

**A**BERDEEN Centre looks much like any shopping mall in Hong Kong. Down its stylish corridors throngs of Cantonese-speaking customers stroll by shops selling everything from dried shark fins and Chinese herbal teas to the newest models of cellular phones, video players and home security systems. A theatre screens the latest offerings from Hong Kong studios.

The difference is that Aberdeen Centre is in suburban Vancouver, Canada, half a world away from the markets of Kowloon.

Built by a family member of the Sun Hui Kai Finance group of Hong Kong, the centre is North America's largest Asian shopping mall. It symbolises the wave of people and capital fleeing Hong Kong's uncertain future in the countdown to 1997, when the British colony reverts to China.

Emigres lured by relaxed immigration laws for wealthy investors, a favourable business climate and wide open spaces, have made Canada their destination of choice. And Vancouver, on the edge of the Pacific Rim, is where most of them settle.

Why Vancouver? Aberdeen Centre owner, Thomas Pung says: "Asians find Vancouver more friendly than anywhere else in Canada."

About 100,000 immigrants have left for Canada in the past five years, as much as the combined totals bound for

# Hong Kong Businessmen Pour into Canada

As 1997, the year Hong Kong is to be handed back to mainland, looms ever nearer, nervous businessmen from the British colony are seeking new homes for their families. Vancouver, on Canada's Pacific coast, has become a favourite destination. The easy-going port is now, proportionately, the most Asian city in North America. But reports Gemini News Service, the flow of wealthy, materialist immigrants has created new tensions there. by Gavin Wilson

Australia and the United States, the next most popular destinations. Since 1987, Hong Kong has been the principal source of immigrants for Canada.

Already home to 200,000 ethnic Chinese as well as many Indians, Vietnamese, Filipinos and others, Vancouver has become, proportionately, the most Asian city in North America. With its mountains, busy harbour and phalanx of modern office towers, the city even looks like Hong Kong.

The Chinese newcomers are having a striking impact on this city of 1.5 million. Many are young, hard-working entrepreneurs who add an aggressive edge to local business; a new class of Cantonese restaurants is springing up downtown; and architects are scrambling to learn feng shui, a system of situating

buildings and homes based on Chinese beliefs.

But the arrival of the new immigrants has not been without problems. Brash, free-spending and frankly materialistic, their values sometimes clash with the easy-going disposition of Vancouver natives.

Called "yacht people" in ironic contrast to the Vietnamese refugee boat people, Hong Kong immigrants were blamed, somewhat unfairly, for skyrocketing real estate prices, and scorned for building what were dubbed "monster houses," enormous and ostentatious homes that dwarfed their neighbours.

While much of this was fuelled by racism and envy, even some Hong Kong people roll their eyes at the excesses of their compatriots.

Dr Peter Tam, a Hong Kong obstetrician, says: "I have seen them driving down

to the supermarket in Vancouver in a fancy car, with jewellery and fur coats, flashing around portable phones, showing off their wealth."

Tam is himself an "astronaut," so called because his family resides in Vancouver while he maintains his practice in Hong Kong, spending countless hours in the air flying between the two cities.

To help counter negative stereotypes, some Hong Kong emigres have made peace offerings to local inhabitants. Two of the wealthiest brothers, Tom and Caleb Chan did it by donating \$10 million to a university.

The choice of their largesse is not surprising. More Hong Kong students are enrolled in Canadian universities than in either the US or Britain. An estimated 70,000 people in Hong Kong have studied in Canada.

While many are trying hard to fit in, Vancouver is not to everyone's liking. The city moves at a snail's pace compared with the fast, frenetic lifestyle in populous Hong Kong.

Said one disillusioned would-be immigrant after a visit: "It is like an old folks' home. So-ooo boring."

