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A moderate who won't sit on the fence

ONE of Hongkong's newest legislators lays claim to a weird and wonderful history which includes stints as a cough mixture salesman and, reportedly, as a student of the brain of the crayfish.

Fifty-two-year-old Mr Paul Cheng's weightier and more recent appointments have seen him as the 1987 president of the American Chamber of Commerce in Hongkong, and as one of the newest faces in the Legislative Council chamber.

He is also one of six executive directors of the major British trading hong, Inchcape Pacific, where he was recruited as part of a swingeing restructure early in 1987.

Xiamen-born Mr Cheng, an avid tennis player whose sink or swim introduction to the West came as the only Chinese student in a university in rural America, has also made local history. He was the first Chinese-born president of AmCham, the powerful US commercial lobby in Hongkong, the first Chinese executive director of Inchcape Pacific, and the first American citizen to be appointed to the territory's law-making body.

His appointment came three months ago, and was seen as evidence of the governor putting his personal stamp on

Hongkong's political leadership by adding 11 established professionals and businessmen to the Legco line-up. Legco's balance of power was tilted further in favour of a more prudent approach to constitutional developments in the run-up to 1997, commentators said.

Mr Cheng is a staunch moderate. He would not go so far as to say he is apolitical, he argues, but believes he cannot be slotted into the conventional political spectrum. His gung-ho American style — he says he thrives on pressure and challenge — belies a cautious and uncontroverted approach to heated issues which are still fuelled by angry protest among liberals on the streets of the city.

"You need to make gradual change," he said in his Exchange Square office which commands a spectacular view of the harbour but which he sits with his back to, on the advice of a feng shui man.

"Especially when the majority of the population is concerned mainly with making enough money to have a fairly good standard of living, and don't really care about the politics so much."

As an example, he quoted the Sha Tin mock referendum held earlier this week to test views on conflicting proposals for the post-1997 political structure, where fewer than 1,500 people turned up to vote.

"I feel certain political parties and groups are too confrontational right now. We should work with both the government and China to preserve as much as we can beyond 1997. By shouting about this now, is this going to set up instability? Will it in some way jeopardise Hongkong's long-term future? It's too radical and it's too noisy."

Inflation is a bone of contention Mr Cheng was prepared to speak out on: he saw it as a ma-

SUNDAY PORTRAIT

MANDIE APPEYARD meets Cheng, an ardent moderate rising to the challenge of his recent appointment to the Legislative Council.

for short-term problem likely to reach double figures — possibly as high as 14 per cent — by the close of 1989.

"I get the feeling the government is trying to underplay it a little bit. The economic problems faced by George Bush are the most serious faced by any US president," he said, quickly mentioning the national debt, the budget deficit and trade deficit, and looking worried.

"And we in Hongkong are so dependent on the US. As people say, if they catch a cold, we catch pneumonia. I may be asking questions about what the government is planning to do about it."

One would therefore expect him to side with the groundswell wanting government to relax restrictions on the widespread importation of foreign labour, but he said his standpoint had softened.

"Initially I was all for carefully studying the feasibility of importing labour in certain sectors. Then I talked to more and more people and heard stories of how people were able to improve their efficiency by doing something different — by cutting costs and saving labour."

On the touchy subject of traffic, Mr Cheng felt government should be making bolder decisions. He advocated a road pricing system to penalise goods vehicles "jamming up" busy roads during peak hours,

an issue he said he intends to speak out on.

There are other topics dear to his heart. One is the environment in which, he said, he took a personal interest. Hongkong had not acted fast enough in trying to stem pollution, he said, paying tribute to the governor for the interest he had shown in the problem.

Mr Cheng believes government is looking at a bill of around \$25 billion to fight pollution properly in Hongkong over the next decade.

He believes the major long-term issue to be addressed in Hongkong is the infrastructure: the territory must maintain an efficient port and airport to sustain its lucrative role as a thriving entrepot.

His basic tenet is that Hongkong must remain international.

"I feel we are so wrapped up in the future political structure in the current debate that we may be missing a bigger point. The most important thing is to keep (Hongkong) thriving as an international city free of the normal legislative controls that other nations may face, so people can come here freely and invest, and do their best with minimum interference. That's the single most important fact in maintaining prosperity."

He added: "We need to tell the international community, you are welcome here. Where else in the world can you see one country, two systems? And why not take the advantage of making that second system dominant of movement after that date."

He also hoped Hongkong people would get the chance to play a hands-on role in their future, regardless of whether they had secured "insurance policy" second passports.

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□ Paul Cheng: a man with an international background who calls Hongkong home.

language. He was also concerned that immigration issues within the Special Administrative Region should be thrashed out long before 1997, and that citizens continued to enjoy freedom of movement after that date.

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He was pessimistic about the prospects of continued successful emigration.

"There is a big backlash developing in Canada, where the infrastructure can't cope with Asian immigrants."

"If this backlash becomes a political issue, then they have to shut the doors. I think at some point in time the doors will begin to close."

Mr Cheng, who is married to a Yorkshire woman, was educated at Hongkong's La Salle College before studying for a BA degree at Lake Forest College in Illinois, and an MBA degree at the University of Pennsylvania. He began his career with IBM in 1961 in New York, then worked in Malaysia and Thailand before returning to Hongkong in 1969.

He opened the headhunting firm Spencer Stuart and Associates' first Asian office in Hongkong and became Asia region managing director, before joining Inchcape Pacific two years ago, where he is now responsible for consumer, industrial and retail operations throughout the region, and for corporate affairs.

When asked why he believed the governor appointed him to Legco he was uncertain. The two met when Mr Cheng was AmCham president.

"I have no idea. In fact I must ask him," he joked, then added "I am someone with an international background who calls Hongkong home, and knows the place."

Asked whether he saw himself as an American — he is a US citizen — or Chinese — he was born in the mainland — he leaned back in his chair, pondered for a minute, and said "It's a good question."

His answer came down to expediency, he confided with a grin. He saw himself as either depending on what suited him best at the time.