THE ASIAN WALL STREET JOURNAL.

Excellence in Journalism

A selection of stories from the AWSJ, honored at the fifth annual Society of Publishing in Asia awards

Excellence in Journalism was originally published in The Asian Wall Street Journal on 28 July, 2005

DOW JONES

Contents

Asia's Deadly Wave

Tsunami Death Toll Spirals to 59,000

As Relief Groups Face Daunting Task—Speed of Warnings Couldn't Keep Up With Waves' Pace

By Kate Linebaugh in Hong Kong, Jay Solomon in New Delhi, Rin Hindryati in Jakarta, and Sebastian Moffett and Ginny Parker in Tokyo

Page 1

When Disaster Hit, 3-Hour Swim Made An 'Old Man' a Hero

With His Thai Paradise Lost, Mr. Bodden Hung Tough; 'Only the Good Die Young'

By Stan Sesser

Page 3

Tsunami Aftermath: Natural Buffer Bulldozed by 'Progress'

Mangroves and Coral Reefs Shielded Asia's Coastlines Before the Economic Boom

By Andrew Browne

Page 4

Devastated Survivors Face Bleak Decisions

Swift Pace of Destruction Forces a Rush of Burials; Many Go Unidentified

By Leslie Lopez in Phuket, Thailand, John Larkin in Khao Lak, Thailand, and Eric Bellman in Koggala, Sri Lanka

Page 6

The Fall of China Aviation Oil

CAO Singapore's Fall Followed Chen's Ambitious Climb to Top

CEO Rose From Poverty To Prominence With Speed Mirroring China's Growth

By Matt Pottinger and Chris Prystay

Page 8

CAO Singapore Expected Parent's Help as Loss Grew

Suspended CEO Insisted Beijing Firm Would Cover Derivatives-Trading Deficit

By Chris Prystay and Laura Santini

Page 10

Qian Qian

Saga of a Disabled Teen Forced to Beg Illustrates China's Social Upheaval

Unable to Care for Qian Qian, Family Let New Guardian Take Her Big City—An Intervention Near a Bridge

By Peter Wonacott

Page 11

Excellence in Journalism

Contents

EXCELLENCE IN REPORTING ON THE ENVIRONMENT

Asia's Power Play

China's Energy Appetite Poses a Pollution Threat With World-Wide Scope

Abundant Coal-Fired Plants Spread Mercury, Other Toxins at Growing Rate-Gray Crops and Cancer in Qingzhen

By Matt Pottinger and Steve Stecklow in Beijing and John J. Fialka in Washington

Page 15

EXCELLENCE IN HUMAN RIGHTS REPORTING

Inhumanity in the Heart of Society

Asia's Maid Culture Grapples with Abuse

Official Begin Crackdown As Cruelty Tales Come Out From Behind Closed Doors

By Rebecca Buckman and Trish Saywell

Page 18

HONORABLE MENTION

EXCELLENCE IN OPINION WRITING

Remembering Tiananmen

"Tiananmen: 15 Years On: Tiananmen and Democracy"

Page 20

"How Tiananmen Shattered Our Illusions"

By Wang Dan

Page 21

"How China Came Close to a Peaceful Solution in 1989"

By Bao Tong

Page 22

"Tiananmen: 15 Years On: How Tiananmen Changed Hong Kong"

By Danny Gittings

Page 23

An Apology to Victims of the Tiananmen Massacre"

By Wu'er Kaixi

Page 24

Asia's Deadly Wave

Tsunami Death Toll Spirals to 59,000

As Relief Groups Face Daunting Task—Speed Of Warnings Couldn't Keep Up With Waves' Pace

By Kate Linebaugh in Hong Kong, Jay Solomon in New Delhi, Rin Hindryati in Jakarta, and Sebastian Moffett and Ginny Parker in Tokyo

December 29, 2004

WITHIN MINUTES of the massive earthquake responsible for taking tens of thousands of lives across southern Asia, seismologists and emergency workers across the region knew the chances of a devastating tsunami were high. Bureaucratic inertia, diplomatic protocol and poor infrastructure prevented the word from getting out.

In Nagano, Japan, Masashi Kobayashi manned the nation's main observatory for detecting distant earthquakes on Sunday morning. At 10:07 a.m. local time, a short computer beep alerted him that a big earthquake had occurred somewhere in the region. Japan, a seismological hotbed that gave the world the word "tsunami," has an advanced and extensive emergency-management system that quickly swung into gear: It notified senior officials, compared the pattern of the earthquake with data on 100,000 other temblors, and determined Japan faced no tsunami risk.

About the same time in West Sumatra, Indonesia, about 690 kilometers southeast of the quake's epicenter, the seismograph in Bayu Pranata's Meteorology and Geophysics Agency station clacked so loudly he thought mechanics had started working in the garage next door. Realizing he was recording an earthquake of more than magnitude 8.0, Mr. Pranata spent more than an hour trying in vain to contact local authorities. Later, after a senior earthquake official was notified of the quake by a local radio reporter, Indonesia's National Earthquake Center e-mailed its counterparts in Asia and Europe -- but never followed up with phone calls.

An earthquake alert in the computers of Australia's geoscience agency triggered a call Sunday morning to the home of the duty seismology officer in Canberra. He rushed to the office, determined the quake was likely

to create a tsunami, and within half an hour had sent a warning message to the national emergency system and to some of Australia's embassies overseas. But no messages were sent to foreign governments because doing so would have overstepped diplomatic protocol, officials said.

Across Asia Sunday morning as these warnings were received and digested in offices and communication centers, fishermen set out in flimsy skiffs, children splashed in the waves and tourists escaping the northern winter relaxed on beaches or went snorkeling amid the coral. Tens of thousands were killed as a tsunami created by the undersea quake sped across the ocean and crashed against coasts without warning.

Little could have been done under any circumstances to safeguard the residents of Indonesia's Aceh province, which is adjacent to the earthquake's epicenter and was hit directly by the temblor's shock, as well as by waves that crashed onto shore shortly after, scientists said. But elsewhere, a better warning system and speedier communication between officials could have made an immense difference.

"Had there been a warning system in place a lot of lives could've been saved," said Phil McFadden, chief scientist at Geoscience Australia.

Dutta Trayam, who heads the seismology department at the Indian Meteorological Department, said no international bodies or Asian governments contacted the Indian government. "We simply didn't get any warnings from anybody," he said.

Developed nations that border oceans susceptible to tsunamis, such as the U.S., Japan and Australia, have developed extensive detection and communication systems. Seismologists in all three nations learned almost immediately of the Indonesian quake. It took them longer to determine whether a tsunami would form and how severe it would be, but the biggest barrier was communicating their knowledge.

In Japan, Mr. Kobayashi, 40 years old, heard a computer-generated alarm that told him instantly that a big quake had occurred. "I thought it was huge," Mr. Kobayashi said. "Our equipment calculated its magnitude was over 8, which only happens a few times a year."

Within several minutes, he fired off an e-mail and a fax to the Japan Meteorological Agency headquarters in Tokyo and called officials there. Akira Nagai, deputy director of the agency's Earthquake and Tsunami Observation Division, said the agency received the information in Tokyo at 10:17 a.m.

Combining this data with other data from the U.S. Geological Survey's Pacific Tsunami Warning Center in Honolulu, the Japanese agency determined the earthquake presented no tsunami risk to Japan -- and announced this at 10:44 a.m. to Japanese media, which routinely issue news flashes when earthquake warnings sound in Japan.

"Japan is not set up to monitor tsunami in the Indian Ocean," said Yutaka Hayashi, a tsunami researcher at Japan's Meteorological Research Institute. When a tsunami is likely to occur in the Pacific, Japan and other countries ringing the body of water exchange information to warn each other, he said.

Mr. Nagai explained: "We don't have such a database for likely tsunami outside Japan. So although you could guess that there might be a tsunami, it would be nothing more than speculation." In addition, he said, there is no warning system. "We don't have contacts of people to phone," he said.

Australian disaster officials hesitated to call their international counterparts because it would break diplomatic protocol. Within a half hour of the quake, Geoscience Australia sent out an alert stating that a massive earthquake had occurred underwater and that the quake had the potential to generate a tsunami, said the agency's Mr. McFadden.

The alert went to Australia's emergency-services network, but the geoscience agency contacted Australia's foreign-assistance agency under the foreign-affairs department, AusAid, which then notified officials at the Indonesian embassy. "There isn't an alert system set up throughout those countries. Most embassies are informed. But there is no formal process that is then set in place to get to the people around in the potentially affected areas," Mr. McFadden said. "We are a bit weak because it isn't our domain up there -- we can't go trampling on other people's territory."

But less-developed nations had early warning signs that they failed to get into the hands of those who needed them.

Sipping tea shortly after starting his 7 a.m. shift in West Sumatra, Mr. Pranata was disturbed by a loud "tak, tak, tak" sound. He first looked outside for the sound's source, but then realized it was from the pen on the seismograph, he recalled. After assessing the quake was at least magnitude 8.1, he called the National Earthquake Center in Jakarta on his boss's advice. Mr. Pranata said the office in Jakarta hadn't started analyzing the data.

"I was confused, worried and panicked," he said. From what he had studied about earthquakes, he knew this one could lead to a tsunami.

That's when things got difficult. Mr. Pranata says he couldn't reach local government officials or the state broadcast media. Officials phones went unanswered, and guards were unhelpful. So he turned to private radio stations to alert communities to evacuate coastal areas due to the chance of gigantic waves flooding coastal areas. For three hours, Mr. Pranata endeavored to inform the government to no avail.

Back in Jakarta at the National Earthquake Center, two staff were working Sunday morning.

Budi Waluyo, an official with Indonesia's Meteorology and Geophysics Agency, received a call at home from Radio Elshinta around 8:30 a.m. local time. The reporter said he had received information from people in Medan who felt strong shakes that were likely an earthquake. Mr. Waluyo went to the office where his staff were busily processing data.

Mr. Waluyo said he needed further information before making an announcement, and tried calling his agency's station closest to earthquake's center in Banda Aceh. About an hour after the agency was alerted to the quake, the agency sent an e-mail to its counterparts around the region and in Europe. "But of course, we only sent e-mail to the address we have. We did not call them," Mr. Waluyo said. Because it was a Sunday, he figures, the information didn't spread quickly.

Mr. Waluyo said he also informed Indonesia's National Coordinating Board for disaster, headed by Indonesian Vice President Yusuf Kalla. "But since it was Sunday, I am not sure who might receive the information. Our duties are simply to monitor earthquakes, analyze the information and provide complete calculations of the impact of the earthquake and all related data to the earthquake."

Officials from the National Coordinating Board couldn't be contacted for this article, nor could Mr. Kalla.

Indonesia's Meteorology and Geophysics Agency has 33 stations throughout the archipelago to monitor seismic activity. Some of them don't have live connections to the Jakarta headquarters, so the information generated has to be compiled and conveyed manually. Analyzing the data to figure out the size and location of the earthquake can take up to two hours, and even longer to determine whether it could generate a tsunami, according to Fauzi, who uses one name and last year was put in charge of the agency's new tsunami division.

Some officials took more initiative. About an hour after the quake struck, and shortly before the tsunami hit Thailand's tourist-packed beaches, Kathawuth Malairojsiri, a weather-forecast chief at Thailand's Meteorological Department at the Ministry of Natural Resources and Environment, got a call from a friend who said he had just seen news of the quake on the U.S. Geological Survey's Web site. Immediately, Mr. Kathawuth called a Bangkok traffic radio station, JS 100, asking it to broadcast a tsunami warning -- which the station did, he says, adding that his office received more than 1,000 calls after that and so he hopes he may have saved at least a few lives.

"I just made the call myself," he says. "I asked the radio station to put out the news. I thought that it was an unusually high tidal wave, but I never thought of a tsunami."

Mr. Kathawuth says he acted on a recollection of a warning years earlier by Thailand's former meteorology chief, Smith Tammarsarote, that tsunamis could strike in the Andaman Sea on Thailand's west coast.

"I tried to tell them to be watchful -- educate the hotels around the area to set up a warning system," the now-retired Mr. Tammarsarote recalled. "They thought I was crazy. . . . They should have saved many more lives, because you know that tsunamis will happen after an earthquake. Although you cannot predict earthquakes, you surely can predict tsunamis."

Some of the hardest-hit areas, however, such as Sri Lanka and India, had no warning at all. And now a number of Indian scientists are saying the country suffered from its exclusion from a body like the Pacific Tsunami Warning Center in Honolulu, which tracks tsunamis for Pacific Rim countries. They also say India could invest more in ocean sensors and other oceanographic equipment to gauge better swells brewing in the Bay of Bengal.

Some in the scientific community, however, say they were already warning New Delhi about the dangers posed by tsunamis. Tad Murty is an Indian-born oceanographer who served as a senior research scientist in the Canadian government, focusing on the threats posed by tsunamis to the Canadian coasts.

Mr. Murty says he has regularly returned to India to talk to Indian scientists about the need for an early warning system, with little success.

"It's such a rare event that it's difficult to get funding," he said.

Still, Mr. Murty said he was horrified by news of the tsunami because he had personally developed computer models that illustrated just how devastating tsunamis could be to India's east coast. He said that many of the models he created -- often on his own time -- showed waves as high as six to seven meters hitting the Indian and Sri Lankan coasts.

"You know that if a early-warning system had been in place, the loss of life would have been much less," Mr. Murty said.

When Disaster Hit, 3-Hour Swim Made An 'Old Man' a Hero

With His Thai Paradise Lost, Mr. Bodden Hung Tough; 'Only the Good Die Young'

By Stan Sesser

Bangkok, December 30, 2004

JERRY BODDEN had just opened a meeting of the homeowners' committee of Golden Buddha Beach Resort, a pristine vacation spot on Phra Tong Island off the coast of southern Thailand, on the day after Christmas, when he noticed something odd.

"We looked into the horizon and saw what I thought were cumulus clouds," says Mr. Bodden, chairman of the committee. But it wasn't clouds he had seen. It was an onrushing wall of water.

"I didn't take it seriously. I thought nothing like this could happen here. I went back to the meeting room to prepare papers."

A few minutes later, the 72-year-old Mr. Bodden, a Silicon Valley executive who retired to Bangkok 14 years ago, was struggling for his life in the Andaman Sea. His mind focused on one thing only: a grim determination to survive. "I almost died of a stroke seven years ago," he says. "I'd rather go from a stroke than from this, from the feeling of salt water filling my lungs."

The account of Mr. Bodden's three-hour swim back to shore, defying his age and medical history, has made him one of the heroes of the battle of southern Asia against the ferocious tsunami. "By the time it was over, everyone knew my name," he says from his hospital bed in Bangkok, referring to the other vacationers at Golden Buddha. "I was the old man who survived."

The tsunami isn't only a story of horrific death tolls, massive suffering and billions of dollars in economic losses, but also of individuals coping with the sort of adversity they had never faced before. The reports of looting, of panicked tourists besieging airports and boat docks, are outnumbered by tales of heroism, such as the group of tourists who stayed behind on Thailand's devastated Phi Phi Island, laboring alongside nurses and rescue workers to help evacuate the injured.

What follows is the story of one man among the hundreds of thousands fighting for their lives against the tsunami. Since the catastrophe that struck Asia is so often being likened to the script of a disaster movie, Mr. Bodden's experience can be placed in the minority of encounters with the tsunami that have a happy ending.

No setting could be more idyllic than Golden Buddha, which started up in 1990 after Dick Sandler, an American investor and dedicated environmentalist based in Bangkok, bought a large tract of land on Phra Tong Island from a woman who owned a coconut plantation there. Although the island is 160 square kilometers, it housed only a couple of tiny fishing villages. Much of the rest was virgin land: broad beaches, mangrove swamps and native vegetation teeming with birds. Offshore were coral reefs hosting a dazzling array of tropical fish in the crystal-clear waters and a nearby island covered with primary-growth rainforest.

Such a setting quickly attracted buyers of the vacation houses. Where else in Asia, after all, could they find holiday homes with several kilometers of pristine private beach on a beautiful but sparsely populated island in a resort so dedicated to environmental principles that it offered bird watching and lectures on preserving sea turtles rather than a swimming pool and tennis courts?

Indeed, with the major beach resorts of Asia becoming increasingly polluted and jammed with traffic, small outlying islands like Phra Tong proved an irresistible draw. Hundreds of such islands took much of the brunt of Sunday's tsunami, and many of the victims on these tiny, widely scattered islands still haven't been recorded in the death counts.

That Sunday morning, as Mr. Bodden went back to his meeting room, some of the other homeowners watching the approaching wave decided to run for shelter, up a steep hill alongside the resort. Mr. Bodden, who is from Mobile, Alabama, and has no family in Asia, never got an inkling of their concern as the wave hit. "A huge wall of water came at me," he recounts. "It was like something in a movie. I said, `Oh my God.' "

"After I was swept out of the building, I tried to hold on to a tree, but I was too weak, and it took me out to sea. The worst thing that can happen to someone is the feeling of losing control. The current was so strong that it ripped off my trousers and underpants. But strangely enough my contact lenses stayed in my eyes. I don't get it -- they fall out immediately if I go into a swimming pool."