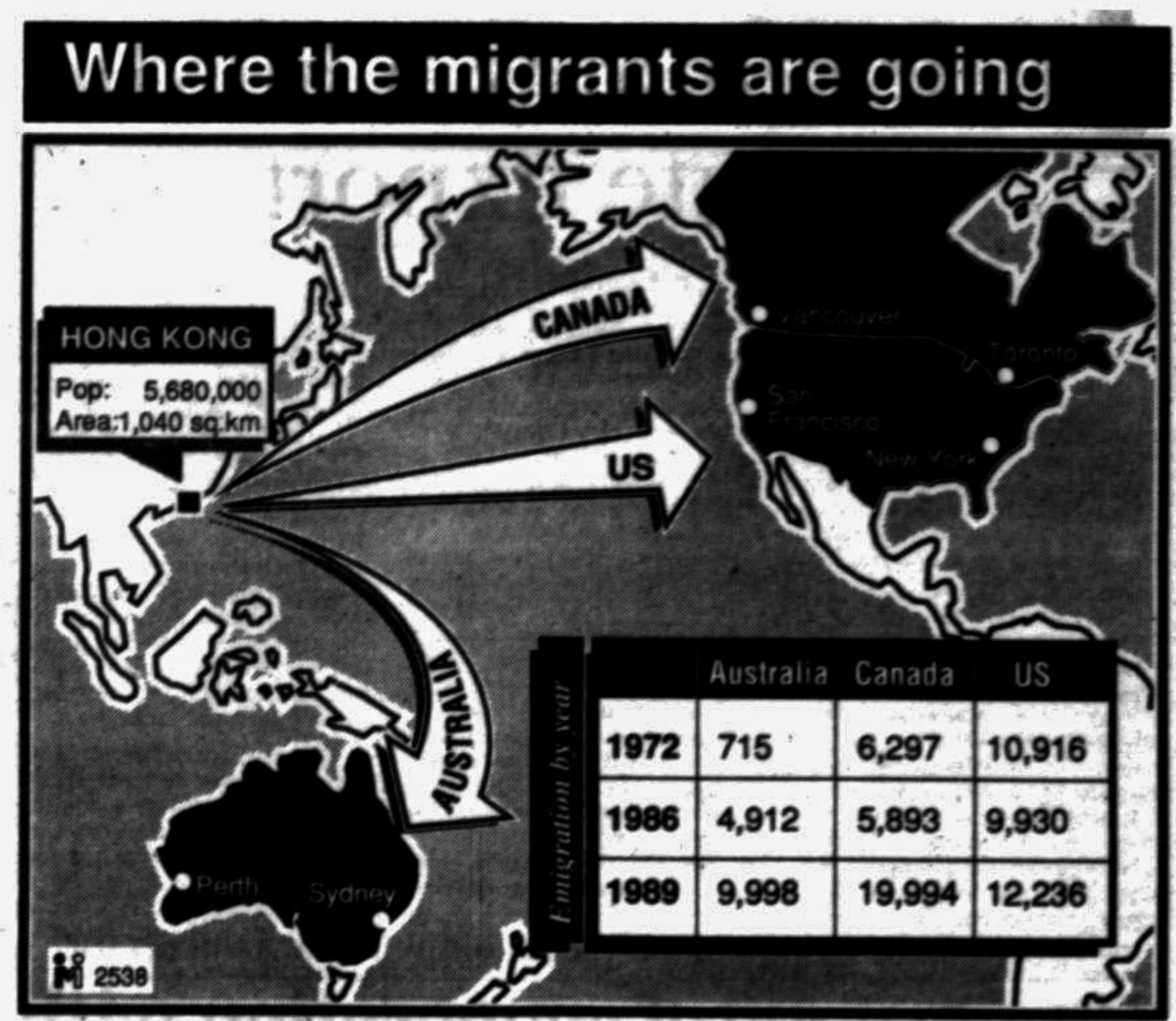
Nonetheless, others are desperate to get here. Some pregnant Hong Kong women come to Canada on vacation visas to have their babies. These children, known as "passport babies," automatically become Canadian citizens, entitling their families to immigrate.

It is the richer immigrants, however, who are having the biggest impact on Vancouver. Prominent among them is Li Ka-shing, said to be Hong Kong's wealthiest and most powerful businessman, with assets worldwide valued at \$15 billion. His two sons hold Canadian passports.

Li is the major stockholder in a consortium that bought the entire site of the Expo 86 world's fair from the provincial government - 206 acres of waterfront next to the city core.

He paid \$320 million, including interest, with only \$50 million down, and many locals feel he walked off with a bargain. Li's group plans to build a massive \$2 billion complex of offices and hotels on the site.

Li is not the only Hong Kong investor snapping up city



property. About \$500 million a year is pumped into the real estate market by such luminaries as Sir Run Run Shaw, Stanley Ho and Lord Kadoorie.

While real estate is the cornerstone of Hong Kong investment in Vancouver, other entrepreneurs are involved in small and medium-sized manufacturing enterprises ranging from plastics and watch-making to clothing and electronics.

Last year, Canada's Hong Kong immigration office issued entrepreneurial visas for 455 people whose aggregate net worth was \$655 million, or nearly \$1.5 million each.

