

## Made Your Millions In China? Now It's Time To Move Overseas.

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Views of a Louis Vuitton store near the The Wynn Casino in Macau, on Friday the 12th of December 2010.

China is minting millionaires at an unprecedented rate, but many of the country's new rich are keen to leave the country where they made their fortunes. A recent survey by the Bank of China and the Hurun Report, a wealth-monitoring project run out of Shanghai, found that more than half of the 980 millionaires (or more, accurately, those who boast at least 10 million yuan, or \$1.6 million, in assets) polled were considering emigrating. Nearly 15% had already done so or had at least begun the process, with the United States listed as their top destination, followed by Canada and Singapore.

The *Economic Observer*, a Chinese weekly, interviewed Cai Jiming, an academic at the prestigious Tsinghua University in Beijing, who discussed two main motivations for the migration patterns: children's education and property rights. (Other common rationales include pollution fears and concerns over poor medical care in China.) Cai said that rich parents want both Western primary-school educations for their kids, as well as positive overseas college experiences for their children. "In both cases, we need to seriously rethink what has happened to our education system," he told the *Economic Observer*. On property rights—or the lack of them, despite China's legal guarantees of private ownership—here's what he had to say: "In reality, we have always lacked protection for private property. In recent years, we've seen the illegal expropriation of land, the violent demolition of people's houses and other phenomenon which show that these principles aren't yet widely respected. Work still needs to be done to guarantee citizens' private property."

This year, more than 930 Chinese have been approved for special—and controversial—immigrant visas to the U.S. that are reserved for investors who pour at least \$500,000 into American commercial ventures and support 10 full-time jobs, according to statistics from the U.S. Citizenship and Immigration Services posted on the Wealth Report, a *Wall Street Journal* blog. By contrast, only 161 were approved in 2007, according to the Wealth Report. The BOC-Hurun study found that one-third of the millionaires surveyed had put money abroad, with their international investments making up nearly 20% of their assets. One-third of those Chinese millionaires who invested abroad said they did so to make future emigration easier. Nothing like a bundle of cash to pave the way across the Pacific.