

The TRUE meaning of WEALTH

The rise of Li Ka-shing epitomises Asia's economic miracle. Today, through the Li Ka Shing Foundation, he is using his wealth to help build a better society

By Xu Zhiyuan



“TO ME, the term ‘lifetime’ requires some reflection about the road we have travelled and the course our life has taken,” said Li Ka-shing in a speech in September 2006, when he received the Malcolm S. Forbes Lifetime Achievement Award in Singapore. As Mr Li addressed the select audience of 400 chief executives from every corner of the corporate world, I recalled seeing a photograph of him taken in 1944. He looked forlorn, his body emaciated by extreme overwork, long-term sleep deprivation and hunger. He was 1.7-metre tall but weighed only 46 kilogrammes.

He was 16 years old, and was going through the darkest period of his life. His father's death left him struggling to send money back to his mother and siblings in the family's home-town of Chiu Chow in the Shantou district of Guangdong Province.

It was also the darkest period in Hong Kong's history. The Japanese Occupation was a time of shortages – food, water, fuel and all daily necessities were scarce. Life was hard: the struggling teenager had only a threadbare blanket to keep out the winter cold at night and barely had the strength to pull himself up to his humble bunk bed.

The shadow of death was never far away. Before his father died of tuberculosis, he had discovered that he suffered from similar symptoms – feverish sweats and coughing up blood.

He did not have the money to see a doctor, so he improved the health of his lungs the natural way. At dawn, he trekked up into the hills to breathe the clear, fresh air. He also helped the cooks at the factory where he worked write letters home in exchange for nutritious fish broth that helped build up



畢業典禮



The success of Shantou University fills Li Ka-shing with "an emotion that words cannot express."

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his strength. This was the first major battle in his life, and years later he still wondered about where he found such a strong will to fight on.

Lifetime achievement

That September afternoon in Singapore, I was still perplexed with the question of how that sick, lonely, poverty-stricken 16-year-old had become the richest man in Asia. There was a commotion as soon as the 78-year-old Mr Li strode into the hall, a reflection of the esteem in which he was held by the audience of elite businessmen who had gathered for the awards ceremony.

Wherever he is, Mr Li stands out from the crowd like a superstar. Whether he is conducting a business meeting, fielding questions at a press conference, or attending a meeting in the Great Hall of the People in China, people want to shake his hand, have their photograph taken with him or get his autograph. Once, when he was waiting for his yacht in Hong Kong, a bride left her bridegroom's side in the middle of the wedding pictures to have her photograph taken with Mr Li.

“Few entrepreneurs in Asia, indeed in the world, have achieved so much from such humble beginnings, building a business empire which spans 54 countries and multiple industries,” said Steve Forbes, President and CEO of Forbes Inc. To Mr Forbes, Li Ka-shing is not only the “greatest entrepreneur of our time”, but also the “greatest entrepreneur at any time in history”.

This latest award brings to mind his nomination as the Entrepreneur of the Millennium in 1999 by *The Times* and Ernst & Young, ahead of such names as John D. Rockefeller, Henry Ford, Bill Gates and Akio Morita. In the history of human economic enterprise, few entrepreneurs can match Mr Li's magic touch that has maximised the value of every business he is involved in.

“My third son”

Despite all these awards and honours, Mr Li would much rather talk about the work of his charity, the Li Ka Shing Foundation, than his own illustrious achievements. Shantou University, established in 1981, is one of his favourite topics of conversation and few outsiders realise how much its success means to him.

A university is a place to nurture new ideas. But at first his brainchild was met with indifference and mistrust, especially in a society that had been cut off from the outside world for 30 years, and in the early days even Mr Li himself admitted that his was a “lonely passion”.

By 2006, however, this university, built on what used to be agricultural land, had produced 42 PhDs, 1,081 Masters and 26,169 Bachelor degrees. Mr Li has said that this fills



Mr Li receives the Malcolm S. Forbes Lifetime Achievement Award from Steve Forbes in Singapore.

him with “an emotion that words cannot express”.

One sleepless night, as he was mulling over the future of the Foundation,

it dawned on him that it was an extension of his own life.

In his speech entitled “My Third Son” at the Forbes Award ceremony, he said, “I have dedicated to him not only my assets but all my heart, and I believe that my colleagues in the Foundation and my family, are – and will remain – as committed as I am to serving its causes, reshaping destiny through education and seeking efficient initiatives that can forever help those in need.”

