

Chinese Seeking Overseas Residency

21 August 2012 Last updated at 20:12 ET

By John SudworthBBC News, Shanghai



The BBC's John Sudworth: "An increasing number of super rich in China want an escape route"

There is one Chinese export product that is seemingly unstoppable at the moment - millionaires.

Porsche-driving Louie Huang lives in Shanghai, having made his money - a lot of money - in property.

He is having a 200-room villa built here and owns properties in at least five other cities around the world.

But while his business interests remain in China, he has also stumped up the sizeable investment needed to buy himself residency rights in Singapore.

He says it is for a number of reasons, in particular the opportunity it might bring his future family.

But he admits that for many of his wealthy friends it is a sense of insecurity which is leading them to ponder a life outside China.

"Most of them think I've got so much money here but one day maybe the government will change the policies and take it all back," he says.

Visa for jobs

Entrepreneurial, well-connected or just plain corrupt, it does not matter how they made their fortunes, there is mounting evidence to show that China's super-rich are heading for the exit.



At a seminar in a plush office suite with a spectacular view of Shanghai, Chinese entrepreneurs with at least half a million dollars to spare are being encouraged to invest in the US economy.

The EB-5 visa scheme is an investment-for-residency programme, handing out green cards as long as the investment can be shown to have created at least 10 jobs.

In 2006 Chinese nationals were granted just 63 visas under the scheme. Last year the figure had leapt to more than 2,408 and this year it is already above the 3,700 mark.

More and more rich Chinese businesspeople are seeking residency in the US through investment

It means a tidal wave of Chinese money is currently pouring into US infrastructure projects.

The scheme is open to any nationality but Chinese investors now make up 75% of the total.

Uncertain times

China's rigid and opaque political system is perhaps one reason for the wealth-drain, particularly in a year in which there is due to be a changing of the guard at the very top of the Communist Party.

There are certainly lifestyle concerns too. Like Louie Huang the wealthy are often seeking cleaner air and a better education for their children.

Add to that the fears that China's decade-long economic boom may be losing steam and it is perhaps not surprising that China's rich are on the run.



Louie Huang thinks foreign residency rights could benefit his family

The EB-5 data is not the only evidence. A survey last year of almost 1,000 Chinese dollar millionaires found 60% considering moving overseas.

China is now one of Australia's biggest sources of migrants with figures released for 2011 showing that it had overtaken the UK for the first time.

And American estate agents have been reporting a big jump this year in the number of high-value home buyers from mainland China and Hong Kong.

The party is far from over for China's wealthy, including Louie Huang - who has just opened a brand new nightclub. As his patrons sit around tables containing a dozen or more bottles of champagne it is abundantly clear that many people are still making money here.

But in these economically uncertain times, there is a growing temptation for those with money to take it, and themselves, somewhere a little safer.