# Khmer Rouge Runs Rubies Across Thai Border

The notorious Khmer Rouge guerrillas have signed the four-party Cambodian peace agreement to share power, but seem to have no intention of giving up their grip on western Cambodia. Across the border in Thailand, gem traders have come to rely on Khmer Rouge-controlled supplies of rubies from Cambodia's Pailin province to supplement their own depleted stocks. Gemini News Service reports on how the Marxist guerrilla movement that shocked the world with its atrocities in the killing fields now funds its activities exporting gems. by Barbara Stewart

**F**ROM ruby mines across the border in Cambodia's Pailin province, Khmer Rouge guerrillas supply the gem-hungry marketplace in Chantaburi and skim millions of dollars in profits with which to secure their hold on western Cambodia.

The world at large applauded news in October of Cambodia's peace pact, which saw the Khmer Rouge and three other Cambodian factions sign a power-sharing deal leading to UN-sponsored elections in 1993. Here in the heart of Thailand's gem industry the announcement was met with uncertainty.

Thailand is proud of its \$2-million-a-day gem market, but the stones have a little-known

Khmer Rouge troops expect to remain firmly in control of western Cambodia, guaranteeing their prosperity and hold on the richly-endowed countryside.

Western Cambodia is a dense tropical jungle, where the three principal health hazards are malaria, tuberculosis and land-mines. At least half a dozen miners lose limbs to land-mines every month. Perhaps as many again die out in the jungle for lack of medical care.

Despite the still-present fear of an outbreak of fighting, at least 60,000 Thai and Cambodian miners show up each week to work the mines, eager to stake their claim.

The Khmer Rouge encour-

Cambodia too dangerous and disrupted the flow of rubies into Chantaburi. So long as the tentative peace holds, a steady supply of new stones is assured.

At the curb in front of Suthep's shop a young Cambodian sat astride his motorbike toying with a plastic sack that held a large ruby he was trying to sell. The buyer was late and the Cambodian wondered aloud if he could make his return trip before dark. He is but one of many who traverse the border regularly under the benign supervision of the Thai military.

According to unofficial reports, Khmer Rouge leaders also own several large houses in the area, using them as luxurious vacation homes for a break from the spartan jungle conditions of their camps.

The gems not only support the Khmer Rouge army but finance a smuggling pipeline that, despite its illegality, is protected by the Khmer Rouge and has the support of all Cambodia's squabbling factions and the benign acknowledgment of the Thai and Vietnamese governments.

The Khmer Rouge ruby trade has become a pillar of the otherwise exhausted Indochinese economies. Much of merchandise for sale in Chantaburi comes through the ruby-lubricated black-market pipeline. Cambodians, too, pay high prices for pillows, rice and soap, TVs, stereos and motorcycle parts.

As goods paid for by gem revenues advance along the black market route, they cross national boundaries and factional divisions. Crisscrossing the Cambodian countryside, the smuggling pipeline finally comes to the Vietnamese border. From there merchandise is trucked and biked to Ho Chi Minh City markets 42 kilometers away.

There, Vietnam's newly-emerging consumers snap up goods as soon as they appear. The need to avoid the US-led trade embargo on Vietnam makes the overland route from Thailand through Cambodia the only means of getting merchandise into Vietnam.

That businessmen such as gem dealer Suthep expect that the well-entrenched Khmer Rouge will continue to grow richer and stronger, selling their gems in Chantaburi and hiding their soldiers and weapons in the jungle around Pailin.

So long as they can continue to sell gems and timber the guerrillas will be able to keep well-trained and heavily armed fighters primed to force their way back to power — no matter what coalition controls Phnom Penh.

— GEMINI NEWS  
Barbara Stewart is an accredited journalist at the UN in New York and often visits Southeast Asia. She specialises in economic and development subjects in the region.

# African Coffee Growers Face Bleak Prospects

African coffee growers face an economic crisis and their main Latin American competitors appear unwilling to make the concessions that could put some of them back on their feet.

A sharp downturn in coffee markets has been felt the world over since the International Coffee Agreement (ICA) fell apart in 1989, prompting prices to fall by one-third to their lowest levels in 15 years. Last year, coffee harvesters throughout the world earned a total of only \$6 billion — far less than the \$10 billion they netted three years earlier.

Hardest hit have been producers in African countries such as the Ivory Coast, Uganda, Cameroon and Kenya. Most of their coffee is of the robusta type used in making instant coffee. With a consumer switch to coffee made from roast ground beans and to better-quality mild coffee grown in Colombia and Central America, the price of African robusta has plummeted.