This loss of control frightened Mr. Bodden most. "At the beginning, I was going down under the water and then coming up, and each time I came up I tried to take a deep breath. It seemed like it was forever, but in reality, perhaps only five minutes. Then I grabbed onto a floating tree, and the tree pulled me out even further, probably two kilometers from shore."

The fact that he was being carried out to sea, and that two longtail fishing boats not far away didn't see him as he waved and shouted for help, didn't dent Mr. Bodden's determination. "I never panicked for some reason," he says. "Maybe I'm good at repressing things. I stopped thinking about who of my friends at the resort might not have survived. I focused on only one thing: I want to get to that piece of beach."

Finally, a glimmer of hope. The current reversed directions and started moving toward shore. Mr. Bodden, who was intimately familiar with the currents and the topography of the island, says that "I knew that the current had to start veering in, and that's what I counted on." He then methodically calculated where the log would take him, and what the ideal point would be to let go and resume swimming.

When he began to swim, he paused every few minutes to float on his back. "I'm 72 and don't have the strength and energy of a young man," he explains.

After a half hour of swimming, Mr. Bodden reached the beach. Badly sunburned, dehydrated, coughing up water, one leg slashed and an arm bruised, he collapsed on the sand. When he recovered enough to walk, he limped toward the resort, a half hour away. "It looked like a war zone," he says, "build-

ings flattened, roofs caved in. Where my house used to be, there was just a cement pad. Nothing was left of the clubhouse. And strangest of all, it was a complete ghost town. I asked myself, `Has everyone been wiped out?' Then I met a Thai worker who led me up the hill, where everyone was huddled, fearing another tsunami."

Despite all he had gone through, Mr. Bodden never lost his sense of humor. "When I got to the hill," he recounts, "people said they were so glad I made it. I replied that only the good die young."

The resort workers and vacationers -- both homeowners and tourists who had rented some of the homes through the resort's booking office -- spent a largely sleepless Sunday night huddled together on the hill, with children wailing.

Meanwhile, Mr. Sandler, from his apartment in Bangkok, frantically tried to learn what was going on and to get help. He couldn't contact the island, but he received secondhand reports, since a few of the vacationers were able to use their mobile phones to call relatives. Some of the reports were grim: One guest had estimated that 70 of the 170 vacationers and workers at the resort had died. Others brought tears of joy: people missing and presumed dead, who had washed up on other islands or the mainland and were now in hospitals.

Mr. Sandler tried to hire helicopters from private medical-evacuation companies to take out the wounded, but the companies told him that the Thai government had closed the air space.

On Monday morning, Mr. Bodden's ordeal ended. With calm seas, and the threat of another tsunami lessened by the passing hours, a mainland resort sent boats to help with the evacuation. Mr. Bodden and other guests with injuries were rushed to a local hospital, which dressed their wounds. "In the hospital, I finally broke down and started sobbing," Mr. Bodden says. "As I look back on it, it was so horrible. But I wasn't traumatized before that because I wanted to live."

Mr. Bodden flew to Bangkok Monday afternoon. The next morning, he checked into a hospital, which after a couple hours of tests told him he had contracted pneumonia from inhaling the salt water into his lungs. They advised him to stay in the hospital for at least two nights.

On Tuesday, Mr. Sandler, 61, was able to get to Golden Buddha. Although the vacationers had all been evacuated, his immediate problems weren't over. The resort's computer had floated out to sea, and with it the list of guests staying there. So he could only guess at the number of missing, and he felt that some might have been washed inland into the island's forests.

Of the 60 staff members, Mr. Sandler says, four had died and one was missing. Four vacationers had perished, including an infant, and by his best estimate another nine were missing. As he relays the toll, he starts to cry. "Today I gave money to families of staff members who had been with us for 10 years," he says. "When you think of them, you have to cry."

As for Mr. Bodden, who had long been a close friend, Mr. Sandler notes that "Jerry was a hero. But he wasn't the only one. The stories that are coming out are just incredible."

Tsunami Aftermath: Natural Buffer Bulldozed by 'Progress'

Mangroves and Coral Reefs Shielded Asia's Coastlines Before the Economic Boom

By Andrew Brown

Hong Kong, December 31, 2004

THE RING OF CORAL in crystal waters around the Surin Island chain off Thailand's west coast forms a sturdy defense against the sea. So when the tsunami struck on Sunday it punched a few gaping holes in the reef, but the structure mostly held firm.

The reef, says Thai marine environmentalist Thon Thamrongnavasawadi, may have saved many lives. Only a handful of people on the islands are known to have perished: most scrambled to safety as the first wave exploded against the coral.

Tragically, across much of Asia, coastal communities found themselves with no such shield against nature's fury. The protective reefs, sand dunes and mangroves that look out toward the Indian Ocean in a broad arc from Sri Lanka to Bangladesh and Indonesia have been dynamited and bulldozed by a force as unstoppable as the tsunami itself -- the force that drives some of the world's fastest-growing economies.

Where dense mangrove forests once provided a buffer between sea and land, now there are countless shrimp farms and hotels. Sand dunes have been flattened by coastal highways, reefs blown up to make way for ports.

Mangroves -- trees and shrubs that live in tropical tidal zones -- line one quarter of the world's tropical coastlines. But Asia is hurriedly uprooting them as its economies take off. In less than 20 years between 1975 and 1993 Thailand's mangrove area almost halved, says Edward Barbier, a professor of economics at Wyoming University and editor of a recent book on Asia's disappearing mangrove ecosystems. India laid waste to up to 50% of its mangroves between 1963 and 1977. Belatedly, some countries have made efforts at replanting.

Mangroves offer a double layer of protection against the pounding surf: Low red mangroves anchor themselves in mud flats along tidal estuaries, their flexible branches and tangled roots absorbing the sea's power. Behind them stand black mangroves as tall as trees.

Environmentalists point out that coastal communities around the world are vulnerable to natural calamities: Florida took four direct hits this year from hurricanes. But

whereas the cleanup in Florida takes just a few months, in poor parts of Asia it could be years before life returns to normal.

To be sure, not even mangroves could have parried the blow from Sunday's tsunamis, and the waves inflicted severe damage on relatively undeveloped sections of coastline too.

But ecological damage "has left coastlines vulnerable," says Mr. Barbier, and if natural defenses had been left standing they "would have reduced some of the losses" by reducing how far and fast the waves surged inland.

In stripping the mangroves, Asian countries have created real estate for tourism, one of the region's biggest foreign-exchange earners, but along the most exposed part of the continent where the sea laps the shore. Thatched tourist cottages hang precariously off cliffs on the Malaysian resort island of Langkawi, and seafood restaurants stand on stilts above Thai beaches.

Yet while hundreds of sun-seeking tourists from northern parts of Europe and Asia were washed away by the tsunamis, main victims were impoverished fishing families.

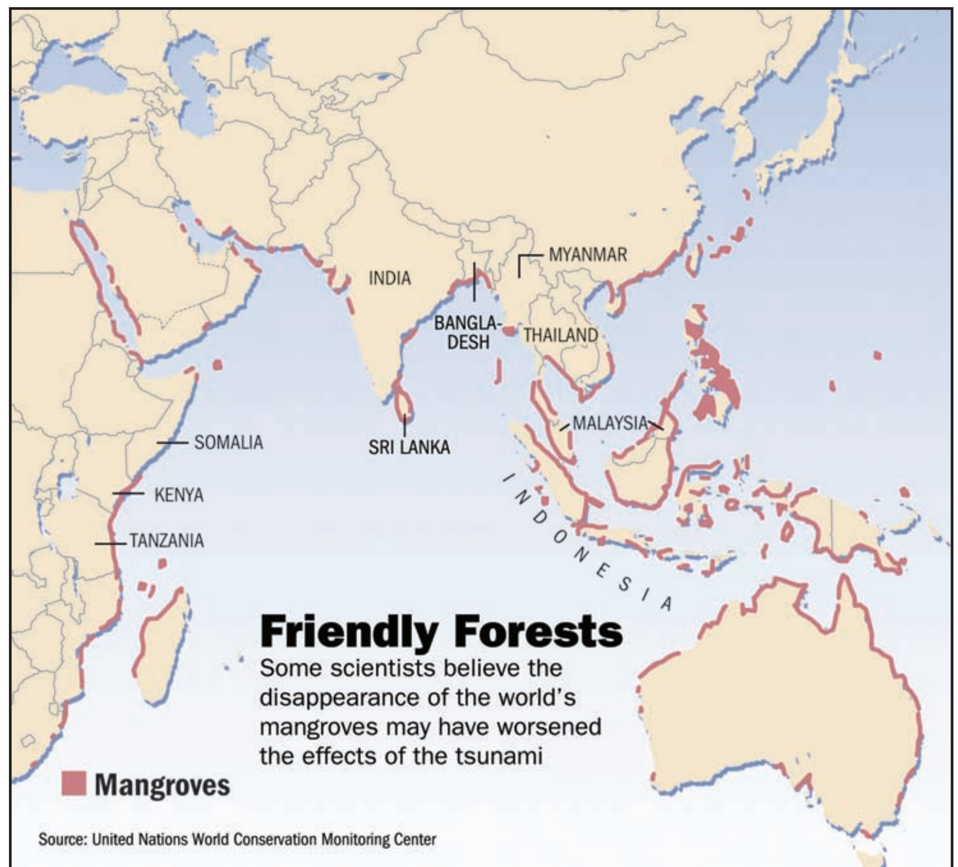
Environmentalists and economists describe a process in which relentless urban development, aquaculture and tourism creates winners and losers along Asia's coastline. Tourist resorts turn up employment opportunities for some locals, but push others aside. Wealthy tourists relax under umbrellas in the most desirable beach spots, while the fishing families they displace rebuild their flimsy homes in more marginal -- and more dangerous -- locations down the coast.

"They lose twice," says Mr. Barbier, who has studied the process in Southeast Asia -- once to the developers, next to the elements.

But by far the greatest spoiler of Asia's coastline are shrimp farms. Thailand is now the world's biggest shrimp exporter; Indonesia and India are not far behind. The U.S. is the biggest buyer. Cheap tiger prawns have created prosperity around Asia, but at a cost: shrimp farms demand brackish water and flat land -- both found in abundance where mangroves grow.

A typical fish pond looks like a bomb crater, and coastal Asia is pocked with them. Each lasts for no more than eight years before the many chemicals and antibiotics that are poured into them in the process of raising shrimp make them unusable. The shrimp farmers move on, cutting more mangrove forests for new farms. In Indonesia's Aceh province, devastated by the tsunamis, mangroves are being chopped down as timber for sale to nearby Malaysia and Singapore.

Along the east coast of India, had the mangroves been left standing, "hotels and settlements would have been a little further away," says Swayam Prabha Das of the World Wildlife Fund in New Delhi. "The damage could have been limited."



The Indian government is now reviewing the implementation of regulations, frequently flouted, that bar all development 500 meters from the sea in areas where mangroves and coral thrive. "I think some common sense will prevail now," says Ms. Das.

Likewise in Thailand, while Mr. Thamrongnavasawadi mourns the human loss along with the destruction of stretches of reef around the Surin Islands, he is heartened by the lesson in ecology that the tsunamis have delivered. Indeed, officials in the Maldives said extensive reefs smothered the tsunamis and though 69 people are confirmed dead so far, the loss of life could have been much worse.

Mr. Thamrongnavasawadi's Web site is flooded with offers of help from divers eager to participate in a national project to measure the effects of the tsunamis on Thailand's coral reefs. Of the 20 reefs around the Surins, two or three have been irreparably smashed, he says.

"It's a very clear point: Coral reefs save lives," he says.

No Stranger to Troubles

The Dec. 26 tsunami caused deaths in at least 11 countries, many of which were already struggling with poverty and high mortality rates. Here is a snapshot of some of them:

	INDONESIA	SRI LANKA	INDIA	THAILAND	SOMALIA	MYANMAR	MALAYSIA	MALDIVES
Population, in millions	238.45	19.91	1,065.07	64.87	8.30	42.72	23.52	0.34
Life expectancy at birth	69.3 yrs	72.9 yrs.	64.0 yrs.	71.4 yrs.	47.7 yrs.	56.0 yrs.	72.0 yrs.	63.7 yrs.
Birth rate (per 1,000)	21.11	15.88	22.8	16.04	46.04	18.64	23.37	36.06
Death rate (per 1,000)	6.26	6.47	8.38	6.94	17.3	12.16	5.08	7.44
Infant mortality rate (per 1,000)	36.82	14.78	57.92	21.14	118.52	68.78	18.35	58.32
Literacy rate[1]	87.9%	92.3%	59.5%	92.6%	37.8%	85.3%	88.7%	97.2%
Gross domestic product per capita[2] (U.S. dollars)	$3,661	$4,107	$3,019	$7,851	$500	$1,466	$10,449	$7,008
GDP[2] (in billions of US$)	$820.54	$84.39	$3,334.92	$514.24	$4.36	$81.28	$271.17	$2.35
Percentage of population living on less than $1 per day	7.5%	6.6%	34.7%	2%	N.A	N.A.	2%	N.A.

[1]Age 15 that can read and write [2]Based on purchasing-power-parity (PPP), or adjusted by how much it buys

Note: Somalia's economic data is from the CIA World Factbook; all other countries use IMF economic data

Sources: AP; Central Intelligence Agency World Factbook; International Monetary Fund's World Economic Outlook Database, September 2004; World Bank via World Resources Institute

Devastated Survivors Face Bleak Decisions

Swift Pace of Destruction Forces a Rush of Burials; Many Go Unidentified

By Lopez in Phuket, Thailand, John Larkin in Khao Lak, Thailand, and Eric Bellman in Koggala, Sri Lanka

December 29, 2004

ROSMAND WICKRAMANAYAKE buried his father, mother, sister, brother and two nieces yesterday. He wanted to cremate them but he couldn't afford the wood.

He also couldn't afford to let the bodies sit any longer. "We have no money at the moment," he said. "So we need to bury them."

In the small tourist town of Koggala, at the southern tip of Sri Lanka, the 24-year-old dug a 1 1/2-meter-deep grave in the sand for his family and did his best to mimic Buddhist funeral rituals because he couldn't wait for a monk. He had to search the town for the bodies himself. He found his mother still embracing his sister in death, his brother in a tree, his father at the edge of an open field half a kilometer from his home.

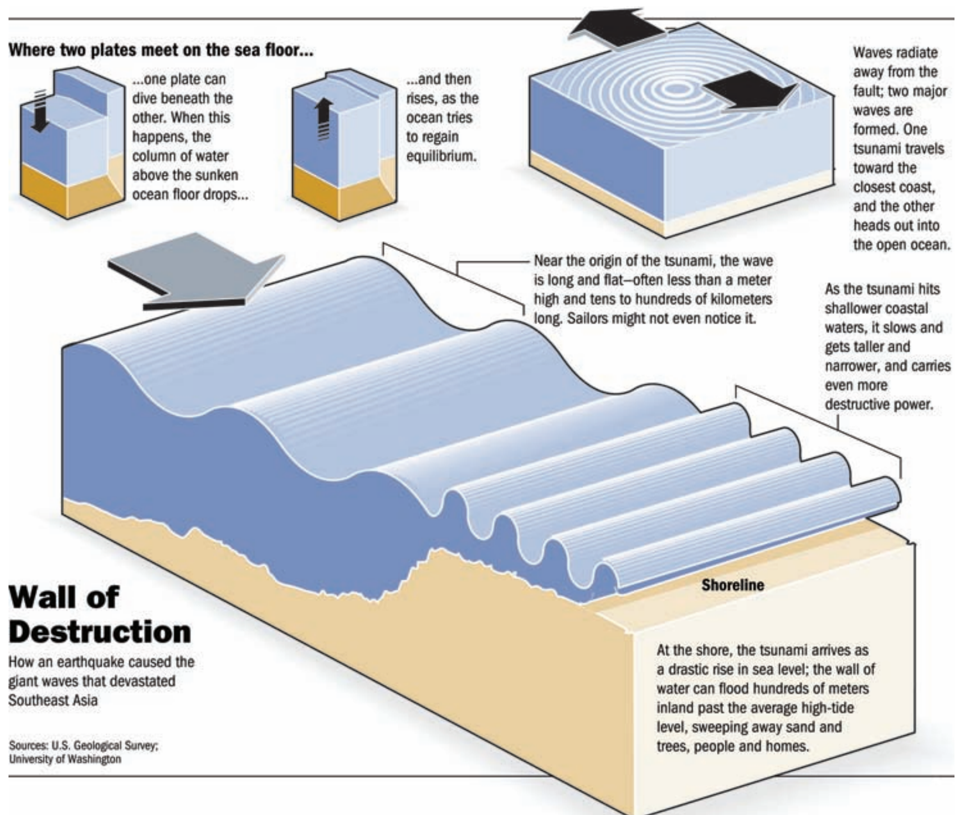
"I had to carry them with my own hands," Mr. Wickramanayake said, turning up his arms to show how he carried the weight of his father's body.

