

# 'Sentiment rare in

## — Prof. Ven

Rasheeda Bhagat

**A**FTER teaching at the Regional Engineering College in Warangal for 10 years, beginning in the 1960s, the UK educated Prof. Venuvinod Patri moved to Hong Kong not only for "better prospects and better mobility for my children, but because Warangal region being a political hotbed I couldn't conduct my classes. There were strikes and bandhs every day. I couldn't do my job so there was no professional satisfaction".

After 20 years in an academic atmosphere in Hong Kong, Prof. Patri, who is now the Head of Department of Manufacturing Engineering in the City University of Hong Kong, told Business Line in an interview that people in Hong Kong are neither 'altruist or sentimental' and even "academics are businessmen in Hong Kong".

Excerpts from the interview:

**What has last the one year been in Hong Kong under Chinese sovereignty for an academic like you?**

In my life as a professional academic, there has been no change really, except that organisationally we are getting closer in interactions with the mainland Universities. We used to do this in the past too but now in all our justification of our new ideas and programmes, we mention not only the needs of Hong Kong but also talk about the role we play in the development of mainland China. That is the only marginal difference.

**So you have to include China in your scheme of things now?**

Not that anybody is forcing us. There is no directive or anything. We can sell our ideas better... because in Hong Kong the ideas are always from bottom-up. We never get any directives: You do this or that. So when we develop a new programme, we have to justify it.

**You used the world 'sell'; to sell your ideas better to whom?**

Usually the methods of evaluating any ideas here are through peer reviews. It's not that a government department or a minister endorses such an idea. Suppose I launch a new programme, I have to say what is the importance of it. Why I am launching it. Is there a need for it or demand. And usually this is accepted by the university as a formal programme. Before they do that, they invite a set of peers from Hong Kong and the world.

**In the same field?**

Yes. It would include typically a couple of people from Hong Kong society, a couple of academics from Hong Kong, who understand the subject and maybe one or two internationals — from the US, the UK,

Australia... Now we're also making more visits to the mainland.

**You had said earlier too that you were a great admirer of China and that China was misunderstood by the rest of the world...**

At least modern China... the China which has evolved over the last 10-12 years.

**So now the interaction has increased?**

Yes. It started actually four-to-five years before the handover. We saw the writing on the wall. Now we have less and less compunctions.

**Has the present economic crisis in Hong Kong affected the budget of universities like yours in any way?**

Not really. Not directly. The financial crisis is a worry, though, of course, Hong Kong has seen such crises in the past, despite the more than 10 years of boom. There has been a lot of fallout of the latest crisis. But it hasn't come to our university level yet. The handover to China has not affected us in any way.

**But won't the financial crisis affect the universities at some stage?**

I'm sure it will. It might directly affect my salary for instance. As Hong Kong was booming, every year we used to have salary increases — not the annual increments but what you call the cost of living adjustment. Thus far Hong Kong was doing well, it could pay; it might not be able to do that now.

For instance, if I look back over the last 20 years, annual increases in salaries of 8 to 14 per cent. This is the improvement in Hong Kong's living standards which has had to percolate down to people like us. This year it may be six per cent, provided the government is happy enough to pay.

Not that Hong Kong has no money. But in difficult times you would not like to overspend. Some people have argued, perhaps with some justification, that this continuous increase in salaries has made Hong Kong too expensive. Hong Kong's traditional advantage in global competition and business has been the low wages. Now our wages, at least in the organised sector, are at the top of the world. So we're outbidding ourselves. A correction was needed and the financial crisis will force us to make the correction. Chief Executive Tung Chee-hwa has said such a correction was needed.