The result has been devastating for countries dependent on coffee for up to half their export earnings. Under the ICA quota system each producing country was allocated a share of what the major consuming countries imported each year. The agreement collapsed for several reasons.

Key among these was that more coffee was being produced than consumed, putting tremendous pressure on prices and creating severe financial problems for the Coffee Organisation.

Brazil — long the largest producer with a 30-per-cent share of exports — came under tremendous pressure to accept a cut in its market share. African, Asian and central American countries wanted a larger share, but Brazil did not want to give way, saying it would rather see the agreement collapse and a free market take its place.

Another reason for the agreement's collapse was that countries which had not signed it had begun importing extra coffee, large quantities of which soon found their way across leaky borders into signatory countries.

Many countries soon saw no

# African Coffee Growers Face Bleak Prospects

World coffee prices have been depressed for three years — ever since an international quota agreement collapsed in 1989. African growers, whose coffee has fallen out of favour on world markets, have been so hard hit by falling prices that even wealthy consumer nations, worried by political fallout from the crisis, now say they want a return to quotas. Nonetheless, reports Gemini News Service, Brazil and Colombia are convinced their coffee exporters can perform better in the long run without a new agreement. by Patrick Knight

advantage in belonging to the Agreement since they could buy all the coffee they needed at lower prices on the free market.

Commodity agreements such as those for coffee, tin and cocoa have all confronted great difficulties in recent years, mainly because production has exceeded supply, making it almost impossible to control markets.

The popularity of free-market ideology in the Eighties has also done little to bolster enthusiasm in the United States and other consuming countries for such agreements — particularly when huge cash infusions are required to keep them afloat.

Immediately after the agreement collapsed in 1989, coffee prices fell sharply. Importers bought up all the coffee they could at rock-bottom prices and shipped it to Europe and the US.

Coffee is now cheaper than it was before the agreement — although not a third cheaper in supermarkets — powerful roasting companies have pocketed most of the windfall profits.

Meanwhile, demand for better-quality mild coffee grown in Colombia and Central America has increased.

When the Coffee Agreement was operating, these countries sold about two-thirds of their coffee to signatory countries at high prices, but were forced to sell the rest at low prices to non-signatories. Now the price has fallen, but all consuming countries are paying the same amount.

# Top coffee producers



Colombia has been able to sell all it grows — and all its stocks too. As a result, Colombia and the Central American countries do not want a return to quotas.

ago, Brazilian president Fernando Collor, who favours free markets, scrapped Brazil's Coffee Institute, which had, among other things, bought up all the coffee which could not be exported or sold in Brazil.

Both countries believe that difficulties in setting up and policing a new coffee agreement far outweigh advantages.

