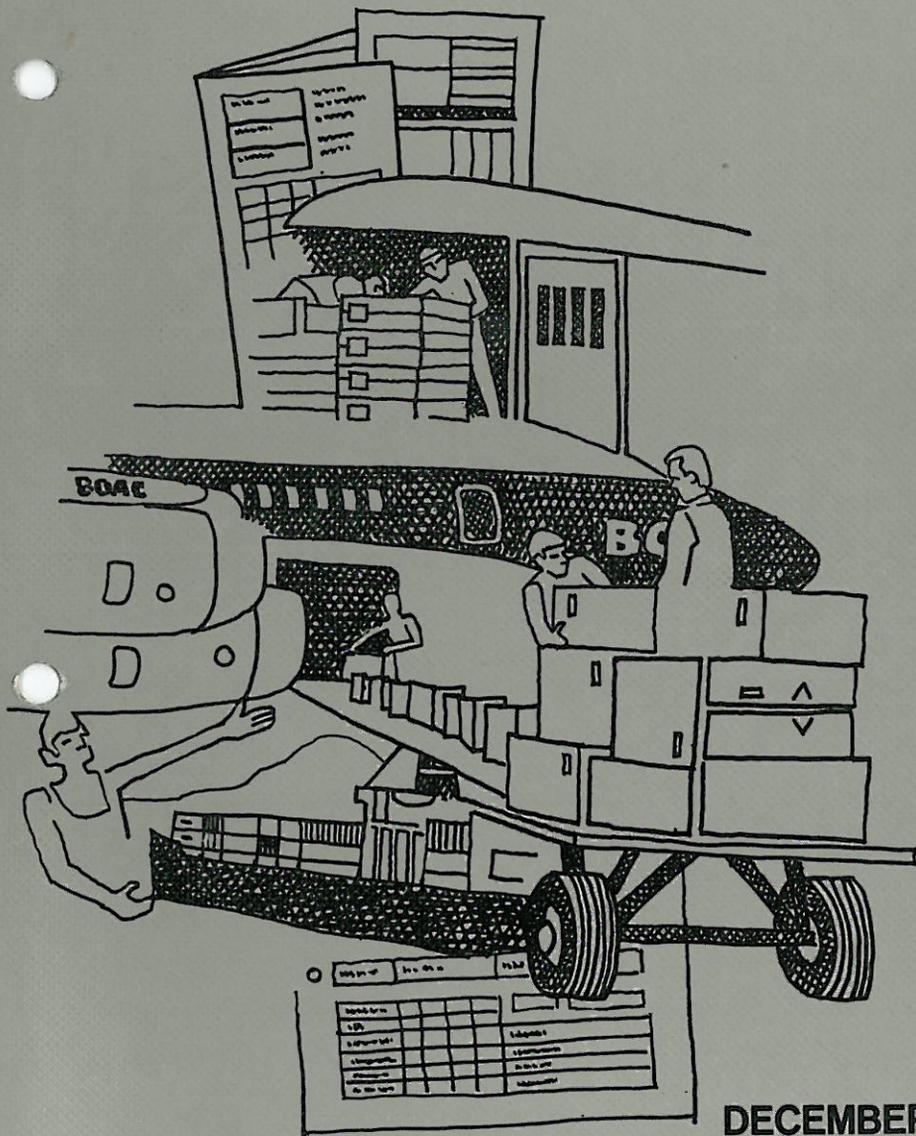




# The Bulletin

The Hong Kong General Chamber of Commerce



DECEMBER 1971

# 中文簡摘

## 國際貨幣危機面面觀

本文轉載自「華爾街日報」，作者歐連先生為一經濟學者，從事研究及教學工作。本文對貿易赤字的利益有新的見解。雖然作者不會以香港作為例子，但若以該文所提倡的標準而論，他亦會同意香港是一個經濟制度組織完善的好例子。也許香港成功的秘訣有賴於其本身有大量的入口和出口，因為根據歐連先生的意見，他以為一個入口龐大的國家是有一定的利益的，這見解與一般人所持的意見迥然不同。全文繙譯如下：

在目前討論所謂國際金融之際，有一事情是通常受到忽視的，那就是貿易出超國所受風險起碼和入超國一樣，嚴格地說來，其所受風險更大。這方面受到忽視是我們最初自十七八世紀以來，便受到商業主義那些謬論所禍害的最佳例子。他們以為個人多做些生意既然是好的，因此一個國家出口多當然有利。

但是貿易在出入口均衡的情形上才可以發展，因此如果入口在同一速率下增加的話，一個國家可以無止境地增加其出口，否則外國怎樣有額外的貨幣來購買其出口貨呢。如果一個出口國不斷接受入口國的貨幣或第三個貨幣（例如美國），則必然會走上令人可笑的處境。因為它不斷賺下太多外幣而不用於購買入口貨時，它祇有無限量在累積外幣儲備金。

那究竟為何呢？試問除了準備了適當的儲備金來應付急需外，將自己人民的勞力和資源變成沒有止境的外幣堆積甚或利息低的外國定期存款對國家有甚麼好處？這樣做法祇有做成人民部份的增產不能有助於其真正工資的增加、生活水準的提高。實際上生活在這種處理得離奇的經濟制度下，人民更多的生產祇得到更多的積蓄，而生產力增加的成果却被入口國的人民實受生活水準提高之惠。

在另一方面：那些貿易赤字的國家却真正的坐享其成。他們所經歷的是不斷增加入

超——入口之數量及增長率均超於出口。那些額外的入口是直接有助於其國民的真正生活水準的。他們所付出的不是勞力和真正的財富，而祇是一張張的紙幣，或者更為單簡的銀行帳部上過帳。

既然出超國家基本上是處於可笑的境地，而作為入超國是很方便的，為甚麼尋求貿易平衡的壓力往往是由入超國發出呢？

答覆這個問題也簡單不過，這祇是在政治上和心理上集中的生產者利益凌駕更多但發散的消費者利益的另一個例子。那些工業與出超國低值出口貨競爭的便大聲疾呼地抗議。由於低值貨品平均地散佈到整個國家的人口，而購買此等貨品的支付，祇佔消費者總入息的很小部份，因此他們的反應便沒有如生產者的激烈。

同樣地，出超國被「剝削」的一般國民，例如日本，亦不易發覺由於出口不斷增加以至貨品在本國市場流通的自然減少所引至的真正入息上輕微損失。（因為貨物流通減少形成物價上揚）。但另一方面出超國的出口工業却對他們繼續發展的任何威脅十分敏感。

