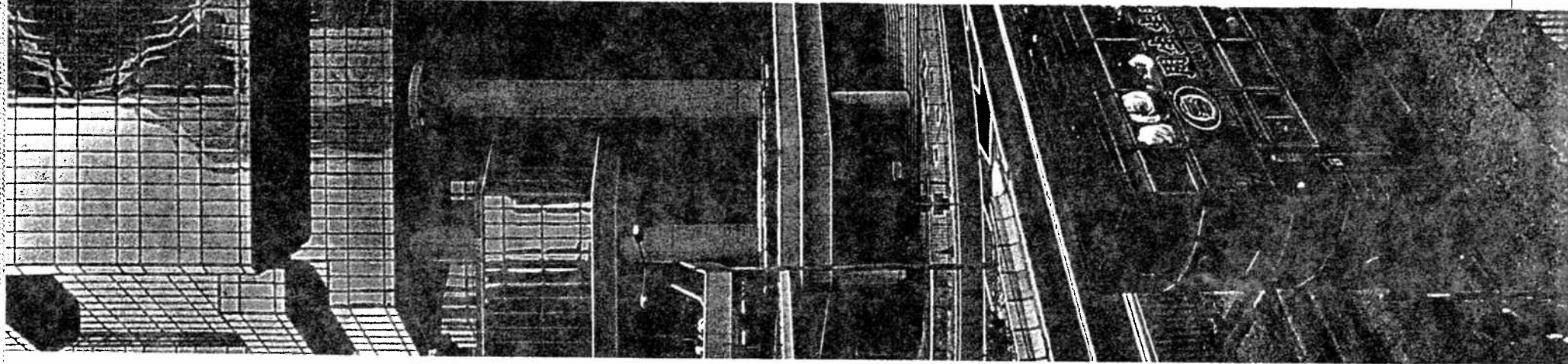


and economic, suffered by earlier migrants. "I served my three years in Canada," says Mildred Brioncs, 38, making it sound like imprisonment. She is back in Hong Kong as an executive assistant at a television station, after securing Canadian citizenship as insurance for 1997. "I was very put off by the way I was treated there," she says. "Employers wouldn't consider my previous experience here, and when I finally got work, they put me on as permanent part time, with no benefits." Her plans for 1997? "Undecided," she says. "I'll see how things go."

What provides the most security? Stay and make money, or sacrifice a career for a foreign passport? The dilemma has split thousands of families, with the wife and children living overseas to satisfy residency requirements while the husband remains at his job in Hong Kong. Dubbed "astronauts," a pun on the Cantonese words for

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"without a wife," they suffer the greatest torment of all. Says a woman who prefers anonymity for fear of being blacklisted by Beijing: "We knew separating was a possibility from the very start, but I didn't want to accept it." She is a nurse who will soon take her two children to Canada, while her husband, a physician, keeps working in Hong Kong. He tried to find work in Canada, but his training and 10 years of experience were virtually worthless because of different accreditation requirements. "The best position I could find," he says, "paid one-seventh what I'm making now."

The couple was shocked in 1982 when Britain first announced that it might turn Hong Kong back to China. "My three best friends and I sat up together all night talking about what it meant," says the doctor. "Now I'm the only one left in Hong Kong." The events in Tiananmen Square, he says, "foreclosed our option of not going abroad." They will get Canadian citizenship in 1994 after meeting residence requirements, and have already blocked out the months when they will be together and apart until then. Says the nurse: "Sometimes I have to convince myself that it makes sense."

**F**or another astronaut, a 38-year-old finance director of a trading company, 1997 has meant packing his wife and teenage sons off to Calgary, Alberta, moving back to his parents' home, spending \$400 a month on transpacific phone calls, and working long hours to avoid thinking about his family. "We did it for the kids, to give them a choice whether to stay in Hong Kong," he says. "But I feel guilty that I can't be with them. It's important at their age." An incentive program by his company offering an extra \$100,000 a year to stay has kept him from leaving for Canada, but not, he admits, without "some very tough discussions with my wife. She wanted to keep the family together, no matter what."

Inevitably, divorce is high among astronaut families, perhaps 40% by one counselor's estimate. "She picked up the Canadian life-style, and we just grew apart," explains a 32-year-old banker and ex-astronaut who is now divorced from his wife, a lawyer. "We had different ideas of security. She thought documentation was the best thing to have; I wanted assets that could carry us away."