While he was able to find his family members, thousands of bodies strewn across 11 countries on two continents by the Sunday's tsunami will never be. As the estimated death toll topped 59,000 late yesterday, what to do with the bodies fast became a critical public-health issue. What is certain is that many of the dead will be disposed of before those left behind ever get a chance to say goodbye.

It has been a macabre race against time: Frantic survivors will go on looking as officials wary of disease will press for rapid burial.

Kurt Ammicht's search is over. Ignoring deep gashes on his right arm and knee, he stared through sleepless eyes at a grainy photograph of an elderly woman in a turquoise swimsuit. The image was one of hundreds in a hastily compiled catalog of corpses found on the Thai resort island of Phuket and brought to Patong Hospital earlier yesterday.

After several moments, the 73-year-old German tourist wiped his eyes and turned to Poramate Reongsanganotai, a 37-year-old dentist drafted to deal with the rising number of dead bodies left by Sunday's tsunami.



Wall of Destruction

How an earthquake caused the giant waves that devastated Southeast Asia

Sources: U.S. Geological Survey; University of Washington

Mr. Ammicht quietly confirmed that the photo was that of his wife, Maria. He had nothing more to say.

At Patong Hospital, unidentified bodies were transferred to a basement area. Plywood coffins, unlined and hastily nailed to size, bore computer photos of the dead. No. 89 was a Thai woman with a badly disfigured face. No. 96 was a coffin containing a young girl no older than 5. In No. 13 was a Caucasian woman in a red beach dress.

Things were much less organized up the coast at a beach town known as Khao Lak, an area popular with middle-age tourists in search of the solitude and serenity that is hard to find in Patong. Hundreds are believed to have died here.

At Khao Lak Resort, the beach was littered with smashed furniture, deck chairs and personal belongings. "There might also be more bodies under the debris," said Michael Groves, a South African tourist who volunteered to help with rescue work.

Rescuers have braced for more bodies to wash ashore. Those recovered were being taken in trucks to Buddhist temples

converted into makeshift morgues. At Wat Lam Kaen, a golden-tipped temple a few kilometers from Khao Lak, bereaved Thais lighted incense sticks and tall candles at small shrines set before coffins of dead family members.

"This is my Yat," said a man who identified himself as Em after lighting incense at the foot of a coffin.

At a clearing beyond the temple, around 200 bloated bodies, many of them foreign tourists, were laid out in rows. Photographs were taken of those who remained unidentified. Later, these would be displayed at hospitals at local towns in the hope of finding surviving relatives, relief workers said.

One European tourist paced slowly down a row before stopping at a body he identified as his wife. "I just identified my wife. This is very difficult," he said, before walking slowly away with Thai rescue workers.

Hospital officials said it isn't clear how long the Thai authorities plan to keep the bodies of the unidentified before burying them in mass graves.

In Sri Lanka, police waived a law requiring autopsies of victims to speed up the burial of decomposing bodies.

Dotted around Koggala were fresh graves -- in fresh cement for the richer families, freshly dug-up sand for the poor. Every other home and car is adorned with a small white cloth, a sign that there has been a death in the family. The stench of death is everywhere.

Decaying bodies laid along Sri Lanka's southern coast. On the roadside, a bloated male body wrapped in a table cloth attracted gawkers and flies. A woman's body reached out from a pile of coconut husks next to an overturned truck.

The grave next to that of Mr. Wickramanayake's family held 20 bodies, Sunday picnickers from another town who will remain nameless. "We don't know who they are, but they had to be buried because of the smell," said Mr. Wickramanayake.

Government and international aid has been trickling into the area. Military helicopters thundered above the beach, bringing medicine and food and picking up foreign tourists who limped along in mismatched shoes. Government and community-group trucks bounced on the buckled main road along the beach handing out bottled water, coconuts and paper packages of curry and rice.

"We need rain for at least two days so it will clean everything," said Mr. Wickramanayake. "If it doesn't rain, then maybe in two weeks children will get sick because of all the dead bodies."

So far, more than 18,700 have been confirmed dead in Sri Lanka, but the death toll is expected to climb much higher.

In nearby India, the government dispatched 10 naval vessels to the region. Officials said they hope to rescue as many as

1,000 people a day in the Andaman and Nicobar islands. Their priorities are to dispose of dead bodies to prevent any epidemics, airlifting in food and water and taking care of the injured.

"We are having either mass burials or mass cremations and the process has started," said Anshu Prakash, the development commissioner for the Andaman-Nicobar island chains. "We are spreading chlorine and bleach powder so that no epidemic situation arises."

Officials in the southern Indian state of Tamil Nadu and the special administrative region of Pondicherry also rushed yesterday to prevent major outbreaks of cholera, dysentery and other water-borne diseases related to the tsunami. The main areas of these regions remain inundated by water. And officials worry that rotting corpses could contaminate local water supplies. "Bodies are still floating, and 349 bodies were recovered in one district alone," said Vasant Kumar Reddy, an aide to the chief minister of Pondicherry.

Mr. Reddy said his administration was seeking to hold mass burials in an effort to prevent disease. The result is that they often have to forgo cremations, the usual burial custom for India's majority Hindu population. "It's a chaotic situation, and we're unable to locate kin."

The situation is worse in the rural areas of southern India, where water is scarce and infrastructure poor. Officials in Tamil Nadu's capital of Madras said burials and recoveries were going ahead smoothly, but that they were worried that things could break down in outer districts. "Whole villages have been washed away, but there is nobody to claim the bodies," said R. Thirunarayanan, the superintendent of Royapettah Hospital, the largest medical facility in Madras.

Back on the beach in Phuket, a young Thai woman who identified herself only as Sreepad held an impatient vigil at the Patong Hospital.

She was still looking for her brother, who worked at a beach-side cafe on Patong beach and hasn't been seen since the tsunami hit.

The stench was building fast at the hospital. Rescue workers brought in the dead in pickup trucks. The corpses, many badly disfigured, bloated and fast-decomposing under a sweltering sun, were packed in black body bags or bloodied white hospital sheets.

Unable to handle the smell, Sreepad pulled her T-shirt over her face and peered over the shoulders of army personnel unwrapping bodies. "My younger sister is at another hospital," she said.

Jay Solomon and Rasul Bailay in New Delhi contributed to this article.

The Fall of China Aviation Oil

CAO Singapore's Fall Followed Chen's Ambitious Climb to

CEO Rose From Poverty To Prominence With Speed Mirroring China's Growth

By Matt Pottinger in Baolong Village, China, and Cris Prystay in Singapore

December 6, 2004

SEVEN YEARS AGO, Chen Jiulin arrived in Singapore from China with a challenging assignment: to revive a dormant subsidiary of China Aviation Oil Holding Co., a large Chinese state-owned company. It was a major opportunity for him to shine, and he quickly set about transforming the all-but-defunct shipping-brokerage firm into China's sole importer of jet fuel.

With a speed that mirrored China's own rapid economic transformation, Mr. Chen, now 43 years old, drove the rapid ascent of the once-sleepy state-owned company into a budding player in the global oil industry. Investors snapped up its Singapore-listed stock, lifting the share price more than five-fold from the beginning of 2003 to its peak in October. Global investment banks and other creditors lined up to lend China Aviation Oil (Singapore) Corp., known as CAO Singapore, hundreds of millions of dollars, impressed with the Mr. Chen's vision of building it into a regional competitor in the oil industry. Mr. Chen himself earned as much as $4.5 million a year and drove a Mercedes-Benz. He sat on the management committee of the Singapore Institute of Management and headed the Chinese Enterprise Association in Singapore. Last year, the World Economic Forum named Mr. Chen one of Asia's top business leaders under 45.

"CAO has its roots in China, but has steadily grown more multinational with each passing year," Mr. Chen's company crowed in a news release last year. "Eventually, it hopes to become the `bellwether' firm for overseas Chinese enterprises in terms of capital operations."

On Nov. 25, it all collapsed, with the company filing in Singapore for court protection against creditors while it works on a restructuring package. The company's estimated loss: $550 million -- the worst derivatives-related loss in Asia in years. CAO Singapore began speculative trading in derivatives in 2003 and after chalking up profit during the initial trades plunged into a $5.8 million loss on trades during the first quarter of this year. The company bet wrongly that it could trade its way out of trouble but as oil prices spiked, losses continued to grow. Still, the company continued to make bet after bet.

Suspended from his job by the board, Mr. Chen is at the center of a host of legal questions, and Singapore authorities are seeking his return from China to get answers.

Much is still unknown about what happened at CAO Singapore and Mr. Chen himself isn't talking. But the portrait that emerges is of a smart, ambitious, even idealistic entrepreneur who rose rapidly from impoverished peasant to tycoon -- with grand plans to build a business empire and become a master of the capitalist game.

It has become a familiar story in China, where a sizzling economy, huge market and lack of financial controls and oversight have imbued many with a confidence bordering on cockiness. Earlier this year, one of China's biggest private conglomerates, D'Long International Strategic Investment Co., started unraveling after the company grew too large and quickly, largely on bank and other loans, often using shares in its companies as collateral. The group, started by four siblings surnamed Tang, grew from a small photo-finishing business based in the northwestern region of Xinjiang into a sprawling conglomerate with stakes in more than 100 companies in industries from tomato paste to lawnmowers, and more than a dozen financial institutions at its height. D'Long has since been handed into government receivership and its top official put under virtual house arrest.

From an early age, Mr. Chen cultivated a sense of purpose and self-assuredness, qualities that helped him escape the impoverished circumstances of his youth, family members say. Baolong Village, an anonymous cluster of mud-brick farmhouses amid the rice fields of central China's Hubei province, didn't have electricity when Mr. Chen was growing up there in the 1960s and 1970s.

More than probably any of his childhood peers, Mr. Chen buried his nose in books, says his father, Chen Suixiang, in an interview at the family home in Baolong Village. When a middle-school teacher motivated the younger Mr. Chen to concentrate on English, the father recalls borrowing money to buy his son a cassette player for listening to language tapes. Put to work during his teens, Mr. Chen would carry an English textbook with him to the rice paddies and, during rainstorms, steal away to memorize vocabulary. On some summer nights, he would submerge his feet in a tub of water to stay cool and keep the mosquitoes off his ankles while he studied by the glow of an oil lamp. He also read Chinese classics and, relatives say, he had a special affinity for the I Ching, or "Book of Chang-

es," a 2,500-year-old text used by soothsayers to divine the future.

All the while, the youngster was divining a future for himself as an educated and accomplished adult. "He was very self-confident, very assertive," says the father, a broad-shouldered and handsome 73-year-old, sitting at his dining table beneath a shrine to Chairman Mao. Says Zhou Changjun, an acquaintance of Mr. Chen from early adulthood: "His ideal was to join the State Council" -- the body that governs China.

Mr. Chen took significant risks to pursue his dreams. One day in 1981, he shocked his family by quitting the job his father had landed at a rural credit agency to begin studying full-time for the highly competitive college-entrance examination. He passed, winning a spot at the prestigious Peking University, where he studied Vietnamese and English. After graduating in 1987, he worked as a translator at China's biggest airline and then at a Sino-German aircraft maintenance venture before eventually joining China Aviation Oil Holding, the state-owned parent of CAO Singapore, which had a monopoly on distributing jet fuel to Chinese airlines.

He cultivated an almost sage-like public business persona. A 70-page booklet published last year to mark the 10th anniversary of CAO Singapore contained 63 photos of Mr. Chen. In one photo, he appears pensive, clad in a business suit, wandering alone through lush green mountains in China. A caption recalling Mr. Chen's 1997 arrival in Singapore reads: "Chen Jiulin thinking of ways to revive a fallen enterprise." Another one shows him in a library and is titled "Chen Jiulin reading one of China's classics." He published a book of his essays, "Leveraging on China, Going Global." He said in local interviews that he sometimes consults the Book of Changes when facing difficult business decisions.

He spurned some of the lavish lifestyle many newly rich Chinese opt for when they move to places like Singapore or Hong Kong. Last year, as the company's profit soared, he readjusted his profit-sharing formula so his own pay wouldn't skyrocket. He and his wife rent a simple condominium in Singapore's suburban East Coast. Their son is in middle school in China, relatives say. Mr. Chen has told local reporters they declined to hire a maid, a fixture in middle class Singaporean households. His only conspicuous emblem of luxury: a Mercedes-Benz S430.

He wanted to be seen by government leaders in Beijing "as someone who was ahead of the curve," says a person who has worked with him.

On that front, he seemed to be making headway. One company news release quoted China's former ambassador to Singapore, Zhang Jiuhuan, describing CAO Singapore as "the cream of overseas Chinese enterprises." In Beijing, the Communist Party magazine "Seeking Truth" published a lengthy commentary late last year calling Mr. Chen's company a "river-crossing pioneer in the chessboard of China's `going out' strategy." The article urged other companies to study CAO Singapore's management in order to demonstrate "Chinese people's wisdom and power on the international stage" and contribute to "a great renaissance of the Chinese nation."

But people who have worked with him say Mr. Chen didn't always practice what he preached. Whereas he spoke publicly of the importance of maintaining a light touch managerially and giving employees freedom to perform, in the office executives say he was a sometimes-gruff figure who micromanaged his staff. "He was pretty rough around the edges," said an executive who knows him. Mr. Chen personally recruited or approved the hiring of most of CAO Singapore's staff. " `Hands on' doesn't describe it. He made all the decisions," the executive said.

Other aspects of the principles he espoused haven't squared with the developments now unfolding at CAO Singapore. In a column published in July 2003, he wrote: "The international oil market is unpredictable and full of traps. To avoid risks, CAO has established a set of risk-control methods to improve transparency and supervision." He also wrote in the same column that always keeping shareholders informed was one of the "five elements of China's corporate-governance philosophy."

Yet within months, the company began sliding toward financial disaster. CAO Singapore in 2003 began speculative trading in financial derivatives tied to oil prices. After chalking up profit during the initial rounds, the company plunged into a $5.8 million paper loss on trades during the first quarter of 2004, according to an affidavit signed by Mr. Chen and filed last Monday in Singapore's High Court. CAO Singapore gambled that oil prices would fall and that it could trade its way out of trouble. It blew past internal limits that should have shut down trading, and losses continued to mount with bet after bet. The company's estimated loss is $550 million. Creditors, including a unit of Mitsui & Co., Fortis Bank and Goldman Sachs Group's oil-trading outfit, are seeking a combined total of about $247.5 million.

As the losses mounted, Mr. Chen showed no signs of trouble in public. He continued writing his columns extolling Chinese ancient philosophy and Western corporate governance. Behind the scenes, though, he appears to have been grasping for solutions. The company's parent sold a 15% stake in CAO Singapore in October and lent it the money try to cover the huge losses, according to the affidavit. Deutsche Bank handled the block sale and industry sources say the majority of buyers were hedge funds who then sold the stock into the market. Minority shareholders were left in the dark about the problems and the reason for the share sale. As the company neared financial ruin in late November, Mr. Chen consulted a master of feng shui, or Chinese geomancy, to ask advice, according to an executive close to the company.

If Mr. Chen was feeling pressure from the trading losses early this year, his family back in Baolong Village says they knew nothing of it. In February, Mr. Chen's mother suffered a stroke that has left her in a coma. Mr. Chen soon returned to his childhood home. He sat next to his mother, held her hand and wept, says his father. The elder Mr. Chen knew his son's work was busy, and he urged him to get back to his business and to not worry; his mother was being cared for. "He didn't say very much while he was here," says the father, walking near the site where Mr. Chen was born -- a smaller farmhouse that was eventually washed away in a rainstorm, and where bales of hay are now stacked for feeding oxen. "He stayed about two or three hours," and then made the long trip back to the airport. He returned again in August, also staying just a few hours, he said.

All his life, Mr. Chen "was very determined, and very honest," his father says, adding, "my heart is filled with worry."

Singapore police and the Singapore Exchange are conducting investigations into the matter, and exchange officials are requesting Mr. Chen return to the city-state. He left Singapore last week and relatives say he is in Beijing with his wife and son. Relatives declined to provide his phone number. Zhou Changjun, the acquaintance from their early adult years, says she sent Mr. Chen a text message on his mobile phone last week to see if he is all right. She says he wrote back: "I'm fine. None of this was for my personal gain."

Cui Rong and Kathy Chen in Beijing and Ellen Zhu in Shanghai contributed to this article.

CAO Singapore Expected Parent's Help as Loss Grew

Suspended CEO Insisted Beijing Firm Would Cover Derivatives-Trading Deficit

By Laura Santini and Cris Prystay

Singapore, December 15, 2004

As **CHINA AVIATION OIL** (Singapore) Corp. racked up a half-billion dollars in losses and was cut off by its bankers, the company's hands-on chief executive insisted its Beijing-based parent would bail it out, say people familiar with the company.