**Bottomline is money**

**Would academics like you, or professionals in other fields, take voluntary salary cuts? Has it come to that yet?**

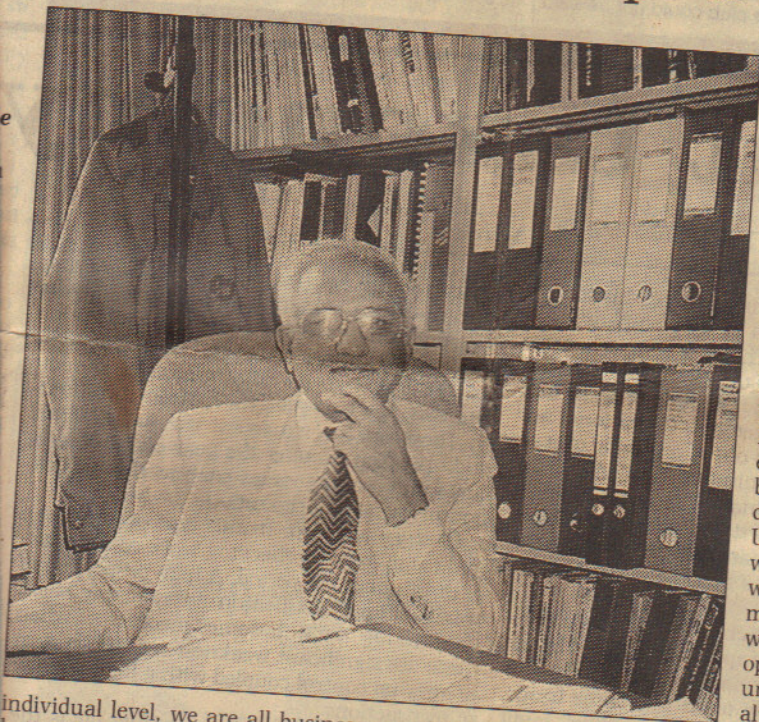
One of the things in Hong Kong is both at the organisation/corporation level or the



ar tests carried out by India posed a tactical challenge of a different kind. It has necessitated called back to his country. But this is India. And anything goes.

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uvinod Patri, Head, Dept of Manufact



individual level, we are all businessmen. Our bottomline is money. Things like altruism, nationalism... these things don't excite us very much. Nothing will be voluntary. Things like 'I'm doing it for my nation' - that kind of sentiment does not exist here. That doesn't mean that these people are not nationalist.

By being sentimental you can't make money in the modern world. You can't progress. It's a business deal. If tomorrow I'm asked to take a voluntary cut, it is my power of negotiation *vis-a-vis* their power of negotiation. It is a business transaction, where each party tries to preserve his/her interest. I don't try to do good to you and you don't try to do good to me. Each party looks after his/her interest within the law. This is a pure business view.

So if you ask me will you take a voluntary cut, I'll say: Never. Why should I? But I'm not in a bargaining position, of course I'll take it.

**ultimately it is one's bargaining position which matters!**

What is the environment under which Hong Kong people live.

**There have been any retrenchment?**

**It's not that bad yet?**

Why do you say yet?

**It'll get worse. A couple of economists I've been talking to say**

...there are companies which are going worse, unemployment will get worse. you see education historically... Let us

say about seven years ago too there was unemployment... there was a mild recession and most young people were not getting jobs.

So what did they do? They flooded the Universities. In other words, when there is recession, you flood the Universities. Right now, the US economy is in a boom. Students don't want to go to Universities, they want to go out and work and make money because they want to use the opportunity. So universities are always and slightly

out of pace with the rest of society.

**Which means it will be a boom period for the universities and more demand for education in Hong Kong?**

Boom period not in terms of money, because the government will not give us extra money. But there will be more demand for our programmes because people use their spare time to improve their skills.

**But with more students graduating and limited employment opportunities, won't it be even more frustrating for the educated young who can't get jobs?**

In any case Hong Kong's output (from its universities) is always 30-35 per cent of the gross international... it doesn't all stay here. So there is a cushion. Hong Kong is quite enterprising. Those who cannot get jobs momentarily will move out. Because everybody has the money to pay for a plane fare and there are enough countries to take them. There is a big boom out there in the US. I don't think a crisis will come.

**Anyway Hong Kong's people are willing to work at lower levels till things improve.**

We realise that. Hong Kong has always intrigued me... particularly coming from India. You find the income gap is very huge. There are guys like me who are at the top and there are other guys who are at the bottom. Although everybody is reasonably okay; nobody is starving. But income gaps are high.

