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THE GOLDEN GENERATION

Why China's super-rich send their children abroad.

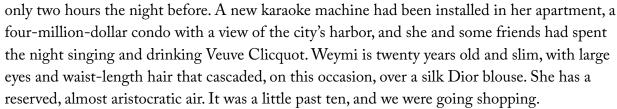
BY JIAYANG FAN

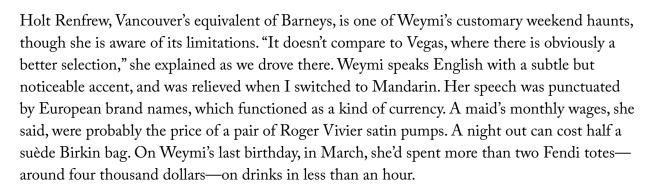
A reality show, "Ultra Rich Asian Girls of Vancouver," chronicles the lives of Weymi Cho (left) and a group of friends.

PHOTOGRAPH BY ANGIE SMITH FOR THE NEW YORKER

n a crisp Sunday morning in November, Weymi Cho picked me up at my hotel, in downtown Vancouver, in her new car, a white Maserati

GranTurismo with a red leather interior. She had slept





In the store, Weymi spotted a former classmate from a Vancouver fashion institute, who was now working as a salesgirl there. She talked about the attitude of Chinese customers. "They treat this place like a supermarket," she said. "A three-thousand-dollar outfit is like a carton of milk." Another salesgirl joined in and lamented that such profligacy negated any sense of exclusivity. Weymi agreed. "I can't even look at Chanel bags anymore," she said at one point. "Everyone and their auntie now has a boy bag."

Weymi moved to Vancouver at the age of fourteen, to attend boarding school. Her family owns a successful semiconductor business in Taiwan, where she grew up, but her parents are from the mainland. She and her sister attended an international school, which prepared them for studies abroad, and she spent summers travelling in America or Australia. "My dad always wanted our English to be strong," she told me. "The plan was always to send us out West."



The West is the plan for many of China's new rich. In the past decade, they have swept into cities like New York, London, and Los Angeles, snapping up real estate and provoking anxieties about inequality and globalized wealth. Rich Chinese have become a fixture in the public imagination, the way rich Russians were in the nineteen-nineties and rich people from the Gulf states were in the decades before that. The Chinese presence in Vancouver is particularly pronounced, thanks to the city's position on the Pacific Rim, its pleasant climate, and its easy pace of life. China's newly minted millionaires see the city as a haven in which to place not only their money but, increasingly, their offspring, who come there to get an education, to start businesses, and to socialize.

The children of wealthy Chinese are known as *fuerdai*, which means "rich second generation." In a culture where poverty and thrift were long the norm, their extravagances have become notorious. Last year, the son of China's richest man posted pictures online of his dog wearing two gold-plated Apple Watches, one on each front paw. On Web forums, citizens complain that *fuerdai* are "flaunting what they haven't earned" and that "their grotesque displays are a poison to the work ethic of Chinese society." President Xi Jinping has spoken of the need to "guide the younger generation of private-enterprise owners to think where their money comes from and live a positive life," and the government recently held an educational retreat for seventy children of billionaires, who were given a crash course in traditional Chinese values and social responsibility.

Yet *fuerdai* continue to fascinate. Some of the most popular Chinese TV dramas in recent years —such as "Noble Bride: Regretless Love" and "Ice and Fire of Youth"—have plots centering on *fuerdai*, whose love lives enhance or endanger the family fortune. There is also a *fuerdai* reality show: "Ultra Rich Asian Girls of Vancouver," in which Weymi features.

The show, filmed in Mandarin and English, is broadcast online and is watched avidly by Chinese people worldwide. It follows the lives of half a dozen young women in disorienting, whip-fast edits of bling and scornful gazes. The women spend wildly to prove their status, but affect disdain for the ostentation of others. Season 1 ends with a woman being accused of ghastly crimes—attempting to pass off fake Hermès bags and wearing non-designer attire. Season 2 picks up in L.A., where two of the women are scoping out luxury houses.