因此我們看到在硬性規定匯率下國際貿易不均衡的病狀。亂子的發生顯然由於長期堅持一個的幣值過低和另一國幣值過高的趨向。這樣導致工業在不健全的資源分配下來適應環境，產生在工業界中依法保有的權益對其擾亂加以抵抗。其實出超國出口貿易減

少並不是銷路完蛋，只不過有些資源要重新調動和銷售轉向國內市場而已。當然進行的部份銷售向本國市場進軍，而一些專門做出口生意的公司自然會蒙受損失甚至破產。越是想起他們所面臨的損失，對改變滙對率的反抗更劇烈。對行將被迫退却或毀滅的搏鬥比獵取額外利潤和繁榮更拼命是人們及商行很自然的特性。

這清楚地解釋享有特別利益的人對社會有利轉變的阻力。但這不應該是這些國家的政府注重這些勢力多過一般利益的藉口。或者我們應該希望那些政府，為了維持過於硬性規定的滙對率而做成國際金融失去了平衡，留意其他國家因硬性規定滙對率終需廢棄而蒙受損失所引起的問題。那些政府可以採取兩項途徑。第一續漸回復平衡而不是突然而來。第二補償那些顯而易見犧牲者所受最慘重損失。

第一點妨礙了美國財政部長康納利所持的立場。他要求美國國際貿易收支平衡行一百三十億美元的轉變。美國讓這個不平衡的慢性發展，已不是最近三兩年的事。而是十五年來的事，在這期間世界各國的工業本來可以完全適應價值過高的美元，要求那不平衡在一次過行動中除去。最糟糕的是，由於除非美元自由浮動期延長和維持資金外流限制及入口附加稅，我們沒法知道在目前的市場形勢下，美國貿易要有多大轉變才適當。因為堅持採取某些措施來作一項特別變更，作為扭轉平衡外，或許終止了平衡。

第二個辦法表示最佳，最合經濟原則和最合理的解決辦法。讓貨幣自由浮動一個時期好使達到一個真正的平衡率，以便一般人不致因滙率過早回復而失去實受其利的機會。亦好使出超國家的政府對出口工業給予特別暫時性的補償，去其刺痛。甚或對從依賴入超國輸入工業原料的工業予以幫助。此等補償當然不是關聯於繼續出口的數量，而是給那些投資者（及工人），他們在受影響工業經營所招致的損失的政策加以改良，我們不能接受常常在報章雜誌上和政府聲名上見

到與國家基本利益相背馳的暗示。出超國為本身着想是需要終止長期貿易不平衡的。但美國和其他入超國絕不應用好戰的口吻來威嚇出超國作適當的行動。美國好像開始作出這樣的意像。出超國家將終要停止在外幣市場滋擾，當他們對堆積不能轉換為其他貨幣的美元感到厭倦時，他們便會保留一部價值過高的美元。

美國現時的口吻是危險的，因為它給人的印像是它最有興趣將目前局勢作一百八十度轉變。而美國將令其他國家相信他們將要為美國利益作重要甚或極度的犧牲。沒有甚麼比這樣更挑動起國家主義的倔強。其實這是與實情不符的。回復國際貿易平衡後，出超國將得益最大。美國在這一方面督導他國其實有些是利他主義存在的。

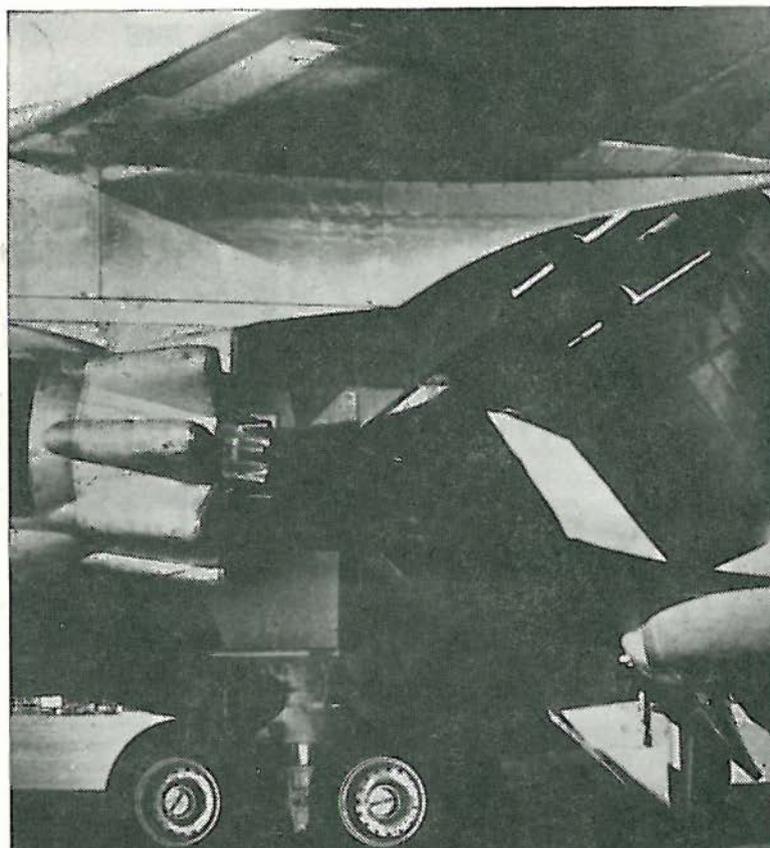
## 簡訊

△約翰·麥堅時先生將代表本商會出席由亞遠經濟委員會主持有關各政府及付貨人代表在曼谷舉行之會議。會議日期由十二月七日至十四日。

△本會為加強予會員之服務，於近期內將舉辦「集體商業海外旅行團」之活動。此旅行團與一般貿易代表團有異。參加本商會商業旅行團之團員於集體抵達目的地後，自由隨意到訪各地。而本會將出派一職員隨團予以團員適當之協助。

首批旅行團將由本會之北美洲貿易區委員會籌劃，目的地為美國及加拿大。日期為一九七二年春季期間，歡迎會員携眷參加。至於有關預期舉行之旅行團之詳情，請逕向本會國際貿易部鍾士良先生垂詢。電話：H—245075。

△代表本會出席香港大學職業輔導委員會之力嘉先生於最近被委任為該委員會屬下一「工作小組」之一員。該「工作小組」之目的為研究以職業訓練為中心之假期工作計劃。



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The year 1971 closes with several threats facing Hong Kong. First among these must be the agreement on restriction of textile exports to the USA, which, at the time of the Bulletin's going to press, remained still unresolved. The impending move by the UK to replace with quotas and a tariff what was to have been a newly introduced tariff, which in turn was supposed to be replacing a quota, added perplexity to the already confused textiles scene.

