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Hong Kong Business Tycoon Stanley Ho TalkAsia Interview Transcript

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LH: Lorraine Hahn SH: Stanley Ho

BLOCK A

Lorraine Hahn: This week on TalkAsia: One of Asia's most influential businessmen and Macau's casino king. This is TalkAsia.

Welcome to TalkAsia. I'm Lorraine Hahn. Our guest this week needs little introduction. For four decades, Stanley Ho held the sole gaming concession in Macau. But three years ago-that all changed. He now faces new competition from some pretty hardcore veterans. Las Vegas businessman Sheldon Adelson has already flung open the doors of his multi million dollar casino The Sands to enthusiastic reception and reviews earlier this year. While his rival Steve Wynn -- whose properties include the Mirage and the Bellagio, is developing a 14 acre site right next door to Ho's flagship and Macau icon-Casino and Hotel Lisboa.

For the record, Ho still owns 12 of the current 14 casinos operating in Macau. While his billion dollar business empire spans across the globe. He recently gave us a rare one on one interview at the Hotel Lisboa in Macau. So let's begin with the question on everyone's mind -- how does he feel about the new comers?

SH: Well I love competition all my life, as long as they are complimentary -- and so far so good. I think now we have two newcomers and we are working side-by-side, not hard fighting, all complimentary.

LH: Did you see it coming?

SH: Well you see, ever since this relaxation of individual travelers from mainland China, we are getting excellent business. You must have noticed crowds all over the place and we, all three of us, are doing excellent business.

LH: What do you think is your best competitive edge, and how do you think you'll keep this going and maintain it?

SH: Well we have 40 years of experience and we can claim that so far, we still can maintain the leadership in the market.

LH: When we think about the gambling business, we often think about, you know, gangs, prostitution, you know the sin businesses, but how do you view the industry?

SH: Well let me tell you, I know nothing of gambling, I still don't gamble. I've got this franchise because it was a challenge for me, because I cannot understand why only 40 miles apart, Hong Kong was so prosperous and Macau was a dying city. So again I love challenges, I put in a bid and I won the concession.

LH: But surely you do agree though that there is this issue of violence and gangs, associated with this business?

SH: Well let me tell you, I am in 40 odd years of business and I still don't need to associate with any of the gangs, because for me, I am running a gambling business. In fact, when I first started the Macau people said don't believe Stanley Ho, he is the biggest liar on earth, he can promise you the moon and nothing will happen. But no -- I made one promise when I took over, I said the view that my enterprise is one of merely gambling character is a misconception. I promised Macau I will bring you new prosperity, I will try to bring more welfare and better cause of living for your citizens, and I am happy to tell you now, I have fulfilled all my promises.

LH: Dr. Ho, but what about the reports of money laundering and reports like that, do you worry about it? Does it affect you? Do you worry that it might tarnish your image, something?

SH: Well quite frankly, this talk of money laundering only started after the 9/11 incident in America. We have never heard of laundering in Macau, money laundering is unheard of. Mind you, my casino, every bit of money -- someone says Stanley Ho, you issue me a check of so much money -- we don't give that easy. We will first of all find out, where he won the money, from which table, and then we have this gaming commission in Macau -- very strong -- they will also join us to check very clearly that this man really made the money in the casino before we issue a check. So really, we've never heard of money laundering.

LH: Dr. Ho you also, aside from the work in gambling business, you also sit on a number of committees, political committees -- like the CPPCC (The Chinese Consultative Party) you were a member of the Hong Kong SAR selection committee, the basic law committee. I was just wondering how do you view the now growing pro-democracy voice in Hong Kong, and Hong Kong's future, having been born there?

SH: Let me tell you honestly, the success of Macau is because we have only two democrats, and therefore Edmund Ho could run the place so successfully. Let's be honest, when first we heard that Macau and Hong Kong will go back to mainland China, we only dream of talking about immigration, whether we should go to USA, Canada or Australia, and so on, and we have already been very worried that China will redden

Hong Kong and Macau, so all we have to do is no more business, we'll all have to hold a red book and talk about Mao Tse-tung thoughts and everyday attend meetings, learning how to fight against one another. So, we never dreamed that we would suddenly have this Deng Xiao-ping who created this new one country two systems, so really we were so surprised when we were told in the end that you can have your capitalist system unchanged for 50 years. Which means there would be enough democracy and freedom. So what's the point of leaving Hong Kong anymore? So as a result most of these people who immigrated abroad, they all came back. And I tell you very frankly, that I am extremely happy with my ways of living in Hong Kong and Macau, it is completely free.