This gap causes in other societies a lot of jealousy and anger. Here that kind of

**But experience**

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# Business comes first'

## During Engineering, City University

Jealousy does not exist. People think okay I do not have the money, but I have the opportunity to get it. So I don't find that bitterness and anger driving decisions. Neither do they resign themselves that I'm born like this and will always remain poor. It's not a fatalistic or *karma* approach.

On the other hand, they will say, I'll go and make money on my own at my level. Bitterness, at least perceptible... there may be internal, is not there.

It is more an attitude of what more can I do with my life. And they go about doing it in a businesslike manner.

Sentiment and emotion are much less present here.

**What is the retirement age in Hong Kong universities?**

Here it is 65; generally it is 60.

**Where do you see the financial crisis coming?**

The one worry which almost everybody has in Hong Kong is about the peg (of the HK dollar to the US greenback) Peg perhaps very closely linked to the yuan which, in turn, is closely linked to how strong the performance is, both in economic and political stability terms, in China.

So far China has been fighting to maintain the peg, but I don't know how long it can maintain it. Like Dr. Mahathir, Malaysian Prime Minister says, the international investors today are very very aggressive. If they all make a big push against China — I'm talking about the common investor and not one country against another — it may not be able to withstand that. That is the major worry. If that doesn't happen, then in the next couple of years, we should be okay. They tell me that the pressure on the Chinese will depend a lot on what happens in Japan. Unfortunately, Japan doesn't seem to be doing well at all. So that is the worry. The question of the peg.. if that kind of stability is there, we will survive. There is a good chance that Hong Kong will emerge stronger.

In this difficult period, there will be some recession. Our wages were too high, our estate prices had become phenomenal. Recently, I read an article that said Hong Kong had become the most expensive place to do business, followed by Tokyo and New York. So we have to get out of that. Maybe this period will help correct the situation. If the peg goes, that will break our back.

**the peg is making things very sensitive here.**

That is not the only thing responsible; it is sensitive relative to other currencies which have been devalued by 50 per cent. But our main enemy is China. If it devalues, we will have no value. If it doesn't, then we can survive.

**What was the impact here of the nuclear blasts in India?**

Unfortunately I was away at that time.. I was in the US. But my guess is these people wouldn't have bothered. They are not political. They do not get into arguments. They never argue. It doesn't affect my money, why should I talk about it.

But I can tell you about the response in the US. That India has nuclear capability did not bother them much. That was known anyway. But what brought more respect than the blasts themselves was the fact that India kept it hush-hush... that India could cheat the Americans!

**How would you react to the Defence Minister Mr. George Fernandes's statement on China being India's enemy No. 1?**

I don't like that statement. I have always felt that if only China and India come together and appeared as one unit in international forums, then nobody can do anything to us.

**We would be unbeatable?**

Yes. Maybe we are falling a prey to other powers. Maybe China is India's enemy number one. I'm not in any position to know. But when we say it, we make them our enemies. This is the time for quiet diplomacy where economic issues can take precedence.

The trouble with India is that we remember too much. The beauty of Hong Kong is that it doesn't have a memory. But Indians remember ancient things from Ghauri to Rama. In the modern dynamic world it'll be better if we don't remember the past. The past may be true, but if you keep remembering it you can't adjust to the modern dynamic world.

I'll give you an example. Imagine the handover happening in India or Indonesia, what would you have seen in the aftermath. You would have seen all names of roads being changed. But whether you change the names or not, it doesn't change the economy of the country. Not a single name has changed in Hong Kong and I haven't heard a single argument over the issue. Prince Edward and Princess Margaret Streets have remained thus. It is a trivial issue. Socio-cultural memory is counter productive and it remembers only negative things. How come we don't remember the glorious short period of *Hindi-Cheeni bhai-bhai*?

Because it backfired I suppose.

Yes, but we don't remember it at all. Hong Kong has no memory. Hence, it is resilient and able to adapt to ever-changing situations. Memory is a big load and India is full of memories going back to thousand of years.

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