Longer term problems also abound:—stresses in the international monetary system; the surcharge on US imports; the impact on trade of the new turn in relations between China and the West; the entry of Britain into the EEC. The list seems endless.

It therefore seems a trifle ironic that this was the month of the Festival of Hong Kong.

Yet in a way it is not odd. Those who felt a need to justify the Festival regarded it as a celebration of the improved quality of life in Hong Kong.

The same style of thinking is expressed in a different way in recent developments in the Chamber. One of the innovations of the last year—and there have been no end of major changes—was the establishment of the Home Affairs Committee. This concerns itself with matters such as the preservation of the environment, local transport and social welfare.

The link between environmental pollution and a Festival may seem

rather tenuous, yet it is there. It goes as follows:—the man who has nothing to lose, who is absolutely on the breadline, is not concerned with Festivals or with environmental pollution. He is not concerned with complicated regulations set up by foreign governments, or with what is happening in foreign exchanges. He is concerned with immediate survival over the next few days, and with little more.

It is only when a person has a stake in the community, when he has some property, possessions and money, only when his rice bowl is filled regularly, do these things begin to have meaning. Only when he has *something*, has he something to lose.

Likewise, only when a country has reached a certain stage in its development, is it able to take an interest in combatting environmental pollution, or to express concern at changes in the parity of international money.

And this perhaps is what the Festival was really about. It was a celebration of the fact that Hong Kong has reached this stage in development.

The more successful one becomes, the more sophisticated the problems become. The present outcrop of difficulties therefore may not necessarily be a sign of failure, but a sign of achievement.

And talking of Festivals, the Bulletin too has on pages 13-20 indulged itself in a mini-Festival this month. We got away with it last year by the skin of our teeth . . . so, pleasant reading and happy Christmas.

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## Trade - too much of a good thing

This article, by **Richard Ablin**, a research economist and teacher, takes a fresh and stimulating look at the advantages of running a balance of trade deficit. Although the author does not consider the example of Hong Kong, he would have been able to hold us up as an example of a well run economy, according to the standards advocated in the article. Perhaps the secret of HK's success is that we are both a big importer and a big exporter, since contrary to often expressed opinion, being a large importer does hold definite benefits, according to Mr. Ablin. The article is reprinted with the permission of **The Wall Street Journal**:-

It is commonly overlooked in current discussion of the so-called international monetary crisis that the stakes are at least as high for the trade surplus nations as for the deficit nations. More precisely, they are much higher.

That this is overlooked is a classic example of the fallacies of composition that have continuously plagued the field of international trade since at least the mercantilist times of the 17th and 18th centuries. More sales are always good for an individual businessman or exporter, ergo more exports are always good for a nation.

But trade can thrive only in a state of balance. A nation can increase its exports indefinitely only by increasing its total imports at about the same rate. Otherwise where will foreign countries get the additional currency needed to purchase its exports? If the exporting nation accepts the currency of the importer or of some third country (eg the dollar) it will inevitably find itself in a ridiculous position. Since it will be earning steadily more foreign currency than it spends for imports it will simply be

heaping up indefinitely larger reserves of foreign currency.

What on earth for? Is it in the interest of a nation, after it has provided itself with a reasonable liquid reserve against emergencies, to go on converting the labour and capital of its people into an endlessly growing heap of foreign currency (or even foreign time deposits paying low interest)? What this means is simply that part of the increased product of its people cannot redound to their benefit in the form of higher real wages and other incomes and higher living standards. In effect, the people of such a curiously managed economy produce more and more only to save more and more so that the fruits of their growing productivity can be enjoyed as higher living standards by the people of importing countries overseas.

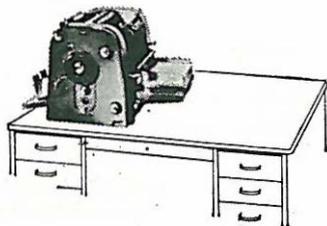
### Sitting pretty

The nations on the other side of this unbalanced trade, on the other hand, are in a real sense sitting pretty. They experience a growing "import surplus" — imports larger than and



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growing faster than exports. For the extra imports, which contribute directly to their real living standards, they pay, not in sweat and real wealth, but by exporting pieces of paper or, even more simply, entries in a bank account.

Well then, why, if the export surplus country is in a fundamentally ridiculous position, and the import surplus country in a very convenient one, does the pressure for an end to the trade imbalance generally come from the latter?

### Producer v. consumer

This is unfortunately very simple to answer as well. It is merely another example of the political and psychological supremacy of concentrated producer interests over much larger but diffused consumer interest. The industries in direct competition with the under-valued exports of the surplus country protest loudly and vociferously. Since the benefits of under-pricing of imports are spread almost evenly over the entire population and represent only a very small fraction of their total real income, they do not react with anything like the same furore.

By the same token, the "exploited" population of the surplus country — Japan, for example — hardly notices its marginal loss of real income due to the exclusion of a larger and larger export surplus from domestic market supplies (thus keeping prices higher than they otherwise would be), while the export industries of the surplus

country are keenly alive to any threat to their continued expansion.

So we see the pathology of a long-engrained trade imbalance under fixed exchange rates. The trouble obviously arises from the long persistence of the tendency toward undervaluation of one currency and overvaluation of the other. This has led industries to adapt to an unhealthy resource allocation, creating the vested special interests that resist disturbance. The fact is that a reduction of export profitability in the surplus country would not mean the end of sales but a reorientation of some resources and sales toward the home market. Of course, such a process cannot proceed without friction. Each export firm would redirect some sales to the home market, and some export-oriented firms would naturally suffer losses or even bankruptcy. More will imagine that they face such losses and so the resistance to a change in the exchange rate will be intense. It is quite a natural trait for men (and firms) to fight harder to resist retreat or ruin than to obtain windfall gains or extra prosperity.

### Governments should resist

This all explains clearly enough the resistance of special interests to socially beneficial change. It does not excuse the governments of these countries for paying more attention to such pressures than to the obvious general interest. Perhaps, however, it should lead us to expect that the governments which, by maintaining

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excessively rigid exchange rates, are responsible for the disequilibrium in the first place, would pay some attention to the problems of those who stand to lose because of the need finally to remove it. They can do this in two ways, by moving toward equilibrium gradually rather than abruptly, or by compensating the obvious losers for their worst losses.