The CEO, Chen Jiulin, even produced a letter last month that appeared to come from the parent company, China Aviation Oil Holding Co., saying it would assume CAO Singapore's losses from trading in oil-related derivatives, according to people familiar with the situation. Mr. Chen gave the letter to Peter Lim, CAO Singapore's finance director, to persuade him to file financial results for the company that omitted the losses, says one person familiar with the company's operations.

Lawyers for the state-owned parent company, CAO Holding, deny that its executives signed any such letter.

Mr. Lim declined to comment. Mr. Chen didn't return phone calls or respond to questions posed through his lawyers. He was arrested by Singapore police last week and released on bail, and he has met several times with investigators from Singapore's white-collar crime bureau.

The alleged letter, and Mr. Chen's apparent confidence in a bailout, spotlight the many unanswered questions about the parent company's role in the trading scandal and its aftermath, which amounts to one of the largest derivatives-related losses in Asia in years. Investors and bankers who deal with Chinese state-owned entities world-wide are watching to see how Beijing treats the Singapore company's creditors and shareholders, as well as the executives involved.

The parent company and its government overseers at China's State-owned Assets Supervision and Administration Commission each issued brief statements last week placing responsibility with CAO Singapore. Yesterday, the parent warned that CAO Singapore's creditors and shareholders should be "realistic" in their expectations for redress.

But neither company has addressed questions about the actions the parent took after it learned about the losses -- including a sale of some of its shares in the Singapore company to institutional investors.

What is clear is that under Mr. Chen's watch, CAO Singapore changed its business approach. The company is China's main jet-fuel importer. It got its first taste of derivatives trading by helping Chinese airlines hedge their exposure to rising oil prices. Derivatives are structured bets on the value of underlying investments, commodities or other benchmarks, and in CAO Singapore's case, the derivatives were based on the price of oil. It acted as a middleman between the airlines and Singapore's highflying oil traders, and it didn't risk its own capital.

Mr. Chen decided that the company could make money by placing its own bets, according to someone involved with the company's operations at the time.

"Trading is easy," he told his staff, according to this person. "You just have to buy low and sell high." To prove the point, he created a new trading account with company funds, attempting to outdo the company's traders by personally directing buying and selling of oil derivatives, according to this person and someone else also familiar with the company.

At first, CAO Singapore's new approach made money. When oil prices rose, however, it began losing money at a rapid pace. Mr. Chen was involved in the company's trading operations, knew about the losses and, rather than publicly disclosing them, decided to add to the bets in the hope that they would improve, says the person who was involved in the company's operations.

In March and again in June, with the company sitting on losses of $5 million and then $35 million, respectively, as it prepared to announce its quarterly financial results, executives in trading and risk management discussed with Mr. Chen whether to close out the positions, says this person. Mr. Chen decided to engage in new trades that effectively extended the company's positions into the next quarter, this person says. According to company policy, Mr. Chen had to sign off on any losses that exceeded $500,000.

The extent to which the traders debated with him isn't clear. The person familiar with the company's operations says traders advised Mr. Chen to face up to the losses. But this person adds that many CAO Singapore traders were sympathetic to his view that oil prices would reverse course. "The consensus of the department was that prices were going to go down," says a different executive at the company.

By September, word was spreading that the company had taken a hit. Oil trading is big in Singapore, which serves as the industry's derivatives hub for Asia. But the marketplace is small, with only about 100 traders participating. What's more, the Singapore market lacks the anonymity of the New York Mercantile Exchange and London's International Petroleum Exchange, which bring together thousands of buyers and sellers who deal through the exchanges. In Singapore, traders deal with each other directly over the phone.

They also hang out together after work, gathering at watering holes such as Kazbar, a belly-dancing bar and restaurant run by a Kuwaiti who is a former trader. Talk over after-work beers started turning to CAO Singapore, traders at the bar recalled one night last week -- and how some banks had stopped extending the company credit.

Pressed for cash, Mr. Chen informed his parent company on Oct. 10 of the losses, according to an affidavit he filed in the Singapore High Court. Representatives from the parent flew to Singapore and consulted with CAO Singapore's management and with its trading partners about how to deal with the company's problems.

During this period, says the person familiar with the company's operations, Mr. Chen maintained that the parent would extend a helping hand in the deal-making with creditors, offering some of its own assets in China in return for wiping out the listed company's debts.

But no such deals materialized. Instead, the parent sold a 15% stake in CAO Singapore. In a deal arranged by Deutsche Bank AG, it sold its shares to institutional investors with-

out disclosing the losses. The institutional investors, who had signed a waiver accepting Deutsche's statement that it had done little due diligence, mostly sold off their shares quickly and realized gains. But the investors who bought them lost out as CAO Singapore's shares subsequently weakened.

CAO Holding used the $108 million it raised to pay some of the demands from CAO Singapore's bankers. The company's realized losses, meanwhile, soared to nearly $381 million.

On Nov. 12, CAO Singapore's head of finance, Mr. Lim, was scheduled to deliver the company's third-quarter financial results. Holding two different sets of results, one that included large trading losses and one that indicated only a mild trading loss of about $7.1 million, Mr. Lim demanded proof of an imminent bailout, says the person familiar with the matter.

Fifteen minutes before the 6 p.m. earnings announcement, Mr. Lim received a faxed letter that appeared to be signed by Mr. Chen and Jia Changbin, president of the parent company, containing a statement that the parent would save CAO Singapore, this person says. The results Mr. Lim filed showed CAO Singapore with just a mild loss from trading activities.

Mr. Lim declined to comment on the matter, as did Mr. Chen and his lawyers.

CAO Holding denied sending any such fax and "did not at any time sign or enter into any letter or agreement to assume the obligations or liabilities" of CAO Singapore, the company said in a statement delivered through its Singapore law firm, Stamford Law Corp.

"We understand that the purported letter is one of the matters being investigated by the investigating authorities," the statement said. Mr. Jia wasn't questioned by police when he was in Singapore last week, says his lawyer, Yap Lian Seng of Stamford Law. Mr. Jia's office referred questions to the firm. Singapore police declined to comment on the letter or on Mr. Jia.

On Nov. 29, before filing for court protection from creditors on behalf of CAO Singapore, Mr. Chen made one final gesture to employees, says the person familiar with the matter. He informed them he was being reassigned back to the mainland, shook hands and thanked them for their hard work.

Matt Pottinger in Beijing contributed to this article.

Qian Qian

Saga of a Disabled Teen Forced to Beg Illustrates China's Social Upheaval

Unable to Care for Qian Qian, Family Let New Guardian Take Her to Big City—An Intervention Near a Bridge

By Peter Wonacott

December 7, 2004

EVERY DAY for two months, 13-year-old Qian Qian positioned herself on a footbridge near the glass office towers of Guangzhou, one of China's wealthiest cities. Amid cigarette butts and candy wrappers, she tucked her immobile, pipe-stem legs under her body and placed a red plastic bowl in front of her, begging for money. Blood from cuts hardened on the soles of her feet, recalls Qian Qian and a man who saw here there.

"My home is in Anhui," Qian Qian remembers telling people who asked. "My family was wiped out by the floods."

Her real home, more than 3,000 kilometers to the north, wasn't in Anhui, nor was her family killed in floods. Qian Qian, born with a protruding spinal cord and deformed legs, was given away by her unwitting father, a small farmer struggling to pay medical bills, in return for some money and a promise that she would be cared for.

Instead, her new guardian took her to Gongxiao, a nearby village that has made a lucrative speciality out of begging, just as others have trained fortune tellers or basket weavers. Some residents say more than half of the village's 1,500 residents have begged to build houses or pay school tuition. The village regularly procured disabled children to help beg, a role Qian Qian was forced to play while her father thought she was working in a store.

Qian Qian says her new guardian, a man named Gong Qingping, gave her a razor blade and told her to cut her feet and legs to appear more destitute. Sometimes he gouged them himself, she says. Mr. Gong's daughter, now 17 years old, deposited Qian Qian at the Guangzhou bridge in the morning, watched her during the day and picked her up at night.

With little feeling in the lower half of her body, Qian Qian was unable to control her bowels or move very far and often she sat in her waste. She typically earned the equivalent of $5 a day, which she would hand over in a small plastic bag. Eventually, Qian Qian was able to fight back, in a way that transformed her life for a second time.

Qian Qian's story reflects the wrenching social changes under way in booming China, most notably a growing gap between newly industrialized wealth and the rural poor. For many stuck in the time-warp of the Chinese countryside, begging is becoming an increasingly appealing profession. A beggar's income can be as much as 10 times that of a farmer.

Economic overhauls of the late 1970s let China grow at a staggering pace -- close to 10% a year -- but the new wealth was spread unevenly. At the same time, to reduce the government's burden, China dismantled its Communist-inspired system of benefits. Now, only 13.5% of the population is covered by health insurance, 8.1% by unemployment insurance and only 16.3% receive pensions, according to the 2003 annual report of the Ministry of Labor and Social Security. The number of people considered by China to be living below the poverty line rose last year for the first time since early 1980s, says China's Poverty Alleviation and Development Office.

"Many farmers lack even the most basic forms of security," says Feng Xingyuan, a researcher of the Rural Development Research Institute, a think tank in Beijing.

From August 2003 through the end of June 2004 -- the latest available data -- police across China picked up 80,000 child beggars, according to the state-run Xinhua news agency. That number likely underestimates the total by a wide margin because of the lack of reliable data and the government's reluctance to spotlight social problems. Major cities including Beijing, Shanghai and Guangzhou lifted a ban on begging last year after a university-educated graphic designer was mistaken as a vagrant, jailed and beaten to death. Authorities quickly reinstated the prohibition after beggars flooded in.

The Chinese government is planning to introduce a nationwide system to administer child beggars, according to an official at China's Communist Youth League, the group that is drafting the rules. The arrangement would require authorities to build shelters, reconnect families, resettle orphans and punish adults who force children to beg.

The account of Qian Qian's journey, from the village of Zhangbei in China's central Henan province to the metropolis of Guangzhou, is based on extensive interviews with Qian Qian, her family, local police officials, the family of Mr. Gong, and other firsthand witnesses.

Gong Cuiqin

Mr. Gong has been jailed for abducting Qian Qian and couldn't be reached for comment. The prison holding him referred interview requests to Guangdong's provincial Public Security Bureau where a press official denied the application. The judge presiding over Mr. Gong's case also declined a request to speak with the prisoner. Mr. Gong's family members say they loved and cared for the girl and, through begging, provided her with a legitimate escape from poverty.

Xu Qian Qian (pronounced "Shoe Chien Chien") was born crippled with spina bifida and couldn't walk, although her mental health was unimpaired. When she was born, doctors told the family she wouldn't live more than five years and said her care would be costly.

Qian Qian's family has been farming in the same village for generations and currently grows cotton, chili peppers and corn. Their annual income wavers between $125 and $250 and is supplemented by an annual $20 military pension that her grandfather receives for having fought in the Korean War. Even at its height, their income is two-thirds the rural average and less than a quarter that of a city dweller.

One doctor told the new parents: "Get rid of her," Qian Qian's father, Xu Hongwei, recalls.

They refused. Qian Qian learned to speak before others her age and would drag herself past the family's gates to be with other kids, her grandfather, Xu Gongran, recalls. When her young brother started school, Qian Qian swiped his books to study. "None of us could bear to get rid of her," her grandfather says. "We didn't believe what the doctors told us."

Doctors in the provincial capital of Zhengzhou said a lump on her lower spine was growing and could burst, likely killing her. The Xus rejected the doctors' offer to operate because the cost was too high, opting instead for a smaller, county hospital. They borrowed $600 to pay for travel, accommodation and medical expenses.

The surgery removed the lump but Qian Qian was left unable to control her bladder or bowels. The family soon learned that neighbors whispered to each other about how the Xu house reeked of feces.

"My wife complained that life was too difficult, that she couldn't manage," says Mr. Xu, now 35 years old.

Qian Qian says her mother, Li Yu'e, often argued tearfully with her father. In November 2000, Qian Qian found her mother slumped in a chair. The girl cried for her father, who came running in from the fields. Her mother had swallowed a bottle of cotton pesticide, the family says, and slipped into a coma.

The Xus say they spent more than $2,400 trying to revive Ms. Li but she died two weeks later, leaving two children and large hospital bills.

Qian Qian's father sought financial relief from village authorities. Since 1990, the central government has given tax breaks to parents with disabled children. Village leaders told Mr. Xu the law only encompassed children older than 16. Qian Qian was 10 at the time. Although villages have some discretion to bend the rules, the authorities told Mr. Xu to pay the full agricultural tax, which totaled about $10.

Asked why the village didn't make an exception for Mr. Xu, a Zhangbei civil-affairs officer, Nie Yundong, says the village can barely afford to pay the salaries of officials.

In spring 2001, a man arrived from the village of Gongxiao, a three-hour bus ride away, offering to help the Xu family. Mr. Gong presented his plan to expand a wine and cigarette business, Mr. Xu recalls. Mr. Gong explained he could receive tax breaks by employing Mr. Xu's crippled daughter. Once Qian Qian started working, Mr. Gong promised to send $24 a month, Qian Qian's father recalls. He agreed to pay a visit to the Gong's residence to check it out.

A single dirt road slices through Gongxiao, dividing fields of wheat and soybeans and clusters of houses surrounded by high gates. A few older men, the most visible of Gongxiao's 1,500 residents, till the fields with their pants legs rolled up.

Begging, a staple of life in Mr. Gong's village for more than a generation, moved to a new level when a blind neighbor struck it rich five years ago. He earned as much as $10 a day begging in big cities, according to local residents. Villagers began planning their own begging forays and quickly discovered that using handicapped children boosted returns.

Some scouted the villages of neighboring Henan, one of China's poorest provinces. According to Wang Ronggui, head of the Gongji Township Police Station, residents concentrated on areas near the Xu family's house, following rumors that polluted river water there caused an inordinate number of birth defects.

Locals estimate that 60% of Gongxiao's residents beg with the help of disabled children. Mr. Wang says even the village chief participated. Police started a formal investi-

gation into the chief's family but didn't bring charges. The village chief, Gong Qinggan, denies in an interview that he begged with disabled children. He also denies he is the village chief, although the local township government confirms he was elected to the position in 2002. (He isn't related to Gong Qingping; many people in the village are called Gong).

Mr. Wang, who spent two years investigating local begging rings, says residents from neighboring villages dropped by Gongxiao to learn the trade. He says farmers are often tricked into renting their children for $40 to $60 a month. He calls stories about tax breaks a common recruiting ruse and "a complete lie."

Mr. Gong heard about Qian Qian from his neighbors and thought her potential begging skills might help lift his family from their own economic straits. He had little interest in farming and was already gravitating to big cities, scavenging construction sites and garbage dumps for cardboard and tin that could be resold, according to his father.

The idea wasn't universally accepted in the Gong household. More than 40 years earlier, Mr. Gong's 74-year-old father had taken another son on a begging trip to a provincial capital and says now: "It was not the right thing to do." Mr. Gong's father, Gong Jike, says he opposed using Qian Qian as a begging prop. "I offered to take care of her," Mr. Gong's father says, adding that his objections were overruled by his son.

Qian Qian's father went to visit the Gong family in April 2001. They had a tractor, a television and a telephone. Mr. Gong repeated the village's well-worn recruiting lines. "He told me Qian Qian would be better off with them," recalls Mr. Xu, who says Mr. Gong assured him it "wasn't a real adoption," merely a tax arrangement. Qian Qian could return to Henan at any time, Mr. Xu says he was told.

On a piece of rice paper, dated April 23, 2001, Mr. Gong wrote in blue pen: "Xu Qian Qian from Zhangbei Sub-village, Gaoxian Village, Taikiang County is adopted by Gong Qinping of Gongxiao Sub-village, Gongji Village, Taihe County. If accidents occur, I will not bear responsibility." Mr. Xu sealed the document with his thumbprint, an accepted stamp among Chinese farmers. Mr. Gong sent the Xu family $120 to buy medicine for their elderly father.

A few days later, Mr. Xu repeated the three-hour journey to Gongxiao, this time with Qian Qian alongside. The fields they passed were filled with maize. Red chili peppers were piled on the roadside. Her father told her she was going to a "good place," where a doctor could fix her legs. Qian Qian recalls.

The courtyard houses of Gongxiao, with walls of packed straw and mud, looked similar to those in her own village. Qian Qian's father carried her through the crimson gates of the Gong family compound. Pinned above the wooden mantle was a portrait of Mao Zedong. The next morning, her father took a bus home. Only then, Mr. Xu says, did he tell his father and sisters what he had done, fearing they would have objected if he had told them earlier.

Hongwei Xu

The Gongs did own a wine and cigarette shop but they closed it soon after Qian Qian arrived. Instead, they set about folding her into the family. They gave her new name, Gong Xuan Xuan, and drilled her to memorize their address and phone number in case should she get picked up outside the village, recalls Qian Qian and Mr. Gong's daughter, Gong Cuiqin. The Gong family also asked Qian Qian to call Mr. Gong "Dad."