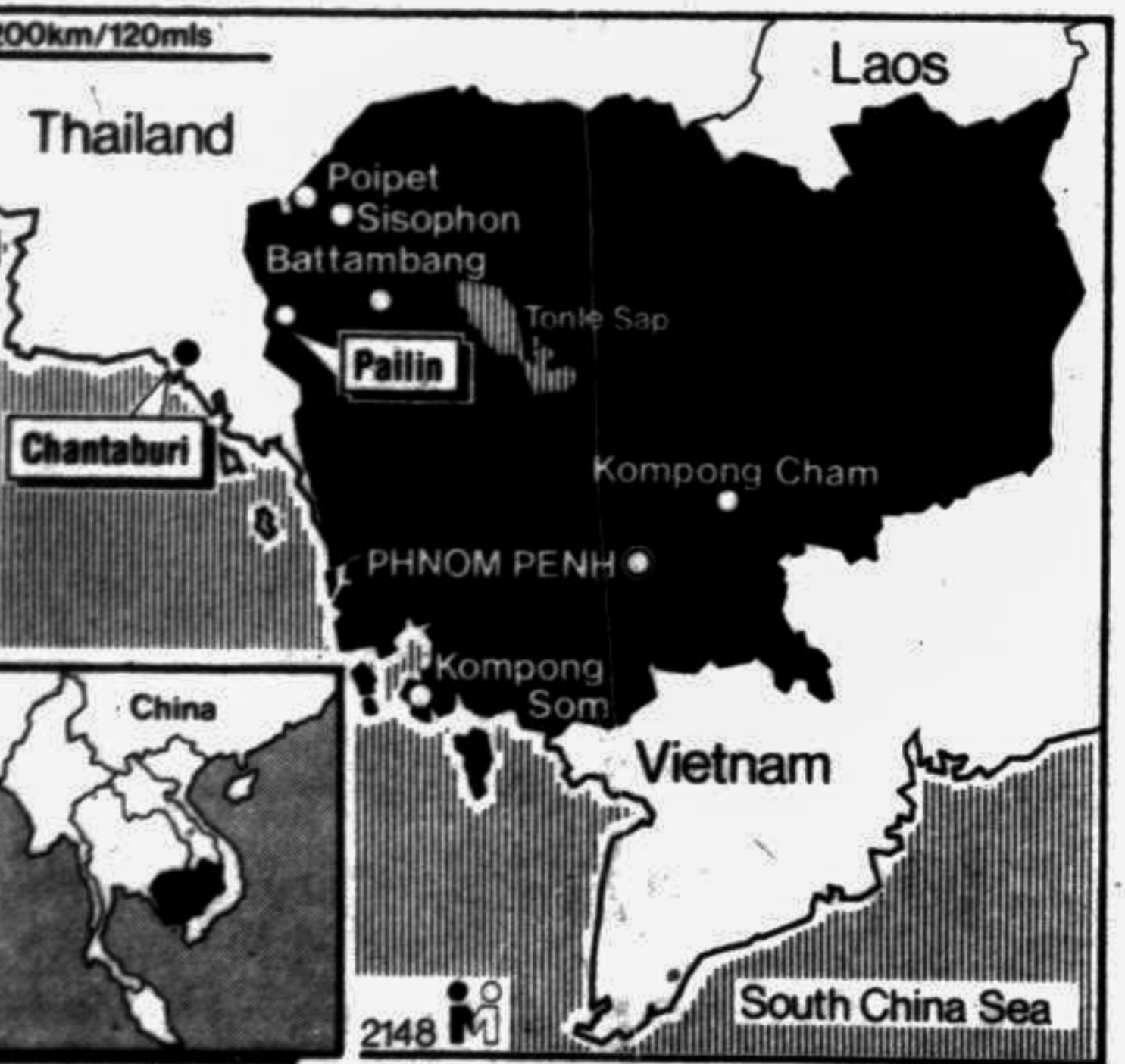
Such assurances are cold comfort to the desperate producing countries in Africa.

For political reasons, some developed countries, led by France but also including the United States and Japan, claim they have now come around to the view that a commodity agreement for coffee is not such a bad thing. The change in posture has come about mainly because of pressure from the poverty-stricken producers in Africa.

Nonetheless, Brazil and Colombia retain the majority of votes at the International Coffee Organisation and they can be expected to vote against a return of quotas in September.

Traders here say they expect developed countries will bang their chests on behalf of the African growers. But secretly, they say, the developed countries will be pleased to see efforts for a new agreement fail, since they will not take the blame.

— GEMINI NEWS



darker side: their sale supports one of the most notorious guerrilla groups in existence, Pol Pot's Khmer Rouge.

Last year Thailand exported \$1.4 billion worth of gems and jewellery, making the industry a top foreign exchange earner. Its reserves of sapphires and rubies, however, are dwindling after years of saturation mining, while Cambodia still has an abundant supply.

Ruby deposits run through the Cardamom mountain range beginning in southern Thailand and into Pailin province. Rubies from the Cambodian side account for more than three-quarters of those sold in Chantaburi, the gem industry's central city. Collectors consider Pailin rubies the world's finest.

They are also the mainstay of the Khmer Rouge. The mines of Pailin remain in the tight grip of the guerrillas, notorious for the atrocities of the killing fields during Pol Pot's regime. Despite the Paris accord, Pol Pot still has one of the best armed guerrilla forces in the world.

ages the mining, leasing grubstakes for a \$50-100 charge that allows miners to keep whatever they find. The movement earns \$5 million a month — a princely sum that helps pay for substantial arms purchases on the black market.

Bangkok bureaucrats have never officially acknowledged Khmer Rouge activities, preferring not to have their military linked to the guerrillas. That soldiers still idly exchange gossip with Khmer Rouge cadres moving into position to ensure control over their lucrative mining operations. They also make some money out of the deal by taking some from ruby transactions for themselves.

One of Chantaburi's major gem dealers, Suthep Thangtong, believes that gem dealers have no choice but to deal with the Khmer Rouge: "They have the rubies and we need them," he said with a shrug. "I'll leave the politics to Bangkok."