Contempt for the nouveau riche is hardly limited to China, but the Chinese version is distinctive. Thanks to the legacy of Communism, almost all wealth is new wealth. There are no old aristocracies to emulate, no templates for how to spend. I asked some of the women on "Ultra Rich Asian Girls" about being the objects of both envy and censure. "In Web forums about the show, people are always, like, Why do they have to show off like that?" Weymi said with a shrug. "I don't think I'm showing off. I'm just living my life."

fter shopping, Weymi and I went to the filming of the show's second-season finale, in an upscale Thai restaurant that had been cleared for the occasion. We arrived early, and I with the show's creator, Kevin K. Li. Kevin, who is thirty-seven, was born in Vancouver to a Cantonese-speaking family and has worked for various broadcast networks in the city. He told me that he had envisaged the show as a mashup of "Lifestyles of the Rich and Famous," his

favorite program growing up, and the "Real Housewives" franchise. He said, "I figured, if I wanted to know the kind of deluxe lives these kids led, so would people in Canada and the U.S. and Asia."

Casting the show was easy. Kevin shot a short promotional video in which a friend of a friend displayed a collection of bags and rode around in a Lamborghini. "It just went viral after a local media outlet picked it up," he told me. People began bombarding him with requests for interviews. "The subject of *fuerdai* was just ripe for the time. Everyone is curious and everyone has something to say."

Gradually, other members of the cast arrived at the restaurant—a parade of Helmut Lang, Alexander McQueen, and rose-gold iPhones. There was Diana, an economics and Asian-studies major at the University of British Columbia, who is twenty-three and has lived in Japan, Korea, the Philippines, and Hong Kong. A friend of hers from the university, Chelsea, was the only married woman in the cast. She had recently had her first child but seemed remarkably slender, and wore a pink baby-doll dress so elaborately feathered that, in combination with her towering Gucci heels, it gave her the appearance of a tottering baby ostrich. Ray, a finance student at U.B.C., had brought her boyfriend, who is also a *fuerdai*. Pam, at twenty-six, was the oldest of the group and the most reflective. As the women waited for the filming to start, they inspected one another's outfits and accessories in forensic detail, but there was warmth as well as competitiveness in their manner, as if a life of continual consumption had fostered a kind of intimacy.

In this episode, Kevin would be onscreen, leading a roundtable discussion of the women's experiences during the season. Contention arose about whether an actual round table was desirable. Chelsea was concerned that it covered up too much of the clothes—"We could just be wearing p.j.s underneath"—but Kevin's eye was on the composition. "I know what look you are going for," he said, nodding sympathetically. "But we have six pairs of legs, and it's just going to look messy."

The episode began with a champagne toast, after which Kevin posed a series of softball questions: How did Diana's experiment living on a low-income budget for one day go? (Not well.) How was house-hunting in L.A.? (Nice mansions but all in the wrong areas.) Kevin asked the women about the potential difficulties of dating outside their class. There was a slight pause before Diana ventured, "It can be hard. I've done it before and it's just"—she took a second to smooth out her bangs—"just awkward and uncomfortable for everyone."

It was one of the few discordant moments in the discussion, but off-camera exchanges were more revealing. At one point, Diana announced, to no one in particular, "I am going to fix my face." She'd heard about a recent Korean innovation in plastic surgery called 3-D molding. It was noninvasive, and involved a variety of braces and other devices designed to give the face the oval shape valued in Asian culture.

Weymi chimed in, saying, "Last time, when I went to Korea with my parents and my sister, I wanted to do it but my parents wouldn't let me."

"It's a high-tech thing," Diana said nonchalantly. "And very natural. Recovery can take only eight months."

When I asked why she would endure such a process so young, Diana looked at me with a perplexity that bordered on pity.

"For a more beautiful face, of course," she said.

bout a third of China's wealth belongs to just one per cent of the population. While China's poor still inhabit a developing-world economy, a recent report found that the country now has more dollar billionaires than the U.S. does. "What is happening in China constitutes one of the most rapid emergences of wealth stratification in human history," Jeffrey Winters, a politics professor at Northwestern University, told me. Winters, the author of the book "Oligarchy," pointed out that China is one of a small number of countries—Russia is the other notable example—where extreme wealth stratification was eliminated in a Communist revolution and then later reëmerged. As in Russia, the sudden formation of a new oligarchy in China means that there are many super-rich people who are unfamiliar with the ways in which more entrenched aristocracies quietly protect their wealth. "No matter the culture or age, old money knows from long experience that it is far safer to be secluded and less seen," Winters said. But new money, as Thorstein Veblen theorized, asserts itself through conspicuous consumption.