At night, the young girl slept on a board underneath the family bed so she wouldn't soil any sheets. During the day, she occasionally visited Mr. Gong's parents but was mostly confined to a small room beside the kitchen, Qian Qian and Mr. Gong's daughter remember. Qian Qian says she often overheard Mr. Gong arguing with his father about her treatment.

Not long after she arrived, in mid-2001, Qian Qian traveled with Mr. Gong and his daughter to the central Chinese city of Wuhan, 290 kilometers away. They met neighbors from the village on the city's outskirts and took lessons from more experienced beggars, recalls Qian Qian and Mr. Gong's daughter. Mr. Gong asked Qian Qian to practice putting her legs behind her head, a gruesome pose that exaggerated her deformities. When she couldn't do it, Mr. Gong's daughter slapped Qian Qian on the back, Qian Qian says.

Every morning, Ms. Gong delivered Qian Qian to a spot on a sidewalk. Mr. Gong monitored her daily take.

"He said if I didn't get enough money, he'd cut me," recalls Qian Qian. Sometimes, she says, Mr. Gong or his daughter, acting on Mr. Gong's instructions, cut her heels and legs. Ms. Gong says never slapped Qian Qian and that neither she nor her father ever cut the girl. She says the razor blade was for protection.

Even though begging boosted the Gongs' income, the family ran into financial trouble. While the team was still in Wuhan, Mr. Gong's wife began to bleed internally after taking a locally prescribed medicine to reduce a swelling in her cheek. The Gongs had no health insurance and borrowed $2,000 from neighbors and friends to cover medical expenses. Ms. Gong died on a visit home from the hospital while traveling in the back of a pedicab. Mr. Gong, his daughter and Qian Qian returned to Gongxiao after the death to take care of the funeral arrangements. They stayed for about a month.

In early 2002, they took Qian Qian begging again, this time to Sichuan province in southwest China. In the town of Chengdu, Qian Qian was picked up by police who put her in an emergency shelter. Ms. Gong says she pleaded with officials to release her "sister" and Qian Qian returned to her surrogate family.

Qian Qian remembers making other trips about this time but can't recall precise places or times. She says she received a daily ration of a steamed bun. Mr. Gong's daughter says they went to Mianyang, which is in the same province as Chengdu, as well as other nearby cities.

After Sichuan, Mr. Gong and his daughter expanded their enterprise. Their neighbors procured a boy with cerebral palsy, called Gong Xiaozi -- no relation -- who barely spoke. Police say he was abducted from Henan province, as was Qian Qian. Mr. Gong promised to pay the neighbors $600 over three years for providing the boy, according to Ms. Gong.

At the end of 2003, the newly expanded group arrived in one of China's wealthiest cities, Guangzhou. A few kilometers up the Pearl River delta from Hong Kong, the town has long served as a gateway into China. In the 19th century, British traders arrived selling opium. In the late 20th century, the city's foreign trade helped pull China from its isolation. Guangzhou's annual per-capita income is about $1,875, but like the rest of China, it is also a place of ostentatious wealth and conspicuous poverty.

Qian Qian, now 13, typically sat on a bridge in a bustling commercial and shopping district, dressed in an oversized green sweater to guard against the winter cold. She recalls telling people the story about how her family was killed in floods. In the evenings, she returned to an apartment the Gongs rented in town. Some people bought her sodas, but fearing she was diseased, few got close.

In January 2004, Liu Ruohan, a 33-year-old local resident, decided to help. Mr. Liu says he is a small businessman and practicing Christian, without providing further details, and says his motivation was religious. He went to the neighborhood police station and waited an hour before officers paid him any attention. They advised Mr. Liu to stay out of the matter. "This girl has parents," Mr. Liu says one officer told him. A duty officer at Guangzhou's Xinshi police station says officers declined to be interviewed.

A week later, Mr. Liu returned to the bridge and scooped up the little girl. Qian Qian struggled. She says she was terrified the Gongs would think she was escaping. By chance, Mr. Gong's daughter recalls, she had left her watch post. Mr. Liu rushed the girl to

a hospital. He says a doctor who conducted a cursory exam estimated that basic treatment would cost about $12,000.

Qian Qian Xu

Unable to pay, Mr. Liu took Qian Qian to his home and hid her. The next day, after a bath, a meal and some sweets, Qian Qian abandoned the fictional account of her family background and told Mr. Liu how she came to Guangzhou, they both recall. Since he had no luck with the police, Mr. Liu called a local newspaper, the Guangzhou Information Times, in a bid to publicize Qian Qian's story.

Retracing the journey she made every morning on the back of Ms. Gong's bicycle, Qian Qian led a reporter from the paper to the Gongs' apartment, according to Qian Qian, the reporter and Mr. Liu. The reporter called the police who broke in and found four children -- three of them disabled -- and two adults. They were all from Gongxiao or nearby villages. The adults were released and the police took the children, including Qian Qian, to the hospital.

Mr. Gong's daughter says she and her father weren't in the apartment at the time, having gone searching for their ward. After hearing about the raid, Mr. Gong immediately caught a bus to Henan to see Qian Qian's father, his daughter says. Back in Guangzhou, Qian Qian says she caught glimpses of Mr. Gong's daughter staking out the hospital and occasionally arguing with security guards.

When Mr. Gong arrived in Henan, he told Qian Qian's family that the girl had been hospitalized and he was having trouble getting access to her, according to Mr. Xu and his elder sister. Earlier, whenever Qian Qian's family called the Gongs asking about the girl, they were told she was out on business, Mr. Xu and his sister say. This time, Mr. Gong persuaded Mr. Xu to hand over his identity cards, saying they would provide support for the handwritten adoption agreement and facilitate Qian Qian's release, says Mr. Xu.

Before making the long return trek to Guangzhou, Mr. Gong stopped by his village. Police were waiting for him, recalls Mr. Wang, the police chief who participated in the raid. They stormed through the gates of the family's compound. Mr. Gong brandished an empty bottle of rice wine and threatened to bash it over his own head, Mr Wang says. Mr. Gong's daughter admits she punched one of the police officers.

After arresting Mr. Gong for child abduction, the police staked out a series of nearby villages but detained only one man and found no disabled children. "Villagers were tipped off," says Mr. Wang. "They either hid the disabled children or sent them back to hometowns for a while."

Mr. Xu says police investigators arrived at his home in February, one month after the arrest, asking about Mr. Gong's begging operation. He says that was the first time he had any notion that something was amiss with his daughter, more than two years after she had left home.

In June, the Guangzhou Baiyun District People's Court sentenced Mr. Gong to eight years in prison for abducting children and operating a begging ring. Qian Qian didn't testify at the trial.

Police initially confined Ms. Gong to her house pending trial. In early October, she returned to Guangzhou to visit her father in jail and remained in the city, her grandfather says, "to work." Asked whether this meant begging, he says, "I don't know what she's doing."

Mr. Gong's parents say the rules against begging, only recently reintroduced, have been retroactively applied to their son. They haven't been in contact with him since February. When a Wall Street Journal reporter showed them a newspaper photograph of Mr. Gong, with a shaved head and a striped prison vest, the family started to sob. Mr. Gong's daughter, tears streaming down her cheeks, said begging helps poor rural kids earn money.

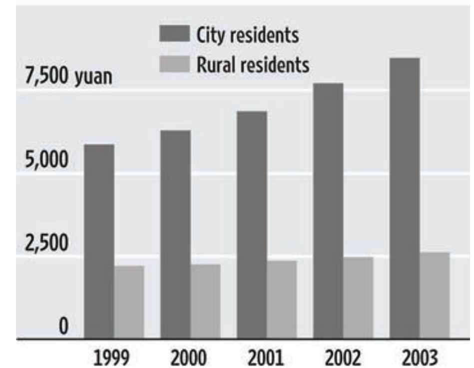
"We never harmed those children," said Ms. Gong, "We never forced people to put money in their bowls." Cried Mr. Gong's mother: "We loved Qian Qian."

After several Chinese newspaper stories appeared about Qian Qian, a U.S. charity, Children's Hope International, offered to sponsor her medical care. In August, she moved to a hospital in Beijing where she will undergo a series of surgeries. An American couple who run a nearby foster home say they might be able look after Qian Qian as she recuperates, but it's possible she will later have to return to her family's home in Henan.

Doctors list her ailments as Hepatitis B, skin cankers on her heels and dislocated hip joints. Although she probably won't ever walk and will continue to wear diapers, she may someday stand up on her own, her doctors say.

"Things might be different if she received good treatment earlier," says Liu Xiangchun, a 32-year-old orthopedic surgeon treating her. She travels the hospital hallways in a donated wheelchair, greeting doctors and nurses and playfully bumping into other patients. Now that her bedsores have healed, Qian Qian is expected to undergo surgery this week to repair her mangled spinal cord, according to the surgeon.

In her bright hospital room, Qian Qian keeps a newspaper article about her plight in a drawer. She can't read very well but recognizes a picture of Mr. Gong. She refers to him not as Dad, but "the bad egg." She has drawn



a gun and a single bullet striking the back of his head. As for her real father, Qian Qian is cool toward him. "My Dad knew he wasn't taking me to see a doctor," she says.

In August, Mr. Xu asked village officials for financial help to see his daughter. The officials declined. After receiving inquiries from The Wall Street Journal about their decision, they changed their minds and offered Mr. Xu the equivalent of $60 -- enough for two round-trip bus tickets.

Later that month, Mr. Xu and his sister arrived at the Lotus Pond bus station in western Beijing wearing matching gray suit jackets. They made their way to the hospital as the sun rose.

Upon seeing her awake, Mr. Xu's sister smothered the groggy girl with a hug and teary kisses. Her father, wearing a sheepish smile, followed with a light touch to her shoulder and sat down near a window. He hadn't seen his daughter since he left her at the Gong compound three years earlier.

As a nurse's attendant swabbed the deep cuts on one of Qian Qian's heels, Mr. Xu knelt down and pulled off the powder-blue sock on her other foot. He looked at the puncture marks and bruises below the ankle.

"Did he do this to you?" he asked. "Did he do this to you?"

Qian Qian didn't say a word. She twisted her face away from her father and with eyes wet, stared up at the hospital lights.

Postscript: In late December, Qian Qian had the first of a series of surgeries on her hips and legs, but still isn't able to walk. In January, she checked out of the Beijing hospital and moved to a foster home in Hebei, where she makes toys, key rings, woven bags and is learning to read. She and her father saw each other in April this year, but they decided for now Qian Qian won't live with the family. Qian Qian is expecting to have a second surgery on her legs in the next few months.

Asia's Power Play

China's Energy Appetite Poses a Pollution Threat With World-Wide Scope

Abundant Coal-Fired Plants Spread Mercury, Other Toxins at Growing Rate—Gray Crops and Cancer in Qingzhen

By Matt Pottinger and Steve Stecklow in Beijing and John J. Fialka in Washington

December 17, 2004

ON A RECENT hazy morning in eastern China, the Wuhu Shaoda power company revved up its production of electricity, burning a ton and a-half of coal per minute to satisfy more than half the demand of Wuhu, an industrial city of two million people. AES Corp., an American energy company, owns 25% of the 250-megawatt facility, which local officials laud as an "economically advanced enterprise."

The Chinese plant is outfitted with devices that prevent soot from billowing into the sky. But other pollutants, such as nitrogen oxides, sulfur dioxide, and a gaseous form of mercury, swirl freely from the smokestacks. Rather than install more sophisticated and costly antipollution equipment, the plant, which is majority owned by state-controlled entities, has opted to pay an annual fee, which it estimates will be about $500,000 this year. That meets Chinese standards but wouldn't be allowed in the U.S.

The billowing output of Chinese power plants like Wuhu Shaoda was once considered the price of China's economic growth -- and a mostly local problem. But just as China's industrial might is integrating the country into the global economy, its pollution is also becoming a global concern. Among the biggest worries: the impact of China's vast and growing power industry, mostly fueled by coal, on the buildup of mercury in the world's water and food supply.

Scientists long assumed that mercury settled into the ground or water soon after it spewed forth as a gas from smokestacks. But using satellites, airplanes and supercomputers, scientists are now tracking air pollution with unprecedented precision, discovering plumes of soot, ozone, sulfates and mercury that drift eastward across oceans and continents.

Mercury and other pollutants from China's more than 2,000 existing coal-fired power plants soar high into the atmosphere and around the globe on what has become a transcontinental conveyor belt of bad air. North America and Europe add their own dirty loads to the belt. But Asia, pulsating with the economic rebirth of China and India, is the largest contributor.

"We're all breathing each other's air," says Daniel J. Jacob, a Harvard University professor of atmospheric chemistry and one of the chief researchers in a recent multinational study of transcontinental air pollution. He traced a plume of dirty air from Asia to a point over New England, where samples revealed chemicals in it had come from China.

In the U.S., the consequences are being detected not just in the air people breathe, but in the food they eat. The U.S. Environmental Protection Agency recently reported that a third of the country's lakes and nearly a quarter of its rivers are now so polluted with mercury that children and pregnant women are advised to limit or avoid eating fish caught there. Warnings about mercury -- a highly toxic metal used in everything from dental fillings to watch batteries -- have been issued by 45 states and cover four of the five Great Lakes. Some scientists now say 30% or more of the mercury settling into U.S. ground soil and waterways comes from other countries -- in particular, China.

The increasingly global nature of the problem is rendering local solutions inadequate. Officials in some countries are using the presence of pollution from abroad "as an argument to do nothing from home," says Klaus Toepfer, executive director of the United Nations Environment Program in Nairobi, Kenya. Yet global remedies -- primarily treaties -- are even harder to achieve. The last such initiative, the Kyoto Protocol, aimed at limiting emissions related to global warming, was rejected by the U.S., the largest contributor of such emissions. The best shot at a treaty for transcontinental pollution, Mr. Toepfer believes, would be to regulate a single pollutant that everyone agrees is hazardous. He recommends starting with mercury.

China is already believed to be the world's largest source of nonnatural emissions of mercury. Jozef Pacyna, director of the Center for Ecological Economics at the Norwegian Institute for Air Research, calculates that China, largely because of its coal combustion, spews about 540 metric tons of mercury into the air each year, accounting for nearly a quarter of the world's nonnatural emissions of mercury. And the volume is rising at a time when North American and European mercury pollution is dropping. The U.S. emitted about 100 metric tons of mercury into the air in 1999 from man-made sources. New Chinese power plants currently under construction -- the majority fueled by coal -- will alone have more than twice the entire electricity-generating capacity of the U.K.

The overwhelming majority of China's power plants are built, owned and operated by Chinese companies. But regulators in Beijing say even the country's small number of plants with foreign investors typically satisfy only minimum environmental standards and lag behind the country's cleanest domestically owned plants.

Speaking about the Wuhu Shaoda power plant, Robin Pence, a spokeswoman for AES, says the company "is a minority partner in Wuhu. As such, we neither operate nor control the plant." She adds that AES, based in Arlington, Virginia, didn't build the plant and that its world-wide policy for plants that it does design and build is to meet emission standards set either by the local country or the World Bank, whichever is more stringent. The Wuhu plant's manager declined to comment.

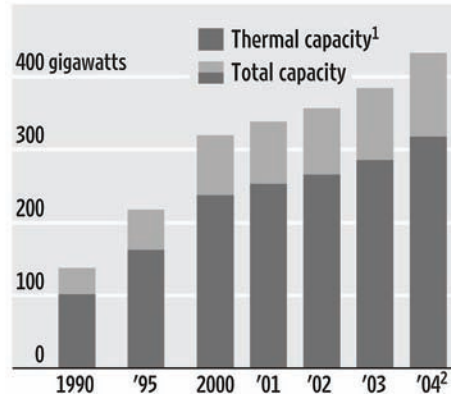
U.S. EPA scientists estimate that about a third of the mercury in the atmosphere gets there naturally. Traces of the silvery liquid in the earth's crust make their way into the sky through volcanic eruptions and evaporation from the earth's surface. But it took the industrial age to turn mercury into a public-health concern. Mining, waste incineration and coal combustion emit the metal in the form of an invisible gas. After it rains down and seeps into wetlands, rivers and lakes, microbes convert it into methylmercury, a compound that works its way up the food chain into fish and, eventually, people.

The dangers of significant methylmercury exposure to the nervous system are well documented, particularly in fetuses and children. Permanent harm to children can range from subtle deficits in memory and attention span to mental retardation. In January, EPA scientists released research indicating that 630,000 U.S. babies born during a 12-month period in 1999-2000 had potentially unsafe levels of mercury in their blood -- about twice as many babies as previously estimated.