Suthep remarked that most gem dealers in the town are satisfied with their Khmer Rouge neighbours. According to him, before the Khmer Rouge takeover of Pailin province in 1988, constant clashes in the area made prospecting in western

# China Cashing in on Village Tourism

When he was first asked to entertain a group of American tourists at home in 1983, Li Weifang was perplexed.

A farmer of Shijiazhuang village on the Shandong Peninsula in east China, Mr Li had never seen of foreigner before, except the invading Japanese troops in the 1940s when he was a child.

"I don't know what to talk to foreigners," he told a leader of his village. "I had little schooling and I would really feel ill at ease at meeting strangers."

Seven years have passed and Mr Li's village has received over 7,000 foreign visitors from 80 countries. Mr Li, now 50, has played host to dozens of them, including students, teachers, artists and farmers from the United States, Canada and Holland.

"I've got used to receiving them," he says. "Those foreigners enjoy visiting Chinese homes and they talk to you like friends."

# China Cashing in on Village Tourism

house dinner," which consists of cold cuts, stir-fried and deep-fried dishes, dumplings, noodles, pancakes and baked wheat cakes.

"They would have a taste of everything and tend to enjoy the noodles and sugar-coated peanuts I make for them in particular," says Mr Li.

The foreign tourists are highly interested in the way this ordinary Chinese vegetable grower's family live: they would follow him to the vegetable gardens or greenhouses; or join his 70-year-old mother an 52-year-old wife in their needlework and cooking. The pigs and chicken that stalk in the family's courtyard amuse the children.

In fact, to get an experience of an ordinary farmer's life is part of programme arranged by the Municipal Tourism Bureau of Weifang for foreign tourists. Weifang is the city where Mr Li's village is located.

Known as "folk custom tour," the programme also includes horse cart riding and kite flying, attending a wedding ceremony in traditional Chinese style, and an exhibition of Chinese folk life featuring family doctrines, house

# China Cashing in on Village Tourism

furnishings, living and farming conditions and entertainment.

Shijiazhuang village was picked up to host this tour because of its transport facilities, according to Chen Huanguang, a local tourism official. "It is only 50 kilometres southeast of Weifang," he says.

Weifang, named "the world's capital of kites" by an American kite magazine last year, has held an international kite festival annually since 1984. Its war-hearted people, along with its unique folk art, are being tapped as a tourist destination.

Although the average per capita income in Shijiazhuang village reached 1,000 yuan (against the national average of 902 yuan of farmers) last year, Mr Chen says it is not a very developed village. "All the neighbouring villages are better-off than this one," he says. "That's another reason why we chose it."

The villagers have not only mechanised their farm work but also transformed the sandstorm-swept land into fertile fields. Last year they harvested 2.04 million tons of grain on 80 hectares of land, while the village-run enterprises made 4.6 million yuan.

# China Cashing in on Village Tourism

"All the households have moved into red brick-walled two-story houses built in the past 10 years," says Wu Shuxue, the village head.

"I think the village mirrors the prosperity brought to rural China by the government's policy of reform and opening to the outside world," says Chen Huanguang. "But it's not a showcase since it's not a single isolated example in this area."

Elsewhere in China, similar tours are popular. In Inner Mongolia, tourists may have the experience of living in a Mongolian yurt and join the herdsmen in riding in the prairie. In Northeast China, they may go hunting and ride horse-drawn sleighs in the snow. In Southwest China, they are invited to join ethnic minorities in celebrations.

"Folk custom tour brings tourists closer to the ordinary Chinese people," says Li Deming, deputy director of Shandong Provincial Tourism Bureau. "It enables them to get a better understanding of China."

And it also broadens the horizon of Chinese farmers. Mr Li, who has never set foot beyond his native province, has learned something about the

# China Cashing in on Village Tourism

United States: "The Americans have a higher degree of farm mechanisation and their farmers seem to have more land, till more land and operate more vehicles than we do."

Mr Li has gained knowledge about foreign lands through chats with his guests, always with the assistance of an interpreter accompanying the tourists. He is also interested in details about the daily life of his guests: how many family members they have, what their parents or children do, what are their incomes, how much the trip to China costs and how they have made money for the trip.

Totally unaware of the Western etiquette involved in posing question on such personal affairs, Mr Li seems naive enough that none of the guests seems to have felt offended.

Mr Li hasn't received any Japanese visitors although a number of tourist groups from Japan have visited the village. "People of my mother's generation don't like Japanese," he says.

But the farmer says he would receive Japanese tourists if he is asked to.