

The Betty Letters

My Dear Grandchild,

Many of the best hotels in Hongkong are doing a bang-up trade, serving the most luxurious and expensive meals to visiting cadre from some of the largest cities in China – at breakfast! The breakfasts comprise such things as sharks' fin soup, smoked abalone (not the cheaper, tinned stuff), barbecued suckling pig, birds' nest in soup, and sweet date soup for desert. In fact, my dear, it is a dinner, served at breakfast. According to Janet, my manicurist, she was having her breakfast of a simple bread basket at the fine-dining restaurant of a 5-star, Hongkong hotel, recently, when a mob of about 25 men, all from China, rushed in to woof down their breakfasts. They were led by an elderly balding gentleman whose hair was jet black – Chinese Cadre Colour Code 1388 – and who appeared to be holding court with the assembled mob in the middle of the restaurant. They invaded the restaurant, as Janet described the scene, and quickly took up their assigned seats, the head cadre, sitting at the front table, looking down upon his retinue. Janet said that she just had to watch the goings-on and, therefore, was late for an appointment because she found it so interesting and especially funny. Yelling and laughing and the multiple answering of cellar telephones ensued for the next 45 minutes, along with the clanging of cutlery on the tables, and bowls, chinking against each other. The serving staff was going flat out just keeping up with the demands of the cadre, who were intent on eating their dinner s – at 7:30 am – which had to be completed, for some reason or another, within 20 minutes of the meals, having been served. In addition to the meals, mentioned, the cadres were thrusting down copious quantities of bread rolls. Janet discovered from one of the serving staff that all of the men were from a city in central China, not Beijing, and that they had come to Hongkong in order to hold an annual general meeting of the publicly listed company that was domiciled in their city, but is listed on Main Board of The Stock Exchange of Hongkong Ltd. They were, among other things, the senior management and staff of this public company. The cost of the breakfasts, by the way, was about \$HK1,300 per head. In all, this outlet of this 5-star hotel took in not less than \$HK32,500 for these dinner-breakfasts.

I told Bo-Bo, my froglike husband, the facts, pertaining to what I had been told. He looked at me and said, loudly: 'So? They have to eat, also, don't they?' 'But is it normal for people from China to eat dinner for breakfast?' I asked. Sternly, The Frog looked up at me from his seat in front of the television and said: 'People eat what they like to eat, at any time. Now, let me watch this singer from Taiwan.' I was not giving up: 'But ... But the meal was paid for by shareholders of the public company!' The Frog: 'Alright! So?' 'Is that fair to the investing public that bought shares in this Chinese company?' I asked, forcefully 'Are not the senior managers of this company permitted to eat whatever they like for breakfast?' The Frog went on. 'Are you trying to hold senior management to a budget breakfast, the same that they, probably, have been forced to eat in China for many years before this company joined the ranks of The Stock Exchange of Hongkong Ltd? Are these people, also, not members of the investing public? They travelled all the way from central China to Hongkong in order to hold an annual general meeting of this publicly listed company in this territory as a convenience, no doubt, to the Hongkong investors. And, now, you want to criticise them for eating too heartily? Hongkong is part of China, you know. They have the right to eat whatever they want to eat. They, obviously, returned to China, having enjoyed the culinary delights of China's province in the very south of the country. They will tell everybody how wonderful are the breakfasts in Hongkong. This will,

inevitably, stimulate more profits for Hongkong. This is good for business. Let them eat whatever they like ... and more. If there is not bread, then, let them eat cake, in the words of Marie-Antoinette, Queen Consort of Louis XVI of France. And, with that rejoinder, The Frog turned up the volume on the television set and went back to watching his female Taiwan singer.

I was, of course, horrified at what The Frog had said in defence of these Chinese gluttons, but I pondered whether or not this was the way that the senior managements of publicly listed companies should be entitled to spend their shareholders' money. To my way of thinking, there is no justification for the management of a publicly listed company to squander, lavishly, shareholders' money on themselves. The scene, as described by Janet, reminded me of a child, visiting a sweet shop for the first time, and, seeing so many wonderfully coloured candies and chocolates, the child stood in awe at the scene. Of course, in the case of a child at a sweet shop, the parent would control the situation. But, in the case of the Chinese cadre, stuffing themselves with food at \$HK1,300 per head, they appeared to be completely out of control. Further, they were being encouraged to stuff themselves by the high muck-a-muck. I could not help but think that this situation bordered on malfeasance on the part of high muck-a-muck, with his retinue, being accessories, during the fact of the perpetration of the malfeasance. Would the minority shareholders of the company have a legitimate action against the public company and the perpetrators of the malfeasance? No doubt, The Frog would claim that the De Minimis Principle applies in that the law does not concern itself with trifles. I do not consider 25 Chinese cadre from China, all in the employ of a publicly listed company, all eating luxurious dinners at breakfast at \$HK1,300 per head, being a trifling matter. If I were a shareholder of this company, I would complain, bitterly, at this situation. If this is the way that the senior management of a publicly listed company, in which I held shares, acted, then, I would want to sell my shares, immediately.

Which just goes to prove: Never put your trust in a husband that has all the appearances of a fat frog and/or, for that matter, the senior management of some of the publicly listed companies, the majority shareholder of which, being controlled by the Government of China, with the company, listed on the Main Board of The Stock Exchange of Hongkong Ltd.

Talk to you, next week.

Chief Lady

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