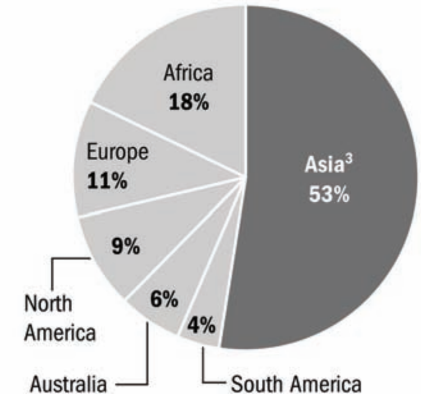
Adults aren't immune, either. Joel Bouchard, a National Hockey League defenseman who spent the past two seasons with the New York Rangers, says that last December he began suffering dizziness, headaches, insomnia and blurred vision -- forcing him to miss around 25 games. "It was, honestly, like I was in the Twilight Zone," he says. A team doctor discovered Mr. Bouchard had abnormally high levels of mercury in his bloodstream. The suspected cause: the tuna and salmon he had been eating almost daily as part of what he thought was a healthy diet. He says his blood levels have since returned to normal and the symptoms have disappeared.

Powerful Threat

China's power-making capacity



Global emissions of mercury by source



[1]Thermal power plants refer to those that run on coal, oil and gas. As of late 2000, more than 95% of China's thermal plants ran on coal, according to the State Environmental Protection Administration [2]Projections by National Development and Reform Commission [3]Figures do not add up to 100 due to rounding; China accounts for a majority of Asia's total

Sources: State Power; China Electricity Council; U.S. Environmental Protection Agency

Few places more starkly illustrate the threat from mercury, and the obstacles to containing it, than China.

In Qingzhen, a town in the poor mountainous province of Guizhou, a 53-year-old female rice grower named Zhang and thousands of other farmers are surrounded by mercury pollution. Dark smoke surges from the local power plant, staining crops a drab gray. The power plant flushes eight million cubic meters of ash and water each year into an area adjacent to a major drinking-water reservoir. Some fish that live near the plant contain levels of mercury 18 times what the EPA and the Chinese government consider safe -- according to the Guizhou Provincial Environmental Science and Research Institute, which recently completed a seven-year study into the province's mercury pollution.

The plots of land that Ms. Zhang and her neighbors tend are especially ill situated. Nearby is the Guizhou Crystal Organic Chemical factory, which over the years released as much as 90 metric tons of mercury into a stream that runs through her village, according to the study. An official in the factory's environment and safety department calls the report's estimate "too high," and says the factory stopped dumping mercury by 1998. But the stream still runs black and reeks so strongly of chemicals that people unaccustomed to the smell struggle not to gag when standing downwind.

Ms. Zhang and her neighbors are used to the smell. With no other choice, they pump water from the poisoned stream onto dozens of hectares of rice paddies each planting season. Rice from the fields tastes sour, she says. "When you wash it, the water in the pot turns the same color as the river." Grain from these fields contains nearly 40 times as much mercury as rice grown in Shanghai, according to the study. Laboratory mice that were fed the rice became hyperactive and their nervous systems began deteriorating within a month, the study says.

Farmers in the village complain of periodic fits of shaking. Ms. Zhang suspects the pollution is the reason that she and some of her neighbors have stomach cancer.

Once airborne, by drifting as an invisible gas or clinging to particles of dust, mercury begins to wander. Last April, an instrument-laden U.S. surveillance aircraft near the California-Oregon border hit a plume of dirty air inbound from China. Among the pollutants: black carbon, sulfur dioxide and mercury. "Storms didn't wash it away," marvels Veerabhadran Ramanathan of the Scripps Institution of Oceanography in La Jolla, California. Dr. Ramanathan, who helped pioneer the field of tracking international air pollution, says such plumes shed some of the noxious load over the ocean. But their bulk continues to drift across the U.S. at the leisurely speed of a blimp, polluting lakes and

rivers as they go.

The density of Chinese pollution has amazed researchers. Hans Friedli, a chemist at the National Center for Atmospheric Research in Boulder, Colorado, recalls flying through plumes off the Chinese coast near Shanghai two years ago that contained pollutants in the "highest concentration that I have ever seen from an aircraft, except when I've flown into forest fires."

And it is going to get worse. By 2020, China will have nearly 1,000 gigawatts of total electricity-generating capacity, more than twice the current amount, according to the State Power Economic Research Center. And the majority of new plants will burn coal. Coal-fired plants today produce three-quarters of the country's electricity, compared with around 50% in the U.S. The country will this year burn about 1.7 billion metric tons of coal, a 12% increase over last year, and consumption is expected to keep rising.

China is phasing in several measures to tackle air pollution. But soot, as well as sulfur dioxide and nitrogen oxides -- often referred to as "SOx and NOx" -- are understandably taking priority over mercury. Even with the existence of poisoned villages like the one in which Ms. Zhang lives, other pollutants affect even more Chinese people. Airborne particulates are a suspected leading cause of respiratory disease around the country. Acid rain from sulfur dioxide now pelts a third of China's territory, a ratio that is "expanding, not shrinking," says Pan Yue, the deputy director of China's State Environmental Protection Administration, or SEPA.

Mr. Pan, an outspoken champion of stricter environmental standards, says there currently aren't any rules being drafted to address mercury. Asked if he is aware of recent studies linking Chinese emissions to mercury in American lakes and rivers, he nods.

"As for China's impact on surrounding countries, I'm first to admit the problem. But let's talk about this in the context of international fairness," he says before firing a salvo of rhetorical questions aimed at Washington. "Whose development model are we emulating? Who has been shifting all of its pollution-heavy factories to China? . . . And who bears an even greater international responsibility than China -- but has yet to shoulder it -- on matters like greenhouse-gas emissions?"

Environmentalists say that U.S. action to control its own mercury emissions from power plants has been sluggish. James Connaughton, head of the White House Council on Environmental Quality, counters that the Bush administration has promised by next March to announce regulations aimed specifically at restricting mercury emissions from coal plants, which he says is a "world first." The plan, which follows years of delays and lawsuits, is expected to include market-based trading of pollution credits among utilities and won't be implemented fully until 2018. Meanwhile, the implementation of other technologies, such as flue gas desulfurization, that remove some mercury while scrubbing other pollutants from coal, has helped cut mercury emissions in Europe and North America.

On the face of it, China's new rules on sulfur dioxide should help combat emissions of mercury, too. Beijing is requiring many power plants approved after 1995 to install equipment that reduces sulfur dioxide, and such equipment often has a bonus effect of filtering out some mercury. China this summer also increased the fees that power plants must pay for each ton of sulfur dioxide they emit, hoping it will give all coal-fired power plants an incentive to buy such equipment.

But the reality is that sheer increases in Chinese coal consumption, together with difficulty policing polluters, will more than offset whatever reductions in sulfur dioxide and mercury are achieved by the rules, experts say. For China, the economics of coal remain irresistible.

It is less expensive, and "with current global reserves, it probably wouldn't be a stretch to keep using coal another 200 years," says Fan Weitang, president of the China National Coal Association. Sitting in his Beijing headquarters at Coal Tower, a sleek new 22-story building, Mr. Fan is caught off guard by questions about mercury pollution. "It is hard for me to discuss that in depth," he says. Other pollutants like airborne particulates, and SOx and NOx, receive more attention, and "won't be much of a problem" in the near future, he promises.

That view isn't shared by Chinese scientists. " `No problem?' Big problem," says Tang Dagang, head of atmospheric research at the Academy of Environmental Sciences, which is funded in part by SEPA. By the end of last year, only 5% of the installed capacity of coal-fired plants in China had technology to reduce sulfur dioxide, according to official statistics. While new rules will require the retrofitting of many plants with such technology, Mr. Tang says older plants that account for half of existing power-making capacity are exempt.

What is more, there is little economic incentive for power plants like Wuhu Shaoda, the Anhui province company partly owned by AES, to further clean up its act.

For the several thousand tons of sulfur dioxide Wuhu Shaoda will emit next year, the company will pay an estimated fee of the equivalent of $400,000, according to an official with knowledge of the plant's emissions. That is much less than the $14.5 million engineers at the plant say it would cost to buy sulfur-dioxide-removal systems.

Foreign investors in the Chinese power sector, rather than leading the way toward cleaner technology, are viewed by some Chinese officials as environmental slackers. "They say, `So long as we meet the requirements, that's good enough,' " says Hao Weiping, a senior industry regulator at the National Development and Reform Commission, which formulates the country's energy policy. Most foreign plants "haven't achieved the levels of advanced domestic plants."

Troublesome aspects of doing business in China, from shoddy construction to unenforceable contracts, can make it hard to uphold high standards, say some foreigners in the industry.

When a joint venture majority-owned by AES commissioned the construction of a coal-fired plant called Aixi near the Western Chinese city of Chongqing in 1996, local contractors failed to meet all sorts of benchmarks in quality and timing, recalls Bill Ruccius, who was China president for AES when the plant was being built. Chinese arbitrators nonetheless ordered the AES joint venture to pay the contractors in full. "The performance of that plant was horrible," says Mr. Ruccius. "The combustion efficiency was horrible, sulfur removal never worked. After one year, it looked 50 years old."

Haresh Jaisinghani, AES Asia vice president, says the plant's problems have been fixed. Yet some substandard Chinese plants operate with impunity, in part because SEPA lacks the teeth to stop them. Inspectors work for local governments rather than Beijing and are loath to penalize a plant that their government employers depend on to create jobs and may own a stake in. SEPA in Beijing lacks the authority to shut down even egregious polluters; officials don't even know exactly how many coal plants there are in China.

"Enforcement is very lax," says Mr. Ruccius, who now runs a boutique investment bank in Hong Kong. "The way it really works is the environmental-protection guy comes by once a year and you negotiate your environmental fee based on what your theoretical emissions are going to be."

Asked whether this sounded like a fair representation of his department's wider enforcement record, Mr. Pan, the deputy director of SEPA, says: "He's correct. I agree. And I hope you'll report it that way. Our monitoring capacity is completely inadequate."

Cui Rong contributed to this article.

Inhumanity in the Heart of Society

Asia's Maid Culture Grapples With Abuse

Officials Begin Crackdown As Cruelty Tales Come Out From Behind Closed Doors

By Rebecca Buckman in Hong Kong and Trish Saywell in Singapore

Weicun Township, China, February 19, 2004

DURING HER 18-HOUR days as a live-in maid for a Hong Kong housewife, Rusmini Gunung says she endured threats, sleep deprivation and brutal beatings. Then one October morning in 2000, the 30-year-old Indonesian woman asked her boss, Leung Yee Kwan, what she wanted for lunch.

This enraged Ms. Leung, who lashed out at the maid for not planning the menu sooner, Ms. Rusmini says in an interview. Then Ms. Leung -- who filled her afternoons with golf lessons, facials and hair treatments, according to court documents -- pummeled Ms. Rusmini so hard with her feet and fists that the maid's liver ruptured.

"Whenever I fell over from the violence of the attack, she would order me to kneel up or squat again, and start kicking or hitting me again," Ms. Rusmini later testified in Hong Kong's District Court. Ms. Rusmini was taken to the hospital after vomiting blood and passing out in the Fo Tan station of the Kowloon-Canton Railway, where she stopped on her way to seek help after the beating. Today, Ms. Rusmini has recovered, and Ms. Leung is serving a 3 1/2-year sentence on assault charges.

Maids can suffer mistreatment anywhere. But in Asia, where well-heeled places such as Hong Kong and Singapore have long depended on a steady flow of migrant domestics, the abuse is now spilling into the open and sparking public outrage. Lawyers and social workers tell of jam-packed shelters and domestics suffering everything from starvation to rape.

High-profile abuse cases in Hong Kong have helped force a crackdown on those who underpay or otherwise mistreat domestics. The government last year set up a task force to target employers who underpay their maids and is preparing new leaflets and public-service announcements.

The situation is more grisly in Singapore, where officials have in the past year publicly exhorted locals to treat domestics better; one senior official told citizens to stop treating their maids like slaves. Ninety-nine maids plunged to their deaths from the city-state's many high-rise buildings in a 4 1/2-year period ending last June. Most of the deaths involved maids from Indonesia, and some of the deaths are believed to be suicides, according to the Indonesian embassy in Singapore. The rest of the women are believed by officials to have perished after being ordered to clean the outside glass or hang laundry. The city-state's acting manpower minister told the Straits Times of Singapore last month that he would take a harder line against employers who endangered the lives of their maids in this way.

The reasons for this cruelty are complex. A longstanding caste system separates rich Asians from their poorer brethren, generally people with darker skin who live and toil in less-developed outposts such as rural Indonesia, India or the Philippines. As the Asian economic miracle transformed former colonies including Hong Kong and Singapore into gleaming, Western-style metropolises in the 1980s and 1990s, those places' contrast with the rest of Asia became more stark. And middle-class people, wanting to show off their wealth, hired more and more maids from other parts of Asia.

But the Asian economy has lost some steam lately and hasn't fully recovered from the region's devastating financial crisis in 1997. The more recent emergence of China as a low-cost alternative for manufacturing has made matters worse, sucking jobs out of Hong Kong and Singapore, weakening entire industries and forcing the places to re-invent themselves as economic powers. All of this has increased the pressure building on cash-strapped families.

Economic dislocation in Asia's more desperate nations is also a factor. The Philippines and Indonesia, most notably, remain in political and economic disarray more than six years after the financial crisis.

It isn't surprising, then, that all this has prompted a little-noticed demographic shift in the Asian-maid trade over the past few years. While traditional labor providers such as the Philippines continue to export maids, new, cheaper suppliers have sprung up, most notably Indonesia but also countries such as Sri Lanka and Nepal. Many women in these countries say they see no other option but to work overseas to support their families -- and many wind up tolerating inhumane and cruel conditions for a paycheck, however small.

Government officials in Hong Kong and Singapore dispute that things are worse for the roughly 360,000 foreign-born domestics employed on the two islands. They point out that many maids are treated with dignity by their employers and that professional women

in the cities have been able to work because of the availability of inexpensive, live-in domestic help. But advocates for maids say a trend is clear: Abuse is getting more brazen and more widespread, particularly among vulnerable, less-educated women from countries such as Indonesia. These women are generally paid less than those from the Philippines.

"It's a new kind of slavery," says Edwina Antonio-Santoyo, executive director of Bethune House, a Hong Kong shelter for domestics in the city's busy Kowloon area. Some of her clients have been raped, she says, while others are never paid at all. One woman, who just left the shelter after three years in residence, had been burned on the neck with an iron.

At the shelter, actually just a few rooms in a ramshackle building next to a church, 32 women recently were vying for 22 beds. Some were sleeping on the floor and others on a donated black-leather sofa. Although the shelter was originally set up to serve maids from the Philippines, the clients are now mostly from other countries. In Hong Kong, about 37% of foreign maids come from Indonesia, up from about 5% a decade ago, statistics compiled by the Hong Kong immigration department show. Bethune House, like most shelters in the city, depends on donations and food drives to survive.

Most of the women are stuck in the shelter while they wait out a lengthy legal process in cases against their former bosses. A maid who quits her job or is fired can remain in Hong Kong for only 14 days unless she has such a case pending. During that time, she isn't supposed to work. The so-called two-week rule gives maids a disincentive to report mistreatment, critics of the system say.

Advocates for the maids say many are abused or fired because of economic pressure. "People are having their own difficulties and problems, and taking it out on their maids," says Kim Warren, who manages an aid program for migrant workers run by the Christian Action charity in Hong Kong.

Domestics often are locked in homes and sleep in crowded rooms with children or on the floor. Kusmirah Mujadi, a 22-year-old Indonesian working in Singapore, "slept in the kitchen like a dog," says her mother, Ponirah, who lives in central Java. "If there were leftovers, she'd eat them. If not, she had nothing."

Ms. Kusmirah, who later moved back to Indonesia to look for work in Jakarta, bears terrible scars from her brief tenure as a domestic two years ago. For more than a month, her female employer punished her by repeatedly biting her breasts, according to a statement of facts filed in her criminal abuse case in the Subordinate Courts of Singapore. Eventually, one of the maid's nipples fell off. Ms. Kusmirah's boss, Chow Yen Ping, a 30-year-old hospital administrator, was sent to prison for five years.

Others don't survive to tell such gruesome tales. Muawanatul Chasanah died of internal bleeding after her former employer kicked her so hard her stomach ruptured. Ms. Muawanatul, just a teenager when she left Indonesia to work in Singapore, also had been starved, burned on the lips and palms with cigarettes, scalded with hot water, punched in the face and whipped with a cane, according to a statement of facts in a criminal case before the High Court of Singapore.

Her attacker, 47-year-old tour guide Ng Hua Chye, told officials he resorted to force because he was unhappy with his maid's household skills and suspected her of stealing food. He was sentenced to more than 18 years in jail and 12 strokes of a cane. His wife was also convicted separately on abuse charges.

Singapore is one of the most Westernized cities in Asia. The city-state says it is concerned about the domestic workers who labor in one of every seven homes. In March, after a string of violent incidents involving maids, Deputy Prime Minister Lee Hsien Loong beseeched Singaporeans: "It is vital that employers respect their domestic maids and look after them properly, as invaluable helpers in our households, and not as slaves or chattel."

Foreign-born maids, however, lack some basic protections. The country doesn't enforce a standard employment contract for maids, as Hong Kong does, nor does it include them under its National Employment Act. That means Singapore employers aren't required to grant maids days off. They aren't guaranteed a minimum wage. Maids can be dismissed with no notice and deported soon after.

