

HK-Israel connections

Out of the Box

Tony Chan Fan-cheong is president of the Hong Kong University of Science and Technology. He has spent his life pursuing his dreams relating to teaching and research, and has unique views on education, scientific and technological development, and nurturing the young.



I HAD THE honor recently to attend a luncheon hosted by Hang Lung chairman Ronnie Chan Chi-chung for Menahem Ben-Sasson, the president of Hebrew University of Jerusalem, who was visiting Hong Kong for the first time. Most of the audience were movers and shakers in the investment and finance industry in Hong Kong and the mainland.

Since 2011, Chan has organized an annual investors' delegation visit to Israel, to look for opportunities for Hong Kong investors, and so far close to US\$500 million (HK\$3.9 billion) has been invested.

I had always known that Israel is one of the world's hotbeds for tech start-ups, but I had not known that Hong Kong has a significant number of private and institutional investors who are taking a stake in Israel. The economic and political relationship between China and Israel has been improving and tech investment is just one component.

A number of Israeli start-ups are also setting up shop in the SAR to take advantage of Hong Kong's unique environment and proximity to the big Chinese market.

Sitting next to me was Charles Chen, one

of the co-founders of Tencent, and who "retired" from the company in 2013. I had heard about him because of two things: (1) he announced last year that he is starting a new "Nobel Prize in education", and (2) he started a new private university in Wuhan last year and hired someone from Hong Kong as president.

Chen's devotion to education reminds me of Amazon's Jeff Bezos and Tesla's Elon Musk, who make their money in tech but make investments in a domain (space exploration) that is their passion, and also to benefit humankind.

The luncheon reminded me of the strong Israeli connection HKUST has. I had met Ben-Sasson at least twice before, both at HU, and I have known the former

Israeli consul general in Hong Kong, Sagi Karni, who was also in the luncheon, for many years.

Karni spoke at HKUST about the well-known innovation and tech achievements of Israel, and through his facilitation, we have a donation from Richard Elman (chairman of Hong Kong-based Nobel Group) to fund a visiting professor annually from HU in the field of Jewish studies.

On my second visit to HU, we also visited the company MobilEye, a spinoff from the university and one of Israel's most successful tech start-ups. It was purchased by Intel about a year ago for US\$15 billion.

MobilEye uses computer vision technology to enable self-driving cars and its technology was used

by most high-end auto companies today. We met the professor who mentored the students who started the company, and I was pleasantly surprised that he knew one of our HKUST professors rather well professionally. I am hoping (waiting) for HKUST's MobilEye someday.

I asked the investors whether they would be interested in investing in Hong Kong tech start-ups, and most said they would – but the most important criterion is a good prospect for return on their investment.

Hong Kong's tech entrepreneurship scene is still not quite there yet, even though it has been improving quite dramatically over the past few years.

I asked Ben-Sasson to compare Jewish/Israeli and Chinese culture and what may account for the different levels of success in entrepreneurship. He said that Jewish children are brought up at a young age to challenge authority, to ask questions, to argue and to be actively involved in learning.

These are quite opposite to traditional Chinese culture. Compulsory military service also plays a role: first, it serves as a kind of incubator, where tough problems are presented to bright young people with a sense of urgent need for solutions – such experience becomes very useful in start-ups and entrepreneurship.

Second, Israeli students enter universities at a more mature age (and often married), and that allows them to choose their subject of study that fits them (emphatically not the case in Hong Kong).

Perhaps Hong Kong can borrow a page from Israel's playbook, where we would put young people together and present them with tough and urgent problems that require them to come up with innovative solutions?



Tony Chan on a visit to HU in 2015.