In front of a 400-strong audience of CEOs eager to know the secret of his entrepreneurial success, he had this to say, “We



...reshaping destiny through education and seeking efficient initiatives that can forever help those in need.”

know compassion is not reserved for the wealthy, nor is it the property of a single class, nation, or religion. Exercised freely, it can be both collective and contagious. It can create its own society. It is a work that is eternal in nature, as no one can, or will, know where its influence stops.”

At the press conference to announce the 2006 interim results of Cheung Kong and Hutchison Whampoa, Mr Li revealed that he would donate no less than one-third of his assets to the Foundation. Even before he made this announcement, he was already Asia’s most generous philanthropist. Since its inception in 1980, the Li Ka Shing Foundation has accumulated donations of over HKD8 billion. In January 2005 he donated to the Li Ka Shing (Canada) Foundation the entire USD1 billion he received after selling his shares in the Canadian Imperial Bank

of Commerce. In May of the same year, he donated HKD1 billion to the University of Hong Kong.

The meaning of wealth

“Traditionally, the Chinese view compassion and charity as personal virtues, but this is not enough to balance the indifference shown by a materialistic world to the sick and the poor,” he said in an interview with *Yazhou Zhoukan*. “We have to transform our nation’s destiny with a new way of thinking. This is what I wish to encourage; this is what I want to do.”

In the speech made after receiving the Malcolm S. Forbes Lifetime Achievement Award, he elaborated, “In Asia, our traditional values encourage and even demand that wealth and means pass through lineage as an imperative duty. I urge and hope to per-

suade you, especially all of us in Asia, that if we are in a position to do so, even if our government structure is as yet not geared towards supporting a culture of giving, we must in our hearts see building society as a duty in line with supporting our children. By choosing to apportion our wealth and means – by investing in social capital – as we give to our children, we will, indeed, make the world better for them. Our reorientation of perspective today could bring forth great hope and promises for the future.”

Over the past few years, Mr Li has hoped that his words and deeds can inspire a greater number of people. Acts of charity must be transformed from one person’s moral fulfilment into a power that drives the whole of society forward. Flowing through Mr Li’s veins are many different yet interlocking elements that influence one another – Buddhist compassion, the Confucian mission to put the world right, western style management and capital worth tens of billions of dollars. These combined strengths are ultimately



Seeking his true self

Mr Li often laments the premature end to his schooling and his lack of formal education. Perhaps it is precisely this lack of formal education that has allowed him to break away from the intellectual confines of generations of Chinese people.

Mr Li witnessed the humiliating circumstances of his father, a junior clerk in Hong Kong who had previously been a respected primary school headmaster in Chiu Chow. His father’s misfortune made Mr Li believe that money was somehow a better marker of human dignity than knowledge. Soon afterwards, his father, too poor to afford proper medical care, fell ill and died. Money became directly linked to life itself. Money was a means to keep the family together, and it was also a means of keeping a promise – he had promised his dying father that he would give their family a better life. For him, money was a measure of a person’s worth and the key to freedom and independence. In his early years, money became almost a surrogate religion for Mr Li.

But has money really given him everything? He recalled the bewilderment that he felt in 1958. By this time, he was already a millionaire in every sense of the word, having just moved into a house of more than 2,000 square feet.

He could not sleep during the first night in his new house.

“I believe that our greatest wealth lies in the quality of our soul”

channelled into the Foundation.

“Most business people understand that social progress requires courage, hard work and perseverance; more importantly, they know that a fair and equitable society is built on trust and integrity,” Mr Li said in a speech entitled “The Art of Giving” in June 2004. In this speech, he spoke of the roles and functions of an entrepreneur in modern-day society. He made comparisons between Fan Li and Benjamin Franklin. Fan Li, an important strategist and merchant during the Spring and Autumn Period (777-476 BC) in China, kept changing to fit into the society he was in. In contrast, Benjamin Franklin created a world of the future built on his wisdom, abilities and commitment. By retreating into himself, Fan Li might have found self-fulfilment. On the other hand, Benjamin Franklin inspired others to have foresight, ability and drive, which, in the process of fashioning a better society, would have helped him to find self-fulfilment as well.