LH: And hasn't changed?

SH: And no change

LH: So this pro-democracy voice that's growing, is what? A nuisance?

SH: Well quite frankly they are fighting for themselves. The two democrats in Macau is completely different, they know they are completely overruled, so they are more sensible. Lets enjoy our living in Macau.

LH: And keep the pro-democracy voice at a minimum?

SH: Exactly.

LH: More of our conversation with Hong Kong business tycoon Stanley Ho, just ahead.

BLOCK B

LH: Welcome back to TalkAsia. Some call Stanley Ho the patriarch of Macau. That's because in the past forty years, he's developed some of Macau's most famous landmarks and key infrastructure, including the main bridge and international airport. In recognition of his contributions, the government has named an avenue after him. But I can't help wonder what the man behind the businessman, is really like.

SH: What am I like? Well I am very normal; the only difference is I don't gamble

LH: For sure right?

SH: I don't gamble at all, all my life. I am only interested in sports.

LH: Even the king of gambling?

SH: Well I enjoy this name, but to be very frank I don't deserve this casino king, I don't gamble, how can I be the casino king?

LH: And as a child, I read that you were born to a very powerful, a very wealthy family, is that correct?

SH: From the start.

LH: So, you were lucky right from the start?

SH: Right from the start.

LH: Is it true that your father lost his fortune and therefore he left the family?

SH: Yes, my poor father and my uncles, they were all involved with the Jardine family. So they speculated heavily on Yee Yong shares, they all went broke, they all had to leave Hong Kong, some even committed suicide

LH: So that is true?

SH: So from riches when I was a young boy of six, seven, eight and then when I got to the age of 13, one night my mother suddenly called me, 'Stanley I am very sorry to give you bad news, I can't afford to even pay your school fees'. So imagine...

LH: How did you deal with that as a teenager?

SH: Well I didn't sleep the whole night, I wasn't a good boy in school, my marks were very average even in class four in those days, I had to get a conditional pass. But mind you, after that-class three, I was in class 'd' and I managed to get a scholarship every year from then on.

LH: Why the change? What happened?

SH: Well I had to study, I had to convert myself into a very hard-working young boy and I got very high marks thereafter.

LH: But what was it like to lose everything and not have the pleasures that you had?

SH: Now, I'll give you an idea, when I was eight, my father had a pleasure boat, we had a few motor cars on the road, we had a summer house in Stanley-where I got my name-and we were really enjoying so much, we were absolutely spoiled. From that, to imagine-to rags, when even my own family members -- I meet them in the street, they would turn away their faces. Really, you have to learn from humility, which is a good lesson for me.

LH: Was it at that time that you made your plans, and thought 'I don't want to be like this, I want to be wealthy'?

SH: I saw my mother crying everyday going to a pawn shop everyday to keep us going, and I promised her I will make good no matter what. So I managed to bring her from Hong Kong to Macau during the war years, and she lived here happily thereafter.

LH: Why Macau?

SH: Because I became a refugee in Macau during 1941, we had this war in Hong Kong, I fought for the government as an air raid warden for 15 days. Our government surrendered, Hong Kong Government surrendered, so I took a junk and came to Macau in 16 hours and I was a refugee, so that's why I was so much indebted to Macau. I took Macau as a second home, they treated me so well -- with 10 dollars in my pocket, I became a millionaire in one year, in one year's time, imagine, during the war years. But I had to work extremely hard. From morning 6 o'clock up to night 10 o'clock when I go to bed, I had absolutely no other enjoyment. So for three years I was like that. So really I believe now, to succeed you must have the spirit of hard working, the enthusiasm, enthusiasm for learning and the spirit of making good your promises.

LH: Dr. Ho you have invested in basically every facet of Macau's economy and abroad as well, have you ever made a bad investment?