"I'm used to him finishing my sentences, but now he starts them, too."



A study by the Bank of China and the Hurun Report found that sixty per cent of the country's rich people were either in the process of moving abroad or considering doing so. ("Rich" was defined as being worth more than ten million yuan—around \$1.5 million, a considerable fortune in China, though not stratospheric.) The Chinese are currently transferring money out of the country at a rate of around four hundred and fifty billion dollars a year. Most of that money has gone into real estate. According to the National Association of Realtors, Chinese buyers have become the largest source of foreign cash in the U.S. residential real-estate market.

Moneyed people leave China for various reasons. Some are worried about pollution. Others want to secure a good education for their children. Zhou Xueguang, a sociology professor at Stanford who received his bachelor's degree in China, told me, "The competition in the Chinese school system is known to be brutal." He went on, "There are only so many slots in good schools, and, at a certain level, it doesn't matter how much money you have—you won't be able to get in." But, for affluent Chinese, the most basic reason to move abroad is that fortunes in

China are precarious. The concerns go deeper than anxiety about the country's slowing growth and turbulent stock market; it is very difficult to progress above a certain level in business without cultivating, and sometimes buying, the support of government officials, who are often ousted in anti-corruption sweeps instigated by rivals.

John Osburg, an anthropologist who spent years studying successful businessmen in Chengdu, told me that "there's always a fear that, if the officials to whom they're tied are brought down in an anti-corruption campaign, it could bring trouble for them, too, and lead to the seizure of their assets. There's also a concern that business rivals who may be better connected to people in the government could use their ties to the party-state to bring down their competitors." Some people he knew considered being on *Forbes*'s annual list of the richest people in China a curse. "The people on that list, for several years in a row, within a year or two of appearing, would be the target of some kind of criminal investigation or they'd be brought down in a corruption scandal," he said.

In Vancouver, Weymi mentioned the pervasiveness of such anxieties: "Some of my relatives in Shanghai who are officials—all clean ones, of course—have told me stories about their friends who are fretting about the recent corruption crackdown. In China, it's not just about what you did but what your network of relationships is."

This is the first time that China's rich have sought to emigrate in significant numbers. For thousands of years, the ruling class was proudly isolationist. "People now refer to China as an emerging economy, but it was the world's dominant economy for two millennia, until 1810," Shamus Khan, a sociology professor at Columbia who specializes in élites, told me. "Before that, the Chinese élite were very reserved and almost snobbish in their view of foreigners. They thought of the European élite as backward people who wanted to acquire culture from China." Westerners made hazardous journeys to obtain prized commodities—porcelain, tea, silk—from the Middle Kingdom, which considered itself the center of the world.

Only in the nineteenth century did it become evident that the West had outstripped China, especially in the field of military technology. The Opium Wars, which were fought over China's trade imbalance with Britain, resulted in a humiliating defeat and, ultimately, the end of the Empire. "China's first encounter with globalization led to its collapse, one from which the country has never completely recovered," Khan said. "The emergence of a new Chinese élite is China's second moment of encounter with these global processes, and it's interesting how certain dimensions are reversed."

party followed the filming, and went on until the early hours of the morning. Ray and her boyfriend pointed out a man who they said knew everybody. He owned an Aston Martin, and—not in itself a distinction, as they were each considering buying one, but this particular car was modelled on the one that appeared in the latest James Bond movie, and was the only one of its kind in British Columbia.

This was Paul Oei, a loquacious fifty-year-old with bristly silver hair. When I introduced myself, he immediately took a selfie of us and posted it to Instagram—his usual manner of salutation, it turned out. Then he presented me with three business cards. The first identified

him as the founder and C.E.O. of Organic Eco-Centre Corp., a composting company that is also a sponsor of the show; the second as the chair of the Miss Chinese Vancouver Pageant; the third as the head of Canadian Manu Immigration & Financial Services. Manu, which Oei founded a decade ago, provides advice on immigration strategies, investments, and assimilation for Chinese nationals moving abroad. For *fuerdai* seeking to establish themselves in Vancouver, he is the go-to fixer and an unofficial ambassador.