Singapore officials say it is impossible to regulate work in private homes. Prime Minister Goh Chok Tong says Indonesian maids, in particular, are "naive" compared with women from countries such as the Philippines, so they might not be well-served by time off. "They come straight from the villages . . . they are allowed a day off, within a short time they will be exploited by many unscrupulous people outside," Mr. Goh said in a recent interview. "So to protect them, agents advise the employers not to let them off."

Mr. Goh and other Singapore officials defend the city-state's treatment of foreign maids, claiming that the number of substantiated cases of abuse has fallen significantly since the government increased criminal penalties for maid abusers in 1998. Singapore also recently announced an accreditation regime for the country's more than 700 maid-recruiting agencies, and it offers a free mediation service if maids come into conflict with their employers. Starting in April, first-time employers of maids will be required to take a half-day orientation course.

Hong Kong's permanent secretary for economic development and labor, Matthew Cheung, says his city, too, is "very concerned" about the well-being of maids, though he says abuse isn't common. The government recently set up a task force to try to stamp out maid underpayment, including cases in which employers haven't paid the mandated minimum wage or withheld pay completely. So far, one employer has gone to jail for underpayment.

Maid Migration

- Places employing foreign maids: **Hong Kong, Singapore**
- Traditional sources of maids: **Philippines, Thailand**
- New sources of maids: **Indonesia, Sri Lanka, Nepal**

But Mr. Cheung dismissed as "rubbish" figures from a government-funded study by an advocacy group more than two years ago that found 15% of all maids in Hong Kong didn't receive the minimum wage, and 48% of Indonesian maids were underpaid. Recent interviews with more than a dozen current and former Hong Kong maids found that most earn between $230 and $256 a month during their first assignment -- well below the $419-a-month minimum. Most also said they didn't receive the mandatory weekly day off.

In Indonesian outposts such as Blitar in East Java, Indonesia, an area that supplies many maids to Hong Kong, even the below-minimum salaries are enormous. Indonesia's per capita income is just $700 a year.

At one maid-employment agency in Blitar, where women get training in Cantonese and cooking before shipping out, trainees say they expect to earn no more than $256 a month in Hong Kong. That was fine with Surhidayah, a 29-year-old woman who said she earned only about $23 a month in her previous job as a live-in maid for a local police officer. Like many Indonesians, she uses only one name. "I want to earn much more money" and perhaps buy a house or start a business, she says, smiling shyly.

The rewards of overseas work are easy to see elsewhere on the island. Along a pock-marked road near Ponorogo, which cuts through lush, terraced hills growing crops such as corn and soybeans, locals point out the houses built with money sent home by migrant maids. The new-looking homes,

perhaps every seventh or eighth one, sport fancy white columns, windows with panes of glass -- instead of simple openings with no glass -- and big, solid wooden doors.

Rusmini Gunung

There is now an entire terminal at Jakarta's international airport devoted to overseas workers. Outside, vendors charge inflated prices for snacks and drinks. Taxi drivers offer to drive returning migrants to the city for fares three times the normal rate. The area is sealed off from the public, and labor groups say unscrupulous agents demand surcharges before permitting maids to leave.

Lately, anger over the treatment of Indonesian migrants has reached a boiling point. This past fall, activists demanded that the government stop sending workers abroad until it can better protect them. But the women themselves have their own ideas. In October, 3,000 mostly female demonstrators marched in Jakarta asking the government not to restrict them from going abroad.

Igusti Made Arka, the director general for overseas employment in Indonesia's manpower department, says Indonesia just doesn't have the resources to protect its citizens overseas. "We have no people, we have no budget," Mr. Arka said in an interview last fall. "We just have a big problem."

Mariani Tajuddin, 33, illustrates the continuing allure of domestic work in Asia's gleaming cities despite its heavy human cost. The daughter of poor farmers on the Indonesian island of Sulawesi, Ms. Mariani moved to Hong Kong more than six years ago. Then, a little over two years ago, her male employer began sexually harassing her, she says. She rebuffed his advances at first, but eventually gave in when he threatened to fire her. " `I'll send you home,' " she recalls him saying. Within seven months, she was pregnant.

Ms. Mariani, a tiny, shy woman with long hair, says she worked in her employer's home until two days before giving birth to a son, Renaldo, in March 2002. As she lay in her hospital bed recovering, the employer's wife showed up to fire her. Ms. Mariani still keeps the one-page termination letter in a plastic folder with other important documents.

Workers at the Christian Action charity helped her win a case against the couple for maternity benefits and unlawful termination. She also has sought child support to help her take care of Renaldo. But her advocates at Christian Action say her employer and his wife have left town, making it unlikely she will ever collect money.

While waiting out her legal cases, Ms. Mariani and Renaldo lived for 18 months in a crowded shelter for homeless maids. Finally, in September, a local Anglican church put out a plea for donations and raised about $1,500 to cover her travel expenses to go home and give her some seed money to try to start a new life.

In a tearful meeting shortly after that, Ms. Mariani met the pastor, Stephen R. Durie, who raised the funds. She gave Rev. Durie a homemade thank-you card with a message written in Indonesian. "It's beautiful," Rev. Durie told her, fingering the lacy paper. Ms. Mariani dabbed her eyes with a tissue.

She and her son flew home in late September. But with few job prospects in Indonesia, Ms. Mariani says she may leave Renaldo with her mother and return to Hong Kong as a maid.

It isn't an uncommon choice. Even Rusmini Gunung, the Hong Kong maid who collapsed in the train station, has stayed abroad. She now works for a new family, taking care of an elderly grandfather. She just took her first trip home in five years.

Her two children, a boy and a girl, "ask after their mother very often," says her husband, Yoyok Erwanto, who helps run his family's food kiosk in their village near Ponorogo.

Mr. Yoyok has enjoyed the fruits of his wife's labor. He lives with the children in a house that is grand by village standards. Bright-green tile adorns the facade, and a blue, faux-leather couch sits in the living room. Going abroad wasn't a bad decision, he maintains. It was simply "Rusmini's decision to change her fate."

Review & Outlook

Remembering Tiananmen

June 4, 2004

Today marks the 15th anniversary of one of the worst days in Chinese history. Tiananmen's stain will forever mark the political party that ordered the massacre, although history's judgment could be lightened somewhat if the Communist Party would but withdraw its self-justifying claim that the peaceful protests were "unpatriotic."

If that much is clear, however, other aspects of Tiananmen's tragedy are not. This was made evident by the series of articles we've run on this page this week, giving our readers differing interpretations of the event.

Two of the main protagonists -- student leaders Wan Dan and Wu'er Kaixi, who writes today -- gave an insiders' view of what happened within the student movement. Another, former senior government official Bao Tong, offered a behind-closed-doors peek into Zhongnanhai, the ox-blood colored Beijing complex where leaders of the Communist Party deliberate. Sinologist Willy Wo-Lap Lam and our own Danny Gittings, who edited the series, provided a broader context.

A subtext that ran through these articles was the debate on whether Tiananmen has expedited the onset of democracy in China, or actually delayed it; whether communists would have progressively lost their grip on power had they not wreaked violence on the student demonstrators.

It is one of the most searching questions that dissidents and China-watchers have probed in the last decade and a half. Mr. Wan, who spent six years in a Chinese jail after Tiananmen, pondering these issues while reading of Locke and Hobbes, devoted his Monday essay to this matter. He is resolutely in the camp that believes the protests, and the massacre, were unavoidable. Redemption will come when the demonstrators are recognized as the patriots they were.

It is a direct descendant of the larger

question debated in the West ever since communists first hijacked Russia in 1917; to wit, whether totalitarianism is biodegradable. The French thinker Jean-Francois Ravel answered it in the negative in his 1970s book "Why Democracies Perish." Then, after the collapse of the Soviet Union in 1991, many concluded that Mr. Ravel's pessimism was misplaced.

Perhaps, but communism's victims paid a heavy price. In the event, Mikhail Gorbachev, like Columbus, set out for one place and, quite unwittingly, ended up in another. He was determined to save communism by reforming it, forgetting a famous quip by Bavarian political maverick Franz Josef Strauss: "you can't reform communism; it's like roasting snowballs."

Bao Tong argued in his Tuesday article that until 1989, Chinese leaders like party helmsman Zhao Ziyang might have undertaken the Gorbachev approach. But that possibility became moot after the massacre and the Soviet breakup. To describe a Chinese leader today as the "Chinese Gorbachev," as was done to former premier Zhu Rongzhi in the 1990s, is to make things very difficult for him.

Yet Mr. Lam wrote on Wednesday that today's discussions at Zhongnanhai surely revolve around how to turn the Communist Party into a Chinese version of Japan's Liberal Democratic Party or Mexico's Institutional Revolutionary Party. In other words, how to have all the trappings of democracy

HONORABLE MENTION

-- elections, campaigns and international respectability -- and at the same time remain in power.

If the party could emulate the Japanese LDP such an evolution might serve China reasonably well. To accomplish this task, a party must satisfy the demands of many different sectors of society. It isn't textbook democracy, but it is an improvement over calling in the army.

Since Tiananmen, China's Communist Party leaders have realized that they can justify their continued rule only by creating prosperity, which is why they have abandoned such Marxist-Leninist nonsense as central planning and state ownership of the "means of production." But once people begin to make their own economic decisions, they wonder why they can't make political ones as well. The LDP act is a difficult one to pull off, particularly for a party that has a totalitarian past to live down.

A few years after Tiananmen, the Hoover Institution's Henry Rowen wrote an essay for the National Interest in which he put forward the theory that nations invariably become democratic after they become middle class, which he put at a level where per capita income averages $6,000. His examples cut across cultures -- Chile, Greece, South Korea, Portugal, Spain, Taiwan -- and he said China was headed in the same direction.

Perhaps this is why the U.S. is approaching China very differently from the way it approached the Soviet Union. Though critical of human rights transgressions, Washington has been encouraging of China's rise as an important player in international deliberations. Witness President George W. Bush's call to his counterpart Hu Jintao just this week to discuss Iraq.

If Tiananmen instilled into Chinese leaders the need to have unimpeded growth, and growth incubates democracy, then Tiananmen may after all have expedited freedom. As Mr. Gittings explained yesterday, Hong Kong owes what democracy it has today to Tiananmen's wake-up call. And Hong Kong is now a part of China.

Tiananmen Shattered Illusions

By Wang Dan

May 31, 2004

During the six years I spent in prison after the Tiananmen massacre, much of it in solitary confinement, I had ample time to reflect on whether we -- the leaders of China's 1989 democracy movement -- made a mistake in encouraging the protests that culminated in the tragic events of June 4.

Again and again I have asked myself if there was another path that could have avoided the bloodshed? Whether, by bringing students and other ordinary citizens on to the streets to confront the Communist leadership, we frustrated the plans of reformist leaders -- such as former Communist Party General Secretary Zhao Ziyang -- to engineer a peaceful transition to a democratic China. It's a question I've also often been asked during my public appearances in the United States, since I was forced into exile in April 1998.

Now, reflecting on the events of 15 years ago, it is clear to me as never before that the Tiananmen massacre was an unavoidable step in the long path to a free China, and that true political reform can never come from within the Communist Party. Indeed one of the real tragedies of 1989 was not that we jeopardized the efforts of so-called reformist leaders. Rather it is that they never had the vision or political will to lead China toward democracy.

The events of June 4 were a turning point for me and other members of what we call "The 1989 Generation." Encouraged by the brief relaxation in the political environment in Beijing in the months before the killings, which had even made it possible for me to hold workshops on democracy, we harbored false hopes that change could come from within the Communist Party.

It was this fantasy that emboldened us to take to the streets, calling on the government to fight corruption and take steps toward a free society. We petitioned the leadership in the hope of triggering a top-down reform. Yet the response of "reformists" in the leadership was disappointing, to say the least. Had their hearts been with us, they would have surely seized this unique opportunity to publicly support our calls for democratization. Instead they continued to hide behind closed doors. Only after he had already been outvoted in the Politburo Standing Committee did Mr. Zhao finally come and visit us in Tiananmen Square. And when our modest demands were answered with gunshots on the night of June 4 it shattered any remaining illusions.

The experience of the 15 years since then has confirmed what we failed to understand in 1989. Namely that Communist leaders, be they conservatives or reformists, are all wedded to retaining the current political system, complete with its problems such as corruption and lack of accountability. Look for instance at how even relatively enlightened officials such as Premier Wen Jiabao -- who visited us in Tiananmen Square in 1989 -- and President Hu Jintao have shied away from political reform since taking office. Instead the issue remains a taboo subject in Beijing. And far from easing its iron grip on all forms of political dissent, the new leadership now seems intent on extending it to Hong Kong.

In the past, the Communist Party has reversed its official verdict on several other major political events in modern Chinese history. The Cultural Revolution, hailed by Mao Zedong as a great proletarian movement, has long since been repudiated. Another popular protest that also led to violent scenes in Tiananmen Square, the April 5, 1976 demonstration against the leftist leaders known as the "Gang of Four," was also initially suppressed and labeled as counterrevolutionary. Within two years that verdict had been reversed and it was recognized as a legitimate public protest.

Yet when it comes to June 4, there has been no change even after 15 years. That's because Messrs. Wen and Hu realize that reevaluating the official description of the 1989 movement as counterrevolutionary would shake the foundations of the Communists' grip on power.

But avoiding the issue will not make it go away. On the contrary, the cries for justice are getting ever louder. In recent months, the group of parents and relatives of those killed in 1989 known as the Tiananmen Mothers have been gaining increasing domestic and international support in their fight to reverse the official verdict on the 1989 movement. They have been joined by Jiang Yanyong, the heroic doctor who blew the lid on China's initial cover up of the outbreak of Severe Acute Respiratory Syndrome last year. In an open letter to the Chinese leadership, Dr. Jiang recounted what he witnessed on the night of the killings and called on the government to revisit what he called the worst Communist crimes since the Cultural Revolution.

The continued failure of the Chinese leadership to address the issue only increases the risk of further violent eruptions in future, especially at a time of growing social discontent. With unemployed workers struggling to survive without any form of welfare benefits, residents forced from their homes without proper compensation and farmers living in extreme poverty as they shoulder unfair tax burdens, China is a tinder box which could be set on fire by the slightest spark. Worse still, until the leadership confront the past and reevaluate the official verdict on the 1989 movement, there is always the danger that they could resort to such violent methods again to suppress any future protests.

However one positive development is that, since the early 1990s, shoots of civil society have begun to sprout within China. As more Chinese enter the private sector, the state is no longer able to control every aspect of daily life in the same way as it used to. On the contrary, people are starting to recognize the importance of monitoring the state and making the government more accountable. And as the Internet and modern telecommunications have become part of everyday life, it has become easier to break through the government's control of news and information and to organize campaigns for basic rights, be they the right to private property or freedom of speech. This provides a stronger basic for continuing the fight for democracy in China.

Fifteen years after the massacre, the 1989 democracy movement remains as much a part of my emotional present as my past. The movement and its aftermath have consumed the idealism and passion of my youth, and the fight for a reversal of the official verdict has become a goal which I can never abandon.

The 1989 student movement played an invaluable role in pointing out the path to democracy in China. Without it, we would still be clinging to the myth that a small group of enlightened Communist officials could rescue China from totalitarian rule. Instead we have learnt from our mistakes that year, and realized that China's democratization must be a bottom up process, driven by forces outside the Communist system. And when that happens, as it inevitably will, I will be able proudly to say that we, the 1989 Generation, were part of the process that brought freedom to my home country.

Mr. Wang, one of the leaders of the 1989 democracy movement, is currently a doctoral candidate at the history department of Harvard University. This article originally appeared in The Asian Wall Street Journal under the title, "How Tiananmen Shattered Our Illusions."

How China Came Close to a Peaceful Solution in 1989

By Bao Tong

June 1, 2004

It's fashionable in some quarters today to argue that China owes its present prosperity, at least in part, to the Tiananmen crackdown. That the supposed threat to social stability posed by the pro-democracy protests in 1989 had to be crushed before China could experience the economic growth of the past 15 years.

That's a dangerous myth, propagated primarily by Chinese leaders, which needs to be firmly debunked. Not only does it ignore the fact that much of this economic growth was inevitable, as soon as China began to abandon decades of Mao Zedong's backward-style socialism. But its corollary is terrifying. For if turning tanks and machine guns on innocent civilians can be justified as a price worth paying in 1989 in return for economic growth, the logical consequence is that the government should be ready and willing to do so again today. Worse still, in a world where so many countries wish to emulate China's economic success, it encourages them to copy such repressive measures.

Nor is it true to say that the story of post-Tiananmen China is one of the Communist Party conceding economic reform in return for continuing repression in the political arena. The truth is the leadership had no choice in the matter. By 1989, economic reform had already passed the point of no return in China.

What remains largely unrecognized, even

15 years after the massacre, is how close China came to following a different path in 1989 -- one which would have avoided the bloodshed. How the leadership was initially prepared to deal with the protests in a peaceful manner.