In making such a comparison, Mr Li was making an important statement about Chinese society. In the traditional Chinese social order, merchants were placed right at the bottom of the heap after scholars, farmers and artisans, at odds with their real value to society. However, Mr Li believes that in today’s world, the value that business people bring to the larger community is already widely acknowledged.



He suddenly realised that the days of constant worry were over; he would never experience poverty again. Cheung Kong Plastics was one of the few Hong Kong manufacturers of plastic flowers and business was booming. Not only was he free from debt after the initial, difficult period of setting up his business, he was actually astounded by the profits his company was generating for him. He would not need to depend on others anymore.

For the first time in his life, Mr Li was able to enjoy the fruits of his labour. His suits were made by the best local tailor, he wore a Patek Philippe watch and his shoes were made from the softest baby crocodile hide. He drove to work in a fine car and sailed his yacht at weekends. He was brimming with a zest for life and his wealth made him increasingly popular and respected around town.

But he soon discovered that money was not everything. “Wealth can give a person a sense of security, but beyond a certain limit, the need for security will not be so intense,” he later recalled.

In those days, he enjoyed driving along Po Shan Road in Mid-

levels after dinner. The tranquillity of the surroundings allowed him to focus his mind clearly. One night, he started thinking about the real meaning of his life for the first time. When the accumulation of wealth ceased to be the most important thing in his life, what was his new goal? The answer was philanthropy, which gave new meaning to his accumulation of wealth.

The powers of “Superman”

The years between 12 and 16 years old were packed with life experiences. He said, “I bade farewell to my childhood and entered the real world. My tragic experiences had made me grow up quickly. Within a few short years, I had decided on a direction for my life.” The series of early tragedies had given him a fierce sense of independence and ambition. He learned how to overcome dire circumstances and draw lessons from them. From the hardships he saw opportunities to learn and gather the strength he would need to drive his success. The harsh realities of life had honed a unique system of self-management, an amazing capacity for self-discipline and an insatiable appetite for learning.

The years between 17 and 22 marked the beginning of his business education. As a salesman and a general manager in a factory, he came to understand the unique workings of the market and learned how to handle relationships with business partners and how to be a leader. In his early days as an entrepreneur, he became fully aware of the importance of risk management, technological innovation and seeing the bigger picture.

Added to these varied experiences were his rare learning capability, insight and a strong sense of balance and reality. These abilities, together with his feel for numbers and natural talent for business, set him on the path that would eventually lead to fame and fortune, with people even calling him Superman. On 1 May 2000 when his company celebrated its 50th anniversary, Mr Li was in his office alone and suddenly realised that his company had never made a loss in half a century.

A mass of contradictions

Li Ka-shing’s inner world is a mass of contradictions. At times, he feels a sense of superiority befitting his venerable status and age. He believes that “our greatest wealth lies in the quality of our soul”, and he likes the unrestrained poetry of Tao Yuanming and Su Dongpo.

At other times, however, he is deeply concerned about the affairs of the real world. He frowns upon those young people who read undesirable publications on trains; he sheds tears when he sees suffering and pain; he grumbles that Chinese people should have a better sense of value judgement. At times, the degeneration of public morality and human relationships fill him with despair.

All these contradictions are consistent with his business



persona. Many would be impressed by his gentlemanly demeanor. It is well known

that he respects his staff and treats them very well. These traits, however, do not explain how he can lead his enormous business empire with such efficiency and effectiveness. Mr Li sometimes refers to himself as a “kind lion”. But no matter how kind he is, he is still, at the end of the day, a lion.

For many years the media have been asking Mr Li about his retirement plans. He revealed recently that he hoped to reduce his workload in 2008. He will not be resting, however. His plan is to spend more time working for the Foundation.

Mr Li is now the greatest Chinese entrepreneur. Will he become the greatest Chinese philanthropist? Will the passion and imagination he brings to the Foundation take him in yet another new direction?

We will know in good time. But for this 16-year-old who wandered the streets of Hong Kong alone, this 28-year-old who pondered the meaning of life that night on Po Shan Road, this 78-year-old master of his own universe, it is perhaps the constant giving and seeking of new truths that represents the true meaning of our existence.

Three faces of Li Ka-shing: the struggling teenager, the young entrepreneur (opposite) and the master of his own universe.