### Connally wrong

The first point militates against the attitude expressed by Treasury Secretary Connally with his demand for a \$13 billion turnaround in the US trade balance. Here is the representative of a power that has permitted the gradual development of disequilibrium not over 2 or 3 years, but over 15 years, during which time industries world-wide could be fully adapted to the over-valuation of the US dollar, demanding that the imbalance be eliminated in one coup. Worse still, since we cannot really

allow the "turnabout" in the US trade appropriate to present market forces without an extended period of free flotation of the dollar — without capital export restrictions or import surcharges — the insistence on measures that will bring about a particular change may just as well reverse the disequilibrium as end it.

### Best solution

The second alternative suggests the best, most economical and equitable solution. Let currencies float freely to their true equilibrium rates so that

the public need not be deprived of the full benefit of an early return to equilibrium. And let governments in formerly surplus countries seek to remove the sting by paying special temporary compensation to export industries and, perhaps, to industries particularly dependent upon imported inputs in formerly deficit countries. Such compensation should, of course, be related not to the quantity of continued exports, but to the capital losses suffered by the investors (and workers) who have specialized in the affected industries.

### Useless \$ reserves

But however refined the policy adopted toward sectorial losses in a correction of the disequilibrium, by no means should we accept the tacit reversal of basic national interest so commonly seen in journalism and governmental statements alike. It is pre-eminently the interest of the surplus countries to end the absurdity of a persistent imbalance. By no means should the US or the deficit country adopt a belligerent or extreme tone in order to browbeat the surplus countries into appropriate action — and this is the image that the US has apparently begun to project. If not "benign neglect", a gentle prod is all that makes any sense. The surplus countries will finally stop intervening in foreign currency markets to keep at least a part of the dollar's over-valuation when they finally tire of accumulating absurdly large reserves of inconvertible dollars.

## Report from the Areas

The Government of the **Republic of Vietnam** has just embarked upon a new policy of economic development, which will mean more active two-way trade between Hong Kong and Vietnam in the near future.

The Consul General of the Republic of Vietnam, Mr. Vuong Hoa Duc, recently met with the Chamber's South East Asia Committee to explain his country's new policy which was adopted on November 15th, and to discuss the ways in which two-way trade can be promoted.

The main aim of the new policy is to expand Vietnamese exports. In order to achieve this goal, the Government has taken measures to relax controls on both imports and exports.

Due to the insecurity in the country in recent years, Vietnam's export trade was disrupted, but the conditions in the country are now quite peaceful, the Consul General reported. People are returning to farming and other work, and the country is generally prosperous, with the standard of living rising steadily.

The Government is encouraging the people to raise more crops and livestock for export to further boost and help develop the economy. As a first step, however, the Government is studying the potential of various markets.

Hong Kong in particular, the Consul General noted, will undoubtedly play a very prominent role in Vietnamese trade in the future. It is close-by, and there is a demand here for food stuffs which Vietnam, being a rich agricultural country, is in a good

position to supply. The Consul General is consequently most interested in gathering as much information as possible concerning Hong Kong's import needs—products and quantity—taking into consideration what Vietnam will be able to supply. Once this has been assessed, Vietnam would be in a position to go ahead with her export drive. The co-operation of organisations like the Chamber during this first fact-gathering stage, the Consul General said, is therefore most appreciated.

The major imports to Hong Kong from Vietnam in recent years have included metalliferous ores and metal scrap; animal and vegetable crude materials; coffee, tea, spices; fish and fish preparations; and cereals, which over the last five years have averaged around \$5 million HK.

On the other hand, Vietnam shows great potential for growth as a market for Hong Kong. Over the past five years, Hong Kong has exported on the average of \$130 million HK per year to Vietnam with 1969 and 1970 the best years. Major exports include clothing; textiles; footwear; base metals; and miscellaneous manufactured articles.

Other important aspects which will undoubtedly help boost two-way trade are that Saigon possesses both excellent harbour and shipping facilities, and the fact that Hong Kong is only three days by sea from Saigon.

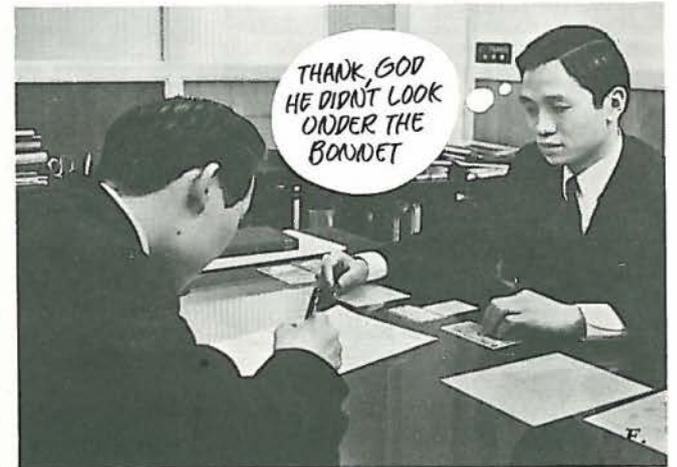
Thus, all facts point to the dawning of a new phase in trade relations between Hong Kong and Vietnam, which the Chamber heartily welcomes.

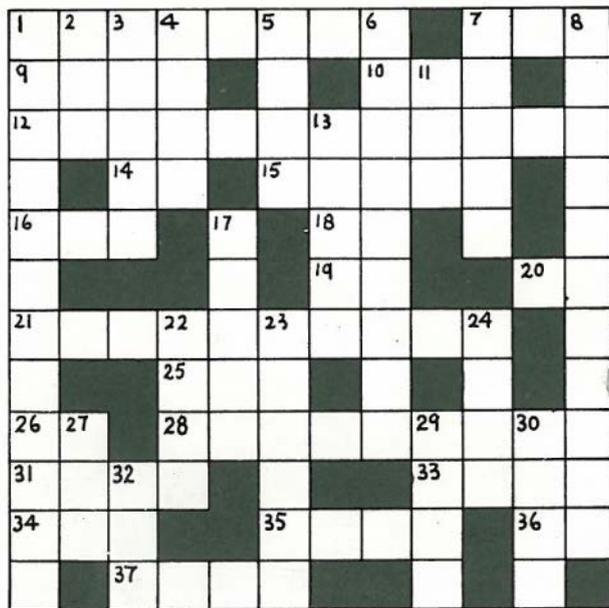
# XMAS SPECIAL

(don't say they've done it again...)