SH: So far no, really I've been very fortunate, so far no.

LH: Why do you think it is? Why do you think you've done so well?

SH: Well, unfortunately the element of luck is minimal. All my life, I never believed in luck, so in my case I could say well maybe five per cent luck. For example, during my first ten years of operation of the casino, I wasn't too successful and then suddenly, all of a sudden, Hong Kong started to issue immigration permits allowing people to come to Macau -- so that year, I can say that's luck, really.

LH: Just ahead-Ho shares with me some of his favorite dance moves.

BLOCK C

LH: You're back with TalkAsia and a very rare conversation with Hong Kong business tycoon Stanley Ho. At 83, he's still going strong. He heads both the Hong Kong listed Shun Tak Holdings, and S-J-M, one of the three gaming concessionaries in Macau. He also holds honorary titles at multiple charitable, educational and business organizations. In the final part of my interview, I asked what he thinks is the world's biggest misconception about him?

SH: Well, so far, I think I have received the biggest number of medals from all over the world than anyone in Hong Kong or Macau. But unfortunately, some people still think that Stanley Ho knows too many triads and are connected with the triads. This is very unfair, a real misconception. If I have received even medals from his holiness the pope, you can imagine how much I have done, how much charity, how much help I have given to the church to get such a medal. Not to mention all the others.

LH: Dr. Ho, other than your businesses, we often read about your family and personal life that gets into the news. How do you handle all this publicity about your personal life and the family feuds and all these other issues that are non-business related?

SH: Well I must admit that my life is rather complicated. But just the same I have been treating all my sons and daughters very well. I have done my part, I have given them the best education they can get, I always believe that education is most important. So even for charity I always give priority to education because I always teach young people -- knowledge is your real companion, your life long companion not fortune. Fortune can disappear.

LH: what do you hope that they can learn from you?

SH: Well I think my elder ones are doing very well, as you have seen. They are helping me and trying to relieve me from too much work -- I am a little over worked even now. Because as you understand we have all these new companies from America and I must compete. I want to prove that I will still maintain to be the market leader so let us see.

LH: No plans to retire? No plans to slow down? I mean after all you could enjoy everything you've earned now.

SH: I really enjoy so much, and not only that the chief executive as expressed more than once, so has mainland China, Stanley Ho, we wish you good health, please carry on for the time being. So no choice -- I cannot retire.

LH: No choice. Is it important for you to have one of your children maybe be a part of the future whole dynasty?

SH: Well I hope to have a long life to start with. So I hope I don't have think about that for the time being. You look at me, I'm quite healthy I play tennis twice a week, I still maintain the veteran open champion in Hong Kong.

LH: You're making me jealous here. I was just going to ask what is the secret to your youthful look, do you take any medicine, to sleep x amount of hours, is it genetic? What is it?

SH: No secrets at all, I lead a normal life but I must believe that sports has brought me this good health, only sports. I swim everyday and I did a lot of walking, I do a lot of dancing and I hope to be able to dance with you later.

LH: Thank you, well I hope not to let you down. Do you have Dr. Ho many true friends, people you can pull aside and discuss your problems with, people that you really really trust?

SH: I do have. I have really many many good friends, real sincere friends

LH: That is hard to come by isn't it? Especially a man in your situation.

SH: You have to weigh it very carefully whether they are my real friends or whether they are after my money.

LH: That's right. And you seek advice from them?

SH: I think it's the other way around, they normally ask me for advice.

LH: And who do you seek advice from then?

SH: Well I certainly would seek advice from the two chief executives, Tung and Edmond.

LH: Dr. Ho when you look back at all your life so far -- both business and personal -- how has your life or your outlook on life changed through the years, or has it?

SH: Quite frankly I have never been happier in my life during these few years. I think China has been most liberal to both Hong Kong and Macau. We should enjoy this freedom, this so called one country, two systems, it is working very well in Macau and I hope in due time Hong Kong will do the same.

LH: Hong Kong Business tycoon and Macau's patriarch, Stanley Ho. And that is TalkAsia this week as promised, we leave you with pictures of Ho doing what he loves best -- the cha-cha. Thank you very much for joining us. I'm Lorraine Hahn. Let's talk again next week.