Oei said that so many Chinese want to move to Vancouver that Manu has many more potential customers than it can accommodate. "They buy properties without hesitation," he said. "It's very cheap in comparison to, let's say, New York, L.A., Hong Kong, or Japan. First, it's very economical to buy properties, and then, second, these folks have so much money, they want to diversify and put it in a country that is safe."

I asked him if the people he works with could be considered China's one per cent. "I wouldn't say that they are the one per cent," Oei replied. "More like between the one and two per cent." His clients tend to have prospered in regional manufacturing cities, whereas the very wealthiest people are from Beijing, Shanghai, and Shenzhen. "The tippy top of the pyramid have political backing or connections," he said. "They don't need to export the wealth."

A few days later, Oei took me to dinner at a Chinese restaurant that had opened recently in downtown Vancouver. Bentleys and Range Rovers in the parking lot and the expansive waterfront view gave me a good idea of the clientele, as did the Peking duck, which was eighty-eight dollars. Over aromatic shiitake soup, poured from tiny clay pots, Oei expanded on the aims and the attitudes of Chinese families who decide to put down roots in Canada. Early on, they often think of it as a temporary arrangement. "When they come, in the first month or two months they want to go back," he said. "It's too boring in the new world." The turning point generally comes after a year and a half. "It's usually the children, who graduate, and they say, 'I love Canada. This is like heaven—I don't want to go back.'"

The owner of the restaurant, Hu Yan, stopped by our table to say hello to Oei. A woman in her mid-forties, with weatherbeaten cheekbones and an efficient demeanor, she had been a successful restaurateur in the northern city of Xi'an and had come to Vancouver two years earlier. When I asked her how she had made the decision to move, she smiled and shook her head. "My husband was in Vancouver on vacation, and his buddies dragged him to a few open houses," she said. "The next thing I know, we are signing the deed to property in the city." Even though it was an expensive purchase, she didn't feel that she was making a commitment to the city. It just seemed like insurance against the vagaries of the Chinese economy.

What made her think about staying was her eleven-year-old son. She told me that he was currently in L.A. for a junior golf tournament and that she was making plans to gradually move East for him. With some pride, Hu explained her plan to open restaurants in Los Angeles, Las Vegas, and, ultimately, New York. I asked her why New York, and she looked at me with surprise. "For my son, of course. The Northeast is where all the best universities are, and that's where he'll be living one day."

Hu's priorities are typical of her generation, China's first wave of entrepreneurs. Having amassed vast amounts of capital in the transition to a market economy, they can afford to bring up their children in a new atmosphere of privilege, and the legacy of the one-child policy gives the beam of parental expectation an especially tight focus. Furthermore, the memory of poverty and backwardness is ever-present in the collective consciousness. I remembered something Ray had told me: "The poorer your parents were when they were young, the more they want a better environment for their kids." The desire to have a Western-educated child is spurred by considerations of prestige as much as by practicalities. Also relevant is Oei's observation that his clients aren't the richest or the best-connected people in China; they want their children to have access to the cultural and political capital that is unavailable to them. Underpinning the discussion of *fuerdai* in China is a national apprehension about the future élite of a country that is just coming of age.

hile in Vancouver, I met up with Andy Yan, an urban planner who has done extensive studies of the city's real-estate market. We drove out to West Point Grey, one of the most expensive areas, which overlooks an inlet. (In general, the most desirable real estate is in the west, toward the ocean, and the influx of international money has pushed longtime residents inland.) It was a bright, cool afternoon, and, as we drove down block after leafy block, the only other vehicles we saw were maintenance trucks. "It feels a little like a movie set," Yan said. The houses we passed, palatial properties with views of the water, represented a cut-and-paste approach to Old World European glamour: there were French windows flanked by Corinthian pillars and topped by Tudor roofs. Yan pointed out the lion statues that stood beside many of the security gates: "That's a dead giveaway the owner is Chinese."

Yan was born in Vancouver and his family has been in Canada for nearly a century. He studied urban planning at U.C.L.A. and then got a job in the office of the prominent architect Bing Thom—a Vancouver native whose family is originally from Hong Kong—monitoring the impact of the city's property boom. In a recent study, Yan found that about seventy per cent of the single-family homes sold in three high-end west-side neighborhoods were bought by Chinese. Many occupants of these properties described themselves as housewives or students—twenty-seven per cent of the respondents in homes with an average value of \$3.05 million. The finding led Yan to speak of so-called "astronaut" family arrangements. The home buyer, typically the husband, lives and works in Asia, where cash can be made fast, while establishing his family members in Canada in order to move the money to a place of social and political stability. Yan has coined the term "hedge city" for places like Vancouver: they are a hedge against volatility at home.