# So he said to me ...

highlights of the Chamber's diary





**CLUES**

**ACROSS**

- 1. could be trade or diplomatic(8)
- 7. address for the night(3)
- 9. 10. hullo to the Hawaiians(4)..... and the Indians(3)
- 12. hear romantic mix-up brings Canada and the USA together(5-7)
- 14. most declined of English verbs(2)
- 15. basic term for one down(5)
- 16. fairy girl(3)
- 18. seldom heard by Casanova(2)
- 19. pronoun in semi-trance(2)
- 20. adverb on location(2)
- 21. 23 down. according to those who've lost money, a description of some mutual funds(10-6)
- 25. the mountain that started to boom and then collapsed(3)
- 26. condition of a jockey—or successful punter—at Happy Valley(2)
- 28. gubernatorial nether garments?(9)
- 31. a severe case of the wind(4)
- 33. the lady's not worth much in India nowadays(4)
- 34. hopeful guesstimate for schedule purposes? (initials)(3)
- 35. sometimes red(4)
- 36. sounds like 11 down(2)
- 37. a gun for free traders? (initials)(4)

**DOWN**

- 1. member of a local Chinese association, perhaps(12)
- 2. organisation for overseas toilers — or expectant mothers? (initials)(3)
- 3. from trade promotions orb you shall prosper- motto for the man?(5)
- 4. crooked seat gets filled up(4)
- 5. the dairy farmer(4)
- 6. sometimes turns the beach into bl. wave bay(5-4)
- 7. is he the 'tai' or the 'koo'?(5)
- 8. instant festival(5-2-4)
- 11. found at 25 across(3)
- 13. nut case on the crest of a wave?(5)
- 17. Swiss food gives rise to mixed aches(5)
- 22. act of the silent, if not necessarily the strong man(4)
- 23. see 21 across(6)
- 24. good dancer?(4)
- 27. joint for hippies(3)
- 29. in that association you'll find widely travelled men(4)
- 30. perhaps one who looks down from his exclusive Peak residence?(4)
- 32. gas around — all fall down(3)

Many — but not all — of the clues refer to a local place, personality etc. likely to be known to Chamber members.

# Quotas are good for you

## Prologue

The clouds sped across the sky, masking the moon. In the distance, a roll of thunder grumbled, and a few large slow drops of rain began to fall. Tally Ho, driver of the stage-coach 'Washington Special', pulled his cloak more tightly around him in anticipation of the coming storm. Inside the coach the passengers, all important merchants and government officials, stirred uneasily. Some dozed. Some glanced through the windows up at the darkening sky, and then closed their eyes, trying to catch some sleep despite the joggling of the coach.

All but Honest Jack, leader of the group. Alert as always, he poured over the heavy report prepared for him. Reading the facts and figures set out, he felt convinced he had a good case. He knew that he would have to argue with diplomacy and skill, and that the opposition must not be treated lightly. But after all, Honest Jack had lived through many such negotiations, and had always managed to come through without serious loss.

## The villain reveals himself

'Stand and deliver!' The shout, followed by a shot, rang out loud and clear. Tally Ho felt the bullet whizz past his head, and rapidly reached for the brakes of the 'Washington Special'. The stage coach came to a halt beside a small knoll on the left of the road. On it, a dark figure on horseback was levelling his gun clearly at Tally Ho.

'I am Tricky Dick, the famous highwayman, and this is my horse "Floating Rate"!' The rider cantered

down and drew up alongside the coach door. 'I know you are in there, Honest Jack and rich merchants. Outside instantly!'

Honest Jack and the passengers tumbled out into the road. Directed by a gesture from the highwayman's pistol, the passengers lined up in front of the coach. Tricky Dick pointed his gun directly at Honest Jack's head.

He laughed impudently. 'I rob the rich to give to the poor,' he said. 'But this time, 'tis I who decides who is the rich and who is the poor!'

'Now Honest Jack, your documents or your life!'

Honest Jack handed over his documents. With a gesture of contempt, Tricky Dick threw them over his shoulder. Honest Jack watched as the papers containing carefully worked out statistics and well prepared arguments blew up the road, until becoming sodden with the weight of the falling rain, they eventually dropped in the mud to become disfigured and illegible.

'Now negotiate!' said Tricky Dick with a laugh.

## What will our hero do?

The passengers stirred uneasily. What could Honest Jack do, his case now destroyed beyond all hope of recovery? And Tricky Dick had not even looked at it.

'We know you take ten per cent from rich and poor alike,' said Honest Jack. 'We know too in the past, you have distributed your earnings with generosity among the poor.'

con't p. 18

# Plain man's guide to management terminology

'We know that your trade has fallen on hardtimes. Our neighbours to the north, whom you have helped, can sometimes reach the stage coach before you do, and benefit from this, leaving little for you. And we know you are annoyed because they never give to the poor, or do they help you.

## Our hero pleads . . .

'We know that you had to borrow yourself from your friends in order to finance your chosen way of life, and that those friends are now demanding their return. And you may have to rely on their friendship once again in the future.

'But having said all this, we still wish to remain your friend. We will help you in your aims, and have already taken steps to do so. But we ask you leave us a little something. The right of switch perhaps?'

Tricky Dick laughed again. 'You speak well, Honest Jack, but debts are debts. As you say my friends want repayment, and Tricky Dick always delivers. And in this case I think my argument carries more weight than yours. I hold mine here in my hand.' Tricky Dick raised his pistol. 'Yours lies there on the road.'

## . . . to deaf ears

'However, this much I will give you. You yourself said I take ten per cent from rich and poor alike. This time I will take your right of switch and in return will drop my ten per cent. Now, all of you, hand over your right of switch instantly.'

Crestfallen the merchants handed over their right to Tricky Dick. 'When I negotiate, I use the right argument,' said Tricky Dick, and with another laugh, wheeled his horse and galloped away into the night.

Suddenly Honest Jack felt very tired. What could he tell his friends at home? Around him, the merchants spoke quietly among themselves, as they tried to work out what the situation might cost them.

Finally, Honest Jack smiled. He turned to Tally Ho, and to the merchants.

'Tricky Dick has taken something from us. But he has not taken all. I think someday we shall meet with Tricky Dick again. And who knows what may happen then . . .' And on that note, the passengers returned to the stage coach, and Tally Ho whipped up the horses to take it on its way.