The large majority of residents with no chance to leave have, with characteristic Cantonese pragmatism, accepted their lot. "Sure, I was scared by the Beijing massacre, but I can't go anywhere, so I can't afford not to believe China will keep its word," says Elaine Lee, 25, a public affairs assistant at the Kowloon-Canton Railway Corp. "It's senseless to emigrate if you don't have money because you'll wind up washing dishes." Many working-class members and business people alike have



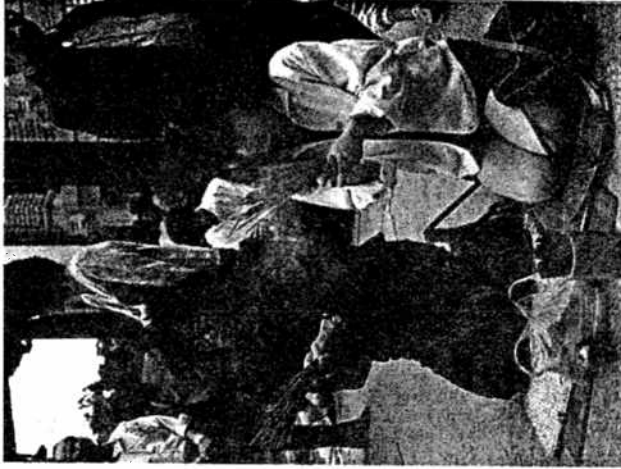
**Dim sum: no-frills food; time is money**

adopted the attitude of the vendor who sells camouflage gear from a market stall in Kowloon. "I believe in the golden-goose theory," he explains. "China needs Hong Kong to be prosperous, so they won't do anything from those pro-democracy agitators."

But even the stay-behinds are not immune to the anxiety that 1997 has brought. Says C. Harry Hui, a psychology lecturer at Hong Kong University: "People here have the same approach as a terminally ill patient. They're asking, What will life be like after 1997? Will all my past accomplishments be undone?"

Hong Kong's glitzy popular culture, dominated by syrupy Canto-pop music and chop-socky kung fu movies, is starting to reflect the conflicts and concerns sparked by 1997. Emigration is treated as an occasion for bed hopping in the romantic-comedy movie *I'm in Love with an Astronaut* and as

**Wooling the gods: lucky stars bring cash**



**By the Bond Center: everywhere, a rush**



**Cities**

a wrenching conflict of cultures in the award-winning *Farwell, China*, about a tragic Shanghai couple devoured by the harsh decadence of New York City. Romance novelist Leung has written two books, with more promised, on 1997 themes. In one, an astronaut housewife sent to Canada divorces her husband after he has an affair back in Hong Kong, but she returns triumphant as head of a dim sum restaurant chain. Local novelist Chan Ho Chuen last year published the more serious *Hong Kong 97*, which examines the impact of Britain's 1982 announcement on the lives of an ensemble of Hong Kong residents, including a history teacher, a secretary and a businessman. Says Chan: "I wanted to show the conflict felt by those who think Hong Kong is rightfully part of China but know the transfer will hurt them personally."