"You know, this isn't helping convince people you're not a witch."



In the past six years, the value of single-family homes in Vancouver has risen seventy-five per cent, to an average of \$1.9 million. At the same time, the median household income has barely budged. The disparity is not lost on locals. Last year, an indignant twenty-nine-year-old woman tweeted a selfie with the hashtag #don'thave1million. Hundreds of other Vancouver residents followed suit.

David Eby, who represents Vancouver-Point Grey in the Legislative Assembly of British Columbia, told me that he recently met with the district's residents' association. "All the talk was about mainland money. There is a lot of anxiety, and a sense that mainland buyers purchase houses but don't contribute to the community or take part in it."

Under pressure, the mayor of Vancouver, Gregor Robertson, has proposed a tax on luxury homes and a tax on income from property speculation. He has recommended raising the tax on vacant investment properties and called for "far better tracking" of international investment and absentee owners. But it seems unlikely that such measures will be implemented. As prices have risen, ordinary Canadians have found that their homes represent more and more of their net worth. Many people in the federal government, including the Prime Minister, Justin Trudeau, have advocated caution when it comes to steps that would depress property values. Besides, rich international buyers mean higher tax revenues. "The state is addicted to the revenue," Eby told me.

I asked Bing Thom about the changes. The property boom has, of course, been good for the architectural profession, but Thom, who is now in his early seventies, is troubled by what is happening to his home town. "By all accounts, I have done pretty well in my business, but I made more money from sitting on my Vancouver property than I made by working an entire lifetime," he said. "That tells you something."

Thom was alarmed that consumption has effectively replaced production as Vancouver's growth industry. "The city has become a hotel," he said. He was opposed to what he called "selling citizenships"—the practice whereby countries including Canada and the U.S. grant residency in exchange for investment. "I think any country should be against that, because you're not buying the best people," Thom said. "They don't invest in their country. There's no belonging. But it's a worldwide trend. It's happening in England. It's happening in France. It's happening in Australia. Everywhere."

here is a common conception that the *fuerdai* are being groomed to inherit their parents' businesses, but this isn't necessarily the case. One of the women on the show told me, "My daddy doesn't want me to kill the company he has worked so hard to build. He told me, 'If you don't have the ability to take over, it's better for you to collect a monthly income and give the reins to someone else.' "Parents often provide their children with money to start a small venture, to test their business acumen. Weymi's parents promised her half a million dollars to launch a bilingual luxury-life-style magazine, which will be distributed free at high-end stores, in order to foster a sense of exclusivity. "I don't plan on making a huge fortune from it," Weymi said. "But my friends all agree: this project is so Weymi." Ray's boyfriend, who has yet to

graduate from college, is going to open a conveyor-belt sushi restaurant in downtown Vancouver, with a sizable parental stake. "I plan to have menus on iPads, and there will be a video-game component to the ordering," he told me.

Of all the women I met from the show, the only one who had a job was Pam, who was cheerfully squeezing three gigs into seventy-hour workweeks. She was a producer on the show, worked at a Vancouver auction house owned by an uncle, and ran her own modelling agency. One morning, I accompanied her as she flitted from one job to the next. We met in a clothing store with a makeshift runway, where she'd been casting models for an upcoming charity event, and then took a car to the auction house. She clearly enjoyed this kind of juggling. "Doing a nine-to-five, it's too boring, and you don't get to meet people," she said, laughing. "My biggest flaw is that I have trouble finishing boring tasks." She cited a Chinese proverb about beginning with the ferocity of a tiger and ending with the anticlimax of a snake's tail.

Pam is uncommonly energetic. Her speech, alternating between slangy English and proverbladen Mandarin, puts one in mind of a human split screen. She came to Vancouver, from Harbin, to attend middle school. By the age of fifteen, she was renting a place of her own. She told me, "If I had stayed in China, I think I would have been very sheltered. Being so far away from my family has made me more appreciative of their sacrifices." Pam recalled a moment in college when she was waiting for a fifteen-thousand-dollar wire transfer to arrive. After a few days, she called her mother, who said that there were some minor bank clearance issues. Later, a relative revealed that her mother's business had been close to bankruptcy. "It was, like, the first real moment when I saw how far my mom was willing to go to spare me the worry. It made me shudder to think how careless I'd been."