## Epilogue

The characters of this fable have of course no resemblance to real people. They, however, and the plot were suggested to the *Bulletin* by a gentleman of considerable Excellence.

The advent of so-called scientific management has brought a new language into business. For those unfortunate few who do not today hold an MBA degree, we explain some of the vogue terms used by the new generation of managers.

**Ult-in obsolescence.** The excuse you give when you forget to tighten all the nuts before delivery.

**Budget.** A guesstimate of what it's all going to cost you. Staff can be categorised into three groups according to their experience with budgets. Firstly, those who exceed their budget; they're expansionist minded and are therefore promoted. Secondly, those who underspend their budget; they've been slacking and are therefore fired. Thirdly, those who hit their budget spot on; they're wasting their time with you since there's obviously a fortune awaiting them in Macau.

**Computer.** An elaborate attempt by equipment manufacturers to point out we all make mistakes. (cf 'software').

**Data Processing.** Used to be called adding, subtracting, multiplying and dividing.

**Discounted cash flow.** Usually referred to as DCF. How to decide on the best way to spend a sizable sum of money that you haven't got in the first place.

**Economic forecaster.** A man who convinces you after the event that he has good reasons for being wrong. (cf 'econometrics')

**Econometrics.** Measuring economic forecasters (see 'economic forecaster' above).

**Efficiency expert** — also known as work study man. Someone you hire when you want to sack half your workers and haven't the guts to do so yourself. (cf 'management consultant').

**Image.** Something we always want to improve. Therefore, usually referred to as a 'new' image. No one knows what the old one was.

**Industrial democracy.** An attempt to prove that the workers are no better at running your business than the managers are.

**Management.** Used to be called 'shut up and don't argue with me. I'm the boss.'

**Management accountant.** Accountants come in three species — chartered, cost, and management. Chartered accountants take audits in order to produce balance sheets which tell you how badly you were doing six months ago. Cost accountants tell you how much you'll have to spend in order to do something in six months time. Management accountants tell you you can't afford to do it anyway.

# Answer quickly - where are your keys?

**Management consultant.** Some one you hire when you want to sack half your managers and haven't the guts to do so yourself. (of 'efficiency expert').

**Management development.** Nepotism.

**Marketing.** Used to be called selling. The difference is that the salesman used to persuade you to buy something you didn't want, while now he asks you if you want it and in what form you want it before he persuades you that you still want it anyway.

**Market research.** Asking people why they don't like your products.

**Measured daywork.** How to pay the workers less for doing more. Can also be applied to nightwork, but the term 'measured nightwork' should not be used.

**Network analysis.** An elaborate attempt to prove that the shortest distance between two points is a straight line.

**O & M.** An abbreviation for Organisation & Methods study. An attempt to convince your office staff that they too are members of the working class.

**Operational research.** Building models to prove how useless it is to attempt to do something you've no intention of doing in the first place.

**Organisation chart.** Remembering who works in which office.

**Productivity.** Something we always want to improve. Used to be called 'working harder'.

**Profit forecast.** That's a laugh . . .

**Profit planning.** That's an even bigger laugh . . .

**Queuing theory.** Used by operational researchers (see above). Used to be called 'how to get on the bus first.' Not recognised by minibus drivers.

**Research and Development.** Researchers invent new products. Developers prove they're no use.

**Software.** An attempt by equipment manufacturers to prove how useless a computer is. (of 'computer').

**Value analysis.** Critical examination of your product, part by part, in order to prove you should be making something else.

The man made his way quietly through the dark corridors of the office he had just broken into. He tried the door of the first room he came to. He was in luck. The door was locked. He looked quickly through the drawers of the desk and found nothing of interest except a key.

Wondering what interesting lock this key might open — and half expecting it to be for the bathroom, he nonetheless pocketed it and prowled on about the premises in search of more valuable pickings.

Whenever he came to a locked door, he would half-heartedly try the key — when it didn't work, he'd move on. He was in no hurry. He knew that the building wasn't very well patrolled at night. Still, he wasn't going to bother breaking doors down either. He wasn't much of a lock picker, and didn't want to take a chance on making any noise which might give him away.

His caper hadn't been too successful and he was just about to leave, when he noticed a safe he had previously over-looked, standing in a corner. It looked sturdy and well-built; it had no combination, simply a lock. Out of a 'what do I have to lose' attitude, he tried the key he had found earlier — it fitted. His heart started pounding as he realized what this could mean. Then he slowly turned the key . . .

The next morning there were several very embarrassed people trying to explain to the police how the thief had managed to 'break into' their safe, and make off with a con-

siderable amount of money.

**Moral:** Those who have money and valuables about should look after their keys.

\* \* \* \* \*

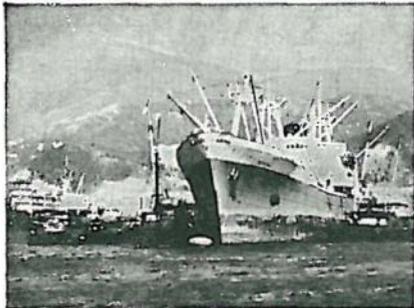
Unfortunately, this is not just a Christmas fable. The details may have been dressed up, but this is a true account of a burglary which did take place in Hong Kong some time ago.

## Ounce of prevention

Since this is the holiday season, it seems a shame to inject a note on the gloomy side into the festivities. However, as an officer of the Crime Prevention Office of the Criminal Investigation Department of the Royal Hong Kong Police Force, Mr. S. E. Dirkin, knows only too well, an ounce of prevention never hurt anybody. It's precisely this time of the year that people are apt to have larger quantities of money than usual in their offices, homes and on their persons. The proper precautions must be taken to avoid trouble — trouble which can really ruin one's holiday.

People are generally terribly careless with their keys. Companies which own buildings should be especially careful. They should know at all times exactly how many keys there are to the various offices or flats in their buildings, where they are, and make sure that there is limited access to them. Similarly companies, especially those which keep a good deal of money on their

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premises, are advised to take similar precautions.

More often than not, most companies have no idea how many keys actually exist to a certain lock and, more important, who has them or has access to them. It is therefore advisable to take an inventory of all the keys on the premises and if some are found to be missing, lost, or in the possession of people who shouldn't have them, then you have to go back to square one and install a new lock, each time systematically keeping a record of the exact number of keys there are to each lock, who has them, and where they are kept.