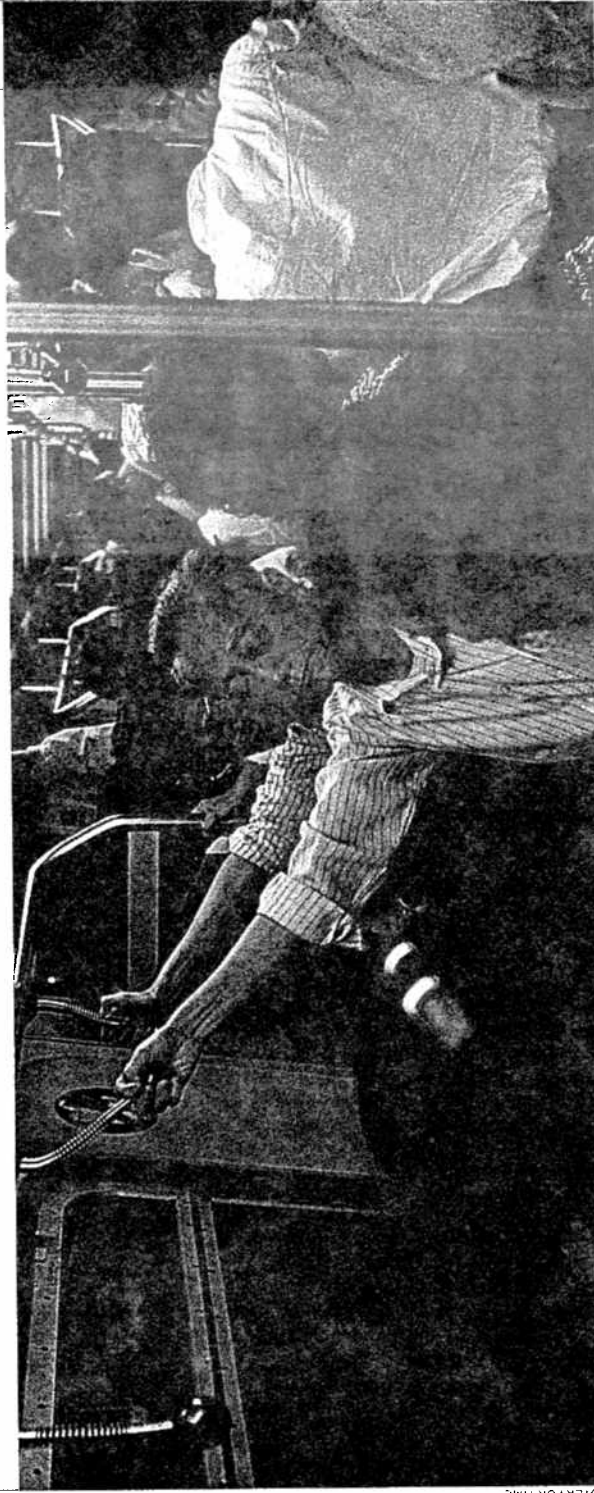
The pain of being left behind is cap-

of *Yes!*, a wildly successful new Chinese teen magazine with an English title that has ridden the *mo lei tau* wave: "Young people feel it's a crazy world. They are frightened by it and want to scream. This does it for them."

Will Hong Kong turn all the strains over 1997 to its advantage, as it has so often triumphed over adversity in the past? Many people are not sure. "Under the pressure of 1997, the sense of community is eroding," says Lee Ming-kwan, associate head of Hong Kong Polytechnic's applied social studies department. Old people are being left behind by their children, often placed in homes for the aged against their wishes. Friends are leaving friends. People are subtly categorizing one another as stayers or goers. "Those who are going to leave want to make a killing," says Mak. "Those who are going to stay will start to feel ex-



Immigration office: looking for a way out



Underground grind: "We should all be crazy"

tured in the song *Be Happy Today*, by a group called the Tak Ming Duo: "Wai Yip is in America, he has lots of plans/ Mary is in Australia, she is warm every day." In another tune, called *Members of the Same Gang*, they sing, "Today we are all flying away/ No one bothers to take a look at the concerns of other people." Singer Sam Hui defies the gloom-and-doomers in one of his hits: "We must hold tight to confidence, build a strong foundation/ We will break through and defeat darkness/ Hong Kong is my home."

Many observers think they see concern about 1997 behind a wave of new humor known as *mo lei tau*, or nonsense comedy. Popularized by TV and screen star Stephen Chiu in his recent top-grossing films, *mo lei tau* is characterized by deliberately pointless jokes. Its practitioners greet one another with quips like "Drink a cup of tea, eat a bun, let's chat." Says Siu Kwok-wah, a popular radio personality and editor

plotted." That, in turn, may destroy the faith in opportunity that has been so important in reducing friction between rich and poor. "The wealthy," says Hong Kong University sociologist Wong, "may be looked on more and more with suspicion and ill feeling."

Some Hong Kong officials are even concerned about a possible breakdown in law and order as 1997 approaches. It is not inevitable, of course, that the social fabric will be shredded. Wong, for instance, notes that emigration by the élites has given those below them more opportunities, and the dispersal of families may actually broaden the social networks that underpin Chinese society and reinforce interdependence. Like everything else about Hong Kong's future, it all depends on China. Enlightened policies by Beijing will ease anxiety and build hope. Another crackdown like Tiananmen might cause high-strung Hong Kong to snap. ■

O Carrada! A family prepares to emigrate

