

## **Honorary Doctor of Business Administration**

### **Mr Norman CHAN Tak-lam**

Public Orator Professor Alex JEN Kwan-yue

Mr Council Chairman:

The financial health of any city, region or country is vital for the well-being of a community. Stability depends on an economy that doesn't fluctuate wildly, causing stress and concerns among the people. This is why the service that Mr Norman Chan Tak-lam has performed for Hong Kong over the past 40 years has been so important. Having retired from his position at the helm of the Hong Kong Monetary Authority (HKMA) last year, Mr Chan can look back over a career that has enabled Hong Kong to weather the storms and sail into calmer waters.

It has not been an easy task by any stretch of the imagination, but his prudent contributions have helped to establish Hong Kong as one of the world's great financial centres.

After he graduated from the Chinese University of Hong Kong in 1976, Mr Chan entered government service and over the next 40 years was involved in many policy decisions that shaped the city. When the HKMA was established in 1993, he was first appointed as its Executive Director, and then proceeded to serve as Deputy Chief Executive from 1996 to 2005 and then Chief Executive from 2009 until his retirement.

The HKMA remains a mystery to many people in Hong Kong even though it plays a pivotal role in maintaining constancy and well-being. In fact, working as Deputy Chief Executive or Chief Executive is for the most part a thankless task. Blame is often laid at the doorstep of the HKMA if the economy goes awry; and if people gain from HKMA action, they may not even realise the fact.

Mr Chan compares working for the HKMA to fire prevention. To be sure, intrepid firefighters risk their lives putting out fires and rescuing people trapped in buildings. They command our respect and admiration always. However, effective measures to prevent the outbreak of fires in the first place are important, too, and those who

implement such measures are the unsung heroes. That we hear and know so little about the work of the HKMA is largely because the organisation is so effective at forestalling financial problems before they spiral out of control.

Mr Chan's achievement has been to direct HKMA for upward of 25 years. The period after its establishment brought about seismic economic changes, not only to Hong Kong but to the whole world. Hong Kong managed to surmount these problems thanks to sound financial infrastructure that allowed the city to continue as a regional financial hub. The uniqueness of Hong Kong's financial position, Mr Chan predicts, is not likely to be replaced in the foreseeable future because of its sturdy banking system and financial markets, which he worked assiduously to preserve and improve.

One can say, therefore, that Mr Chan speaks like a soothsayer, not because he has the mystic power to look into the future, but because he understands that whatever the future may bring, one has to be prepared, just as the famous Chinese phrase in *Zuo Zhuan* says, 居安思危, that is, think of danger in times of peace. For the difficulties that Hong Kong might face, Mr Chan recommends a similar spirit of vigilance. First of all, as an antidote to the proliferation of information and misinformation in the internet era today, we have to learn to tell right from wrong. Armed with correct information, we must remain unperturbed in the face of challenges and with confidence rise up to them. Mr Chan reminds us that while it is true that Hong Kong has experienced unprecedented difficulties in recent years, we are still much better off than our parents and grandparents who arrived in Hong Kong in the last century with little more than what they could carry in their hands. Through sheer effort, they succeeded in making Hong Kong their home.

Mr Chan believes in the value of hard work and persistence. He is realistic enough to know that hard work alone does not guarantee success. But, as he counsels, "Failure will definitely await those who do not even try". In addition to working hard, one has to keep up with the times. He recalls how the Asian financial crisis of 1997 and the global financial crisis of 2007 gradually overturned his long-held notions about the free market. These are the changes that he has learned to adapt to. In the end, even if success is not achieved, diligence brings self-respect, which is the ultimate reward.

Mr Council Chairman, Mr Norman Chan Tak-lam has dedicated himself to the development of the financial infrastructure and promoted the financial status

of Hong Kong. Under his leadership at the HKMA, the Hong Kong banking and financial systems have reached a state of robust health, which has allowed us to sail through many difficult situations for over a quarter of a century. His contributions to Hong Kong and the region deserve our deepest appreciation. I respectfully present Mr Norman Chan Tak-lam to the University for the conferment of the degree of Doctor of Business Administration, *honoris causa*.