

The Betty Letters

My Dear Grandchild,

Without telling Bo-Bo, my froglike husband, I have been buying and selling shares on The Stock Exchange of Hongkong Ltd for some months and, I am proud to tell you, I have been able to supplement my meagre housekeeping income, squeezed out from The Frog, in this fashion. I dare not tell The Frog that I have been 'playing' the stock market, in the vernacular of stockbrokers, because, among other things, I do not know what contacts he has in the companies in which I have been speculating. In addition, you know what horrible people there are working in The Securities and Futures Commission (SFC). If those people at the SFC knew that I had been buying and selling stocks and shares and that The Frog, by accident, had told me something about the company in which I was investing, I would probably be arrested for insider trading and who can say what happens in the prison system of Hongkong. Come to think of it, My Dear Grandchild, you would be wise not show this communication to anybody ... just in case. To be very honest, I do not know, actually, what is meant by insider trading although I admit, openly, that I always buy and sell stocks and shares from the house. Is that insider trading?

But I want to talk to you, today, about something a little different. One of the companies, in which I have purchased shares, is Hainan Meilan International Airport Company Ltd (). This company is listed on the Main Board of The Stock Exchange of Hongkong Ltd, being Code Number 357. Just last week, I received a letter from the Company Secretary, Mr Xing Zhou Jin (). The letter explained that Ms Zeng Xue Mei (), formerly the Staff Representative Supervisor of the company, had resigned. In her place, Mr Han Ai Min (), aged 41 years, replaced Ms Zeng Xue Mei. The letter, in the first paragraph, stated, among other things, that Mr Han Ai Min 'was democratically elected as a Staff Representative Supervisor of the Company on 23 August 2011.' This is the same day that Ms Zeng Xue Mei resigned, coincidentally. Of course, I questioned this coincidence with The Frog because, to my way of thinking, it seemed that something was fishy (whenever an official of a publicly listed company resigns, especially a company, controlled by the Government of China, directly or indirectly, I, always, think that it is fishy, until proved otherwise). 'What do you think this means?' I asked The Frog. 'Did Ms Zeng Xue Mei fall? Or was she pushed ... out of the company?' The Frog, then, accused me of all kinds of wicked things, saying that Hainan Meilan International Airport Company Ltd is a publicly listed company that, ultimately, is beneficially owned by the Government of China and, therefore, there is no hanky-panky in the pantry. At this point, I knew that the cat was out of the proverbial bag because only somebody with intimate knowledge of a company would know, without doing any research, who or what was the ultimate, controlling shareholder of a publicly listed company. I dared not ask The Frog anything more about Hainan Meilan International Airport Company Ltd because one can never be certain if the SFC boys had secreted electronic, surveillance equipment in my home in order to obtain evidence of insider trading or investigate leaks of Hongkong State Secrets. So I turned the subject to the meaning of 'democratically elected as a Staff Representative Supervisor'. I asked: 'Did all of the staff members of Hainan Meilan International Airport Company Ltd vote on who should replace the outgoing Staff Representative Supervisor?' The Frog looked at me, wearing his incredulous facial look, and said: 'Of course not! Did you just come in on the last onion boat from Shanghai? What a silly question!' 'Then, what was meant by that term?' I asked in my most-innocent voice. The Frog said: 'As

with all democracies of the world, one has to judge what the plebeians want and, then, give it to them if at all possible – even if they are completely ignorant as to what they, really, need and should desire for their own good. Good democracies operate in similar fashion to good parenting: Daddy knows best for the family. If the plebeians are ignorant of a certain situation or about the matters at hand when a show of hands is asked at a General Meeting of a company in order to pass a resolution or vote in a new member of a management committee or something like this, then, it is up to Senior Management to assist them with his intimate knowledge of matters of pith and moment and to explain to them how they should vote.

In the West, politicians and do-gooders like to play down the way in which we, in China, have adopted democratic principles to suit our requirements, but China's rise to power since 1949 has proved that our system of democracy is very expedient; and, our financial power is proof positive that our system of government is superior to that of the West. Bear in mind, Betty, China is financially strong; the West is just about bankrupt. In this particular case where it is very necessary to have an immediate successor to the very important position of Staff Representative Supervisor of this airport company, following the resignation of the outgoing staff officer, time would have been very pressing and, without question, Senior Management would have been forced to find a short-cut method to resolve the situation in order to obtain the necessary number of votes in accordance with accepted, Chinese democratic principles, so that Mr Han Ai Min could fill the slot, left empty by the resignation of Ms Zeng Xue Mei. There, now: Is that clear enough?' And, with that he fell fast asleep, claiming that such thinking tired him out.

I, really, did not understand much of what The Frog had said, but I did not want to appear ignorant about democratic principles so I decided, instead, to study other democracies. To my amazement, I discovered that no democracy has measured up to the successes, over the past 62 years, of the democracy of China. But there is only one ruling political party in China! How could China, therefore, be considered a democratic country? However, as The Frog had pointed out, sometimes short-cut methods must be introduced in every democratic government in order to make certain that the plebeians get that which they should get even if they do not know that which they should desire and are unable to know what they should receive from their government. Phew! I suppose what all this means is that the citizens of a country get what they deserve? I wonder what the 1.30 billion people of China deserve: A daddy democracy where the head of the government makes all of the decisions on behalf of the citizens of the country; or, a version of Western democracy where the government is accountable to the people for its actions, with the actions of the head of the government, being held in check by various committees, such as a Senate, a House of Representatives, a Parliament, etc? This is much too difficult about which to worry so, like most of the people of China, I shall leave the political stuff to somebody else to ponder while I continue, making money by buying and selling stocks and shares on equity markets of Hongkong. After all, isn't earning money one of the most-important things in life ... after sex, I mean?

Talk to you, next week.

Chief Lady

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