This may sound like a tedious job and whether it is worth the trouble or not depends, of course, very much on what is at stake.

## A heavy responsibility

As a further precaution, Mr. Dirkin suggested that a junior executive or some other responsible person should be appointed as a security officer to ensure that a thorough tour of the office is made before closing up each day, to see that all windows are closed, that all doors which should be locked are locked, and that keys are properly secured.

In many offices this job falls on the shoulders of office boys who are often the last ones to leave as office, but this is not really a satisfactory arrangement because, let's face it, they are simply not paid enough to warrant this rather heavy responsibility.

Companies should also look into the measures provided for the security of the whole building. Are they

satisfactory? If not, individual companies must take it upon themselves to ensure the security of their own offices. It might also be to advantage if responsible persons in adjacent offices were consulted as to their security precautions.

## Turning a new leaf

Probably the most important thing to overcome when you go about making sure that your present security system is satisfactory — is habit. It is so easy to fall into a routine and if one is usually careless about keys, it is hard to turn over a new leaf.

After all is said and done, however, it must be made clear that nothing is absolutely impregnable. However, by the taking of adequate precautions a potential burglar can be deterred.

Even the largest and most secure bank vaults can be broken into, but it takes time, and for a thief, time is, of course, vital.

There are many, many aspects of crime prevention — this is just one, that is timely to stress now, and one that the commercial sector of the community, especially the real estate agents should pay particular attention to. Long holidays when no one is around for several days, are by statistical analysis the times when thieves are most likely to go to work.

So if you have a great deal of money in your office, take heed! Quickly, now, answer the question we put in our headline — where are your keys? And where are those of your colleagues' holding duplicates? Do you even know?

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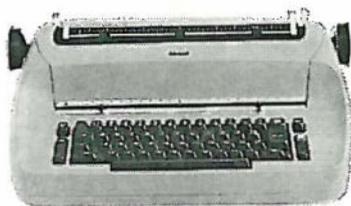
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## Briefing

### News from the Chamber... and the rest of the world

□ On November 27th, the Chairman open an **exhibition** of all the entries which were submitted as part of a **design competition** sponsored by the Chamber as its contribution to the Festival of Hong Kong. A total of 80 young designers from eight local colleges and schools took part in the competition. The exhibition was held in Kowloon Park and was opened during the period of the Festival.

□ As members have been informed, the Chamber is initiating a new service for members in the form of **Business Travel Groups**.

These Groups are different from trade missions in that members only leave and return to Hong Kong as a group. Other than that, they are free to go wherever they wish and there is no fixed itinerary. A Chamber representative would, however, accompany the Group and assist and advise members when necessary.

The first business travel group is being organised by the North America Area Committee for members and if wished, their wives to visit the USA and Canada in the Spring of 1972.

For further information on this and future travel groups, members should contact Mr. S. L. Chung of the International Trade Department, Tel. H-245075.

□ **Mr. John Mackenzie** represented the Chamber at an ECAFE meeting of Representatives of Governments and Shippers' Organisation which is being held in Bangkok from December 7th to 14th, 1971.

□ **Mr. N. A. Rigg**, the Chamber's representative to the Hong Kong University Appointments Board has been nominated to a newly appointed Working Party set up by the board to study the possibility of introducing a scheme of vacation employment for the purposes of vocational training.

□ The Chamber has decided to continue awarding **scholarships at the Chinese University and the Hong Kong University** for a further period of six years following the 1972/1973 sessions. It is likely that the amount of the scholarships will then be raised from a total of \$4800 per year, per University to \$6000, in order to meet the increased costs of being at University.

□ The Chamber's next series of **Chinese Language Examinations** will be held according to the following schedule at the Chamber Offices, 9th floor, Union House.

Mandarin —  
Afternoon, 21st January 1972  
Cantonese —  
Morning, 22nd January 1972

Candidates must register with the Chamber not later than 5 p.m. Mon. 10th January, 1972. An examination fee of \$50 per candidate will be charged.

Details of the syllabus and conditions for these examinations are available on application to the Chamber.

□ The Chamber has been in touch with the Postmaster General, Mr. M. Addi, concerning certain problems in the postal service.

Three major points were discussed. Firstly, the PMG pointed out that firms having PO boxes should ensure that their letterheads show the PO box number prominently.

Secondly, the GPO is aware that there have been delays in the delivery of mail between Hong Kong and Kowloon and would appreciate any information that would help to locate where these delays are occurring. It is especially important that the information includes the cover showing the time of posting as well as the time of receipt.

Thirdly, the PMG informed the Chamber that the 5¢ postage had been abolished because it was running at a deficit.

The Postmaster General added that the Post Office service always welcomes suggestions on ways to improve the service, and stressed that the co-operation of the business sector is essential if the service is to be efficient. On the other hand, if Members feel that the service has improved recently, the PMG would also like to hear from them.

□ From December 1st, the maximum working hours for women and young people in industry was reduced to 8 hours a day and 48 hours a week. The Labour Department has launched a large-scale publicity drive to announce these shorter working hours, in order to advise proprietors of their

obligation under the new regulation and more important, to inform workers of their rights and obligations. For further information contact the Labour Department direct.

□ The Commonwealth preferential tariff in the United Kingdom will be phased out by the gradual imposition of the E. E. C. common external tariff if and when Britain enters the European Economic Community in January 1973, according to the Financial Secretary, the Hon. C. P. Haddon-Cave.

The phasing out process would start on January 1, 1974 when tariffs on Commonwealth products would be increased by 40 per cent of the difference between their previous levels and those of the common external tariff.

There would be a further increase to 60 per cent on January 1, 1975, and to 80 per cent on January 1, 1976. The full common external tariff would be applied to Commonwealth products from and after July 1977.

Although Commonwealth preference in Britain would be phased out in this manner, both the existing E.E.C. and Britain have included Hong Kong as a beneficiary in their schemes of generalised preferences for developing countries.

As regards preferences granted to Hong Kong by Commonwealth countries other than Britain, the future was something for the countries themselves to decide as they were not required to abolish such preferences after Britain had entered the E.E.C.