Persuading the majority of the students to end their protests was never the problem, despite the presence of a few radicals among them. Rather, the real difficulty lay in formulating a consensus within the leadership that would suppress the powerful undercurrent in the party that favored using force.

Initially it seemed that 1989 would finally see the party break with its habit of trampling on all forms of public dissent. New ways were formulated to deal with the situation as it changed rapidly from day to day, especially after a hard-line editorial in the April 26 People's Daily provoked anger among protesters.

On May 4, Zhao Ziyang, the party's General Secretary, publicly praised the protesters for reflecting "the same sentiments as those of us within the government," on issues such as introducing democracy and fighting corruption. He pledged the demonstrations would be handled according to the "principles of democracy and law."

On May 8 and 10, Mr. Zhao won the support of the Politburo Standing Committee for using these principles to begin a dialogue with all levels of society. National People's Congress Chairman Wan Li also voiced strong support for this decision. And ten of China's most senior generals sent a letter to Deng Xiaoping, who was then the chairman of the Central Military Commission, calling for a peaceful response to the student protests.

With such an extensive consensus among senior officials, what could previously have scarcely been imagined suddenly became a real possibility. The proposed dialogue between the different levels of society in China could have given a much-needed boost to political reform and wiped out residual resistance to further economic reform. A new orientation in the relationship between government and people seemed possible. China's future had never seemed brighter than at that moment.

But only a week later such hopes were crushed. On May 17, Deng, China's unofficial but paramount leader, took the decision to use force and, from that point on, most of those who had previously supported dialogue fell silent or abruptly changed their stance to fall in line. Deng only needed the support of key figures with control over the military in order to carry out his order. So everyone else was sidelined and practically all institutions within the government, and even the party, effectively ceased to function.

The fundamental flaw in China's governmental structure, that allows absolute and unchecked power to be wielded by the likes of Deng, had once again inflicted an unnecessary tragedy on the Chinese people.

It would be a mistake to see the Tiananmen crackdown as a total victory for the conservatives. They still lost the battle to preserve their vision of socialism, since their efforts to reverse the process of economic reforms collapsed within a few years. But they did succeed in preserving the ugliest political reality of modern Chinese history -- the government's refusal to accept direct criticism of any kind from its people, and its readiness to subvert, frustrate and finally crush any critics.

It is the people of China who still pay the price for this. That includes for instance branding the Falun Gong as an "evil cult" that must be wiped off the face of the earth. And declaring that Hong Kong street protests are "unpatriotic" and must be dealt with by ruling out universal suffrage in the territory. All these events have their roots in the events of June 4, 1989, when the Chinese people called for "more democracy and less corruption." Instead, what they received in return for the blood they shed that night, was less democracy and more corruption.

What is already history cannot be undone. However China's future, depends on understanding the key to the tragedy, and ensuring it can never happen again. The way that one man was able to shatter the initial consensus in favor of a peaceful solution shows the fundamental flaw in the Chinese political system -- a reliance on absolute power that overrides all laws and institutions. That institutional defect continues to carry the potential for provoking further tragedies, and China's future hinges on it being corrected.

Mr. Bao, former director of the Office of Political Reform of the Chinese Communist Party Central Committee, was the highest party official imprisoned for opposing the Tiananmen Square crackdown. He was released from prison in 1996 and remains under constant police surveillance.

How Tiananmen Changed Hong Kong

By Danny Gittings

June 3, 2004

HONG KONG -- Tomorrow night tens of thousands will gather in a local park for the annual candlelight vigil to mark the Tiananmen massacre. Thanks to what survives of one country, two systems, Hong Kong, along with the nearby enclave of Macau, remain the only places in China where such commemorations are tolerated.

Early indications are that this year's attendance may surpass the 45,000 at last year's gathering. A smaller march, held in the run-up to June 4 every year, has already drawn twice as many participants as in 2003.

That's not because there has been any sharp rise in anger about the massacre over the past year. A poll released Tuesday showed that Hong Kong public opinion on Tiananmen has remained relatively stable in recent years, although there has been a 7% increase this year in the number supporting a reversal of Beijing's official verdict that the 1989 pro-democracy protests were a "counter-revolutionary rebellion."

Rather it's because people are angry about China's latest moves to suppress Hong Kong's democratic aspirations, through a recent ruling forbidding full universal suffrage any time soon. And the June 4 protests in the territory have long since become at least as much about events in the former British colony as about remembering those who died 15 years ago.

No single other event in modern Chinese history had as big an impact on Hong Kong as Tiananmen. That's not to diminish the profound impact of China's economic opening to the outside world which has also affected almost every aspect of life in the territory. But that was a gradual process which has unfolded, and continues to unfold, over more than a quarter of a century.

By contrast, the 1989 pro-democracy protests, and the massacre that brought them to an end, burst onto the territory's television screens over a matter of weeks. And it's no exaggeration to say that, after the killings, Hong Kong was never the same again. "It

drew a line in the sand," explains prominent pro-democracy politician Martin Lee. "Before that, everyone used to say that Hong Kong people only cared about making money, and that as long as you gave them horse racing and dancing everyone would be happy."

But after one million people -- a sixth of Hong Kong's population -- took to the streets to support the Beijing protesters in an event that has been justly described as the territory's political awakening, no one has ever dared say that with the same confidence again. Practically every controversy which has engulfed Hong Kong since then, including last year's abortive attempt to impose harsh national-security laws that brought half a million people onto the streets, has its roots in the events of June 4. So too does every step in Hong Kong's political development since then, from the emergence of political parties to the slow process of partial democratization.

Indeed, for all its glaring inadequacies, and Beijing's paranoid attempts to stop it developing any further, Hong Kong probably has more democracy today than it would have had there been no Tiananmen. Perhaps more significantly, the pro-democracy camp is in stronger shape to continue the fight for universal suffrage, and resist attempts to roll back civil liberties, as a result of the strong public support that coalesced behind it after the massacre.

"Tiananmen was the catalyst for the formation of political parties," recalls political scientist Joseph Cheng of the City University of Hong Kong. Until then, Beijing -- and its friendly business allies -- had insisted there was no place for such parties in a territory where ordinary people cared little about politics. But after the huge public support for the Beijing protesters proved them wrong, it was only a matter of months before the establishment of the territory's first fully fledged political party, the United Democrats, headed by Mr. Lee and other leaders of Hong Kong's 1989 protests. Beijing then had to give the go-ahead for local sympathizers to form their own political party to fight the democrats.

In the aftermath of Tiananmen that was a hopeless task. In Hong Kong's first democratic elections in 1991, albeit only for slightly less than a third of seats in the local legislature, the democratic camp routed its pro-Beijing rivals. London responded by sacking Lord Wilson, the sinologist governor of the then British colony, who had sought to appease China by stifling Hong Kong's political development. In his place it brought in Chris Patten, the former chairman of Britain's Conservative Party, to try to hasten the pace of democracy.

Although China angrily reversed Mr. Patten's reforms as soon as it regained sovereignty in 1997, the spirit of that brief experiment with a greater -- albeit still limited -- degree of democracy has lingered on. For instance, it's difficult to imagine that Hong Kong people would have taken to the streets in such huge numbers last year had it not been for the more vibrant political culture that emerged during the mid-1990s. That included the establishment in 1995 of Apple Daily, the territory's only avowedly pro-democracy mass-circulation paper. It is unlikely that this publication would ever have been tolerated in Hong Kong had Britain's previous policy of appeasing Beijing not been so rudely interrupted by June 4.

And the cause of the huge protest last July 1 was, of course, also a direct product of Tiananmen. Angered by Hong Kong peoples' support for the 1989 demonstrations, China retaliated by beefing up the requirement for national-security laws in Article 23 of the territory's mini-constitution, the Basic Law. That laid the seeds for last year's confrontation when Hong Kong people, many marching for the first time since Tiananmen, forced Beijing indefinitely to shelve such laws.

In the immediate aftermath of June 4, China was also forced to concede a slightly faster increase in the number of Hong Kong legislators elected through universal suffrage. Britain had warned that public anger at the killings otherwise risked rendering the territory ungovernable. But even that painfully slow process, which began in 1991 and will continue through this September's polls, now seems to be seen by many in Beijing as too generous since it may enable the pro-democracy camp to capture a majority of seats in the local legislature later this year.

Hence April's ruling by a Chinese parliamentary body, the National People's Congress Standing Committee, forbidding any further extension of universal suffrage during the next legislative elections in 2008. Or its introduction for the choice of Hong Kong's chief executive, who is currently chosen by a committee of only 800.

The public backlash is likely to be one factor in the turnout at tomorrow night's vigil. In recent years, attendance has fluctuated with the political climate. For five years after the 1997 handover, China's relatively hands-off approach led to a decline in attendance, until last year's row over Article 23 sent the numbers climbing again.

One consistent trend in recent years has been a growing number of parents bringing along their children, to try to teach them just how much some Chinese were prepared to sacrifice for democracy. In China, there's some cause to be concerned that a whole generation has grown up who, because of the media blackout, know little or nothing about the massacre. In Hong Kong, however, the June 4 vigil offers cause for hope that the spirit of Tiananmen is already in the process of being passed on to the next generation.

Mr. Gittings is The Asian Wall Street Journal's deputy editorial page editor. This is excerpted from the original article in The Asian Wall Street Journal.

An Apology to the Victims

By Wu'er Kaixi

June 4, 2004

Shortly after he was released from prison in 1998, Wang Dan came to visit me in Taiwan. It was the first time two of China's most-wanted student leaders from the 1989 Tiananmen protests had met in nearly a decade, and we had a lot to talk about.

It had been almost 10 years since the June 4 massacre set our lives on different trajectories. Wang Dan had spent most of the intervening time as a political prisoner in China, before finally being forced into exile in 1998. I escaped shortly after the massacre and spent my time living the good life in France, the U.S. and finally Taiwan. That didn't mean we didn't have a lot to talk about. Indeed we were still talking the next day when the sun came up.

Above all, we wanted to try to work out whether we had done the right thing in encouraging the 1989 protests that culminated

in the killings. Neither of us could be sure we had, and the more we talked the more I realized there was someone to whom an apology was long overdue.

That person was Ding Zilin who, as head of the Tiananmen Mothers' Campaign, has been relentless in her efforts to press the Chinese government to accept responsibility for the bloodshed. On the night of the massacre, when I had already begun my flight to freedom (within a month I reached the safety of Hong Kong), her 17-year-old son, Jiang Jielan, joined the protesters trying to stop the advancing troops, even though his mother had begged him to stay home. He was one of so many ordinary Beijing residents who took to the streets to protect us, and paid the ultimate price for doing so -- shot dead three hours later, while Wang Dan and I survived.

Much of what happened that night and early the next day is still a mystery. We don't know, for example, how many others were killed along with Ms. Ding's son. It could be hundreds, or even thousands, I don't think the true figure will ever emerge.

But Ms. Ding, at least, has spent the last 15 years bravely reminding us that there was a massacre. She does still, by persuading other families to stand up and count the ones they lost. She gets arrested on a regular basis, especially as June 4 approaches, but she continues to remind us -- as she put it five years after she lost her son -- that the "blood-splattered streets of Beijing have been paved over with a new concrete -- brand-named `economic progress.'" She has been nominated for a Nobel Peace Prize, and in a braver, more honest world she would get it.

When her name came up that night with Wang Dan, I felt guilty about having survived and made it to France and the U.S. when so many others died. I felt guilty that I had not stayed behind and gone to jail like Wang Dan. I felt guilty that I was in some way responsible for the death of Ms. Ding's son.

I felt so guilty that we finally made a telephone call that I had been putting off for far too long. "Sorry," I said to Ms. Ding. "I can't even ask you for forgiveness."

"I'm just happy that you finally called," she replied.

All three of us began to cry, and I said: "We can't replace the son you lost, but Wang Dan and I want you to think of us as your sons."

That telephone call, more than six years ago, was so painful that I have never publicly spoken or written of it until now. Some of my pain lifted when I spoke to Ms. Ding that night, but not all of it. I will spend the rest of my life regretting the lives that were lost in 1989. And I want to take this opportunity to publicly express that regret to Ms. Ding, and everyone else who lost someone they loved.

Wang Dan and I were young men who thought we could change the world. Instead we inadvertently led a lot of people to their deaths. That has caused a lot of pain to a lot of people, and an apology is a first step toward healing that pain. However ours is not the most important apology, the apology that will allow my exiled generation to go home. That apology is still to come, from the men who ordered the killings.

I have spent months thinking about how today's 15th anniversary of the June 4 massacre should be marked. It has been difficult to decide. The world has changed. These, in so many ways, are less idealistic times than those giddy days before the fall of the Berlin Wall, and before freedom came to the Eastern Bloc and Nelson Mandela emerged from jail -- when anything briefly seemed possible.

But, if, for just one day, we could return to that idealism, in the spirit of the students who took to the streets of Beijing in 1989, I would ask the world to spend it looking hard at the China with which it has struck business deals, and remembering the mother in Beijing who is still waiting for that most important of apologies. Until it comes, China will remain a dark place where a mourning mother who challenges the official monopoly on the truth faces summary arrest, and where idealistic young students who seek democratic change are forced into exile.

Without that apology, China's progress in the past 15 years will be incomplete. The acceleration of the economic freedoms that has brought such prosperity to urban China since Tiananmen was an acknowledgement by the Chinese government that students of my generation had a right to protest. But the wait for an apology is a reminder of what we failed to achieve: freedom of speech and democracy.

The apology that the Tiananmen mothers, and all of China, awaits is the long-suppressed next stage of the unfinished revolution that began on the streets of Beijing in 1989. Sooner or later -- whether through people power, or reforms initiated by Chinese leaders -- that stage will have to come.

Mr. Wu'er Kaixi, a Tiananmen student leader, is now exiled in Taiwan. This article originally appeared in The Asian Wall Street Journal under the title, "An Apology to the Victims of the Tiananmen Massacre."

Dow Jones Publishing Company (Asia) Inc.
Central Plaza 25/F, 18 Harbour Road
Wanchai, Hong Kong
Tel: (852) 2573 7121
Email: awsj.circulation@dowjones.com

To renew or subscribe, log on to: www.awsj.com.hk

Excellence in Journalism was originally published in The Asian Wall Street Journal on 28 July, 2005

DOWJONES

Put this Award Winner to work for you today.

There's never been a better time to subscribe to The Asian Wall Street Journal. It's an investment in your career and your business that will pay dividends every day.

Join the global business community by subscribing to this award winner whose editorial excellence was recognized by the Society of Publishers in Asia in 2005.

"Excellence in Newspapers"
"Excellence in Reporting"
"Excellence in Business Reporting"
"Excellence in Feature Writing"
"Excellence in Reporting on the Environment"
"Excellence in Human Rights Reporting"

Don't wait another day. Subscribe to The Asian Wall Street Journal Now.

THE ASIAN WALL STREET JOURNAL.
Global Business News for Asia

☐ Start my one year subscription to THE ASIAN WALL STREET JOURNAL.
☐ Add my one year subscription to THE WALL STREET JOURNAL ONLINE for an additional US$49.[1]

Name: Title:
Company:
Delivery Address:

Tel: Fax: Email:

☐ Bill my company ☐ Bill me
☐ †Charge my credit card: ☐ Amex ☐ Visa ☐ Diners ☐ MasterCard
Card No.: Card Expiry Date: / Signature:

5P82SA

PRINT SUBSCRIPTION RATES

COUNTRY	One-year Subscription	% Saving
HONG KONG / MACAU	HK$ 2,550	33%
INDONESIA*	Rp 1,650,000	35%
JAPAN*	Yen 94,500	26%
KOREA	Won 295,000	36%
MALAYSIA	RM 680	33%
PHILIPPINES	Peso 6,500	49%
SINGAPORE*	S$ 498	22%
TAIWAN	NT$ 8,900	42%
THAILAND	Baht 7,900	38%

*tax included

Mail to Circulation Department, The Asian Wall Street Journal, G.P.O. Box 9825, Hong Kong. [1]Price for a one-year WSJ.com subscription is US$99 for non-print subscribers. †Price charged can vary slightly due to exchange rate fluctuation. Offer valid until September 30, 2005 and applies to new subscribers only. Subscription rates for other countries, please log on to: awsj.com.hk. If you do not wish to receive further promotional materials, please check the boxes below and return this form to us, or notify us via fax at (852) 2503 1549 or email awsj.circulation@dowjones.com (attn. Melaine Chan). You may opt-out of receiving these materials even if you do not subscribe to The Asian Wall Street Journal. ☐ Please do not send me promotional materials from Dow Jones Publishing Company (Asia), Inc., publisherof The Asian Wall Street Journal. ☐ Please do not share my information with other companies that wish to send me promotional materials.

Call: (852) 2573 7121, fax: (852) 2503 1549, email: awsj.circulation@dowjones.com, or log onto awsj.com.hk

© 2005 Dow Jones & Company, Inc. All rights reserved. The Asian Wall Street Journal are trademarks of Dow Jones & Company, Inc.

DOWJONES