We pulled into a strip mall and parked in front of a sign that read "VANDERFUL AUCTION INC."—a pun on "wonderful" and "Vancouver." Pam led me into a display room filled with brush-and-ink landscape paintings, porcelain horse statues, and intricately carved rosewood tea tables. She is the firm's marketing director and, as the sole English speaker in the business, had spent the past two months translating the auction catalogue from Chinese. On a tour of the warehouse, Pam pointed at a small curved bamboo plank in a glass vitrine, which she said was for calligraphers to rest their arms on. "What do you call this?" she whispered, and then said sheepishly that she had ended up rendering it in English as "Elbow Lifter." "This business of translation," she sighed. "It's harder than people realize, and there isn't the vocabulary in English for everything."

The lament was one I heard often in Vancouver, and it seemed to express something about the dislocation that comes with an enviable international existence. As we paused before an exquisite Qing-dynasty armoire, I asked Pam if she ever thought about working in China. As she considered the question, she ran her fingers over a phoenix carved on the cabinet's front panel.

"The thing is, I'm not sure I'd fully fit in there now," she said slowly. "I lack my parents' Chinese business know-how. Westerners are all about being straightforward and direct. But, when you negotiate a deal in China, it's all about what's unsaid, simultaneously hiding and hinting at what you really want. In China, I'm treated like a naïve child, and sometimes I feel like an alien." Pam

and many of her friends, having emigrated in their teens, exist between two cultures. Canadians, and the West generally, could be inscrutable. The cultural capital that their parents had hoped would be theirs was elusive. But having been away from China during years of dizzyingly rapid change made them foreigners there, too.

eymi and I had dinner one night. For once, she was dressed casually—a knee-length wool cardigan, sensible flats, no makeup—and we headed to a no-frills Chinese restaurant called Little Szechuan, in Richmond, an enclave of Canadian-born Chinese, not unlike Flushing, Queens. As Weymi drove, I asked whether she preferred Vancouver to Asia, and she said she did. She tapped the steering wheel and said, "It's like this: when I am driving here and need to make a turn, I turn on my signal light and do it. It's the most normal thing in the world. When I first drove in Asia, I flashed my signal and immediately people, instead of slowing down, all sped up to cut me off. It was so maddening, and then, after a little while, I became like everyone else. I never signal when I turn in Asia. I just do it. You don't have a choice."

Little Szechuan was bigger than its name suggested. Almost everyone there was Chinese, and Weymi waved to a table of rowdy young men as we entered. "In this town, everyone knows each other," she said absently. After we ordered, she asked, "Do you want to see my pic with Justin Trudeau?" She scrolled through her phone. "He wasn't the Prime Minister then, and I just asked him for a photo. I like Justin. I like most Canadian politicians, actually." But she said that Westerners were too liberal on issues like marijuana and the death penalty. (China executes more people than any other country, more than a thousand people each year.)

As we ate, the conversation turned to inequality, and the extent to which it is visible in China and Canada. "Have you been to East Hastings?" she asked, referring to a neighborhood that contains Vancouver's equivalent of Skid Row and is bordered by fashionable bars and milliondollar condos. "That's where you see it the most. But for the most part everyone's life is O.K. here." She paused. "A lot better than in China, at least." She recalled a visit to Shanghai when she had strayed into a shantytown of migrant workers from the Chinese countryside, and then spoke of the impoverished rural region of Yunnan, in southern China, from which her mother came. "When I was little, my mom would tell me stories about how poor they were," she said. "It was a kind of poverty that makes you fearful the rest of your life." Weymi's grandmother and aunt took in laundry to make a living. "She didn't want to be like her mom or older sister, always gossiping about those in the village a smidgen better off than themselves." Weymi put down her chopsticks. "It's that kind of typical provincial pettiness, but that was her entire life if she had stayed." She shook her head and drew a breath. "I mean, can you just imagine?" \| \|



Jiayang Fan became a staff writer at *The New Yorker* in 2016.