△本會決定繼續資助香港大學及香港中文大學之獎學金。金額將由目前之每年四千八百元增至六千元。

△本會會就有關郵遞之各項困難問題，與郵政總局郵政司魏達賢先生作一磋商。魏氏謂郵政局歡迎任何有關改善郵遞服務之建議，又強調郵政服務之完善有賴各界人士與其商界人士之相互合作。另一方面，各會員若感郵務有所改善之處，請逕告郵政司，彼當樂意聆聽。

於商討中，魏氏指出各戶擁有郵政信箱之商行應清晰地將號碼刊印該商行日常應用之信箋上。其次，有關港、九間郵遞緩慢之情形如有發生，請向處長詳細報告以便協助調查郵務緩慢之原因。作此項報告時，請切記携備出示郵寄及收信日期與時間之信封。最後，郵政總局郵政司指出五仙之郵遞已被取消，而一毫之郵遞可能增加一些人士之負擔。

△自十二月一日開始，在工廠工作之婦女及青年工人工作時間每日最多不得超期八小時。換言之，每星期不可超過四十八小時。勞工處已展開一連串宣傳工作以告社會人士此項減短工作時間之計劃。該處亦致力促使各工廠負責人遵守此一新規則及告知工人們彼等之權利及職守。

△由青年職業輔導諮詢處刊印之職業指南小冊子之第三部份業已出版。此類之小冊子於本年內完竣出版已有三十三種，包括各專業技術及各工商行業內之就業機會。最新編印之職業指南小冊子刊有關於政府各部門之就業機會之資料。

此等冊子免費分發予香港職業輔導主任聯會，圖書館及對職業指南有關之人士。每間學校將會置備此種小冊子全套。小冊子均為英文本，中文本可於日後編譯完備。

△於香港節期內，本會會贊助一設計比賽。共有八十多名來自本港八間學校之年青設計家參加此項比賽。全部作品於香港節期內於九龍公園展出給各界人士參觀，該展覽會於十一月廿七日開幕，並由本會主席沙魯民談

員主持開幕儀式。

△由城市設計委員會草擬之葵涌分區制大綱草圖業已完竣。旨在使該區內土地之使用與發展能依法例加以控制。各界如欲察閱此一地圖，請於明年一月二十五日前辦公時間內往香港中區政府合署西翼，或設於青山道，上海滙豐銀行大廈之荃灣理民府。

如對該圖有任何異議請於一月二十五日前函告工務司署城市設計委員會秘書，陳述反對之理由並提出其他建議。

此一圖則之副本及說明書每幅售價三元，彩色者售價為二十五元，可往中區美利大廈十九樓官政測量署購買。

## 香港和南越的貿易

南越政府現時正從事一項經濟發展的新政策。這項政策將使香港越南間的未來的雙邊貿易比前活躍。南越駐港領事王和達先生最近與本會東南亞區小組委員會會談，闡釋其政府在十一月十五日所訂立的新政策，並討論促進雙邊貿易的方法。

該新政府的主要目的是擴大越南出口，為了達成這個目的，政府已採取放寬出入口的管制。由於近年來該國情況不安全，因此越南出口受到中斷。但據南越駐港領事王和達先生報告，該國情況已十分寧靜，人民已回田野去及其他工作，國家大體上是繁榮的，而人民的生活水準亦提高。

政府現時正獎勵人民多種植和飼養生口以便促進出口和幫助經濟的發展。但第一個步驟政府首先研究市場的潛力。

王和達先生以為香港對南越未來貿易，用無疑地將擔任重要角色。南越與香港地域接近，香港所需糧食，由於南越是農產品豐富的國家，都可以供給。王和達先生很有興趣搜集香港人口的資料——關於種類和數量等，以便考慮南越可以供給些甚麼。估計工作做完後，南越便可以在出口方面努力。因此在搜集資料期間，能夠得到香港總商會等

機構的協助，南越駐港領事是萬二分感激的。

近年來香港從南越入口貨物主要的包括礦沙，金屬廢料，生口，蔬菜，魚類，穀物等。過去五年來平均每年五百萬港元。

在另一方面，南越是一個有潛力的香港市場。過去五年來，香港每年的出口達一億

三千萬元，以一九六九及一九七〇年為最佳，主要出口包括，成衣，紡織品，鞋類，五金等。有一個重要因素可以推雙邊貿易的是西貢有良好的海港和船泊設備，而香港與西貢間的航程祇三日。

上述各點足以使香港越南間貿易進入一個新階段。本會對這新階段甚表歡迎。

## 冬防期間·宜加注意

由於爆竊事件於本港而言層出不窮，故警務署偵輯處總部高級幫辦杜勤先生提出以下之忠告。

杜氏謂：「此一季節，商行、家庭及社會人仕均懷有比平常較多之欸項。為避免麻煩及不幸事件之發生，大家應預早防範，不可令麻煩及不快之遭遇糟透了大家歡樂之假期。」

一般而言，我們忽略了鎖匙存放此一回事。但商行們尤其應注意保存鎖匙。彼等應知悉辦事處設有鎖匙若干把及存放之地方。於辦事處內存放大量欸項之商行更要切記此點，不可使匪徒乘虛而入。

但不幸地，很多公司不曉得自已持有鎖匙數目多少把及為誰人持有，如發現有所遺失時更應立即更換另一新鎖，以防萬一。

杜氏指出：「我建議公司們應委派一職員負責安全保衛工作。每日停止辦公時，此一職員應徹底巡視辦公室，視察窗戶是否關閉妥當，大門會否鎖好，而鎖匙是否存放應有地方。杜氏謂：「很多商行皆委派彼等之待應生負責此一保衛巡視工作，因為他們通常是最後離開辦公室，但此一安排欠缺完善。因事實上此一職責對彼等而言過於繁重。」

再者，各商行應研究一下整幢大廈之安

全保衛設備。每一公司除却自已外應考慮到隔鄰之保衛措施，因竊匪可從隔鄰而竊入閣下之辦公室。

杜氏強調：「習慣成自然，祇要把保衛安全工作視為習慣便很容易達成預期收效。如果你慣於忘記鎖匙保管工作，便很難努力改變過來。」

杜氏並謂：「一竊匪於爆竊一辦公室時若發現窗戶全關便會掉頭而去向另一家防範並不森嚴之辦公室下手。也許他不懼困難向前者下手，但由於窗戶全關，他需要較多之時間才可闖進，而他可能於設法闖入時便被逮捕。因此時間對竊匪而言，相當重要。」

除此外，為要預防犯罪盜竊案之發生，有很多事情是需要注意的。總言之，各界人仕，尤其商行各界應對此事加以關注。

從紀錄來看，漫長假期內，由於數天之間並無他人看守，為鼠輩最活躍之時間，故大家應密切留意加強防盜措施。

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