



There are a lot of opportunities for Scottish business, particularly for financial services companies. Hong Kong is busy reinventing itself, moving from being a manufacturer. Picture: Ian Munro

Well grounded

He may be a high-flyer in the diplomatic service, presiding over one of the most vibrant places on earth, but Sir James Hodge has his feet planted squarely on terra firma

Interview by **Andrew Collier**

MOST PEOPLE who join the diplomatic service aspire to climb to great heights. Sir James Hodge, however, did his climbing early, and he has had quite enough of it, thank you.

Before taking Her Majesty's shilling, he was a steeplejack in Iceland. Remarkably, he took the job even though he hated heights.

It was, he recalls, character forming. "I was doing medieval studies at Edinburgh University in the 1960s and won a scholarship to go to Iceland. I got a job with a building company to make ends meet, and then found they wanted me to be a steeplejack.

"The job involved a twin-spired church in Reykjavik. We were taking the scaffolding down and had to push the uprights off, which meant I was hanging out into a void about 80ft up. I only got through it by fear and courage."

Being upright, rather than getting rid of uprights, is what motivates Edinburgh-born Sir James these days. As British Consul General in Hong Kong, he is Her Majesty's eyes and ears in one of the most dynamic places on earth. He is, though, more than merely an observer. Half the population of Hong Kong - 3.4m people - are British overseas passport holders, giving them the right to enter the UK (though not to live here) as

well as consular protection. It must be one of the few postings where the resident official represents most of the locals.

Not that he has much need to. Since Britain handed back its last great outpost of empire in 1997, the Chinese, who took it over, have behaved more or less impeccably, sticking to their philosophy of one country, two systems. Even under the rule of Beijing, Hong Kong's capitalist heart beats as mightily as it ever did.

This does not leave Sir James without a role: far from it. Her Majesty's Hong Kong outpost is the biggest UK consulate in the world, employing 170 people. The political and economic situation is under constant scrutiny, and there are trade links to stimulate. It is, in short, one of the busiest and most sensitive posts in the diplomatic service, but Sir James is well versed in keeping a cool head under pressure. "One of my first postings was in Nigeria," he recalls. "There were two coups when I was there and the head of state was assassinated."

"At one stage, groundless allegations were being made that the British were involved with one of the coups and the high commission was set alight with us inside it. Fortunately, the fire didn't take hold and we got out. It was," he says with the kind of understatement only a diplomat could muster, "an awkward period."

Sir James also spent a short spell in Denmark. Otherwise, it has been Japan, Thailand and Beijing, where he was number two at the embassy in the run-up to the Hong Kong handover.

This, of course, was at the time when there was so much friction between the Chinese government and the then governor, Chris Patten, that the situation almost ignited. Did Sir James have to try to spike Patten's guns and placate the Chinese? His answer is classic Whitehall speak: "Let's say it was an interesting triangular relationship."

He clearly managed to retain the confidence of Beijing as, after a brief spell as ambassador in Bangkok, he was given the Hong Kong job. The position is an unusual one. A British consulate abroad normally reports to an embassy in the same country, but Hong Kong's unique relationship means the consul liaises directly with London, rather than going through Beijing. It cannot be called an embassy because no country can have more than one, but that is effectively what it is.

Sir James, who is 58, does not return to Scotland often these days - his latest trip, to promote the work of the epilepsy campaign group Enlighten, of which he is Hong Kong patron, is his first visit to Edinburgh in four years.

Nevertheless, he remains hugely proud of

PRIZE QUIZ

HONG KONG broadcaster Asia Television is offering jobs as prizes in a quiz show as the former colony's unemployment ranks swell.

"We want the media to act like a platform to help the unemployed find jobs. It's not a game. It's very serious," ATV's Lai Man-cheuk says.

The prizes will be advertised a week ahead and, like anyone looking for a job, participants must apply and attend interviews. Three people will be picked to pit their knowledge against each other in each contest, although employers will have the final say in hiring.

Unemployment in Hong Kong has soared to a record 7.8% and is set to go even higher as the region struggles to escape its second recession in four years.

his roots and manifestly aware of the strong links between Scotland and Hong Kong. The affinity goes back to the founding of the colony and is still cemented into the local culture.

"There are a lot of opportunities for Scottish business, particularly for financial services companies. Hong Kong is busy reinventing itself, moving from being a manufacturer to adding value. Doing business is not always easy and you may need advice, but there is real scope in areas such as information and communications technology and creative industries."

The former colony has an added advantage since the Chinese took over: it is now a gateway to the mainland and its population of more than a billion people.

"Hong Kong is in a good position to act as a conduit to the rest of the country," he adds. "SMEs [small to medium-sized enterprises] in particular which are looking to do business on the mainland would do well to link themselves with a Hong Kong Chinese partner."

"They understand the mainland - there are the affinities of language, culture and family. It is said that companies which go into the mainland market using a Hong Kong intermediary are 90% successful, while those which try and deal direct have a success rate of only 10%."

Sir James will be in Hong Kong until the end of next year, when he retires. He does not know what he will do then: "I've an open mind and don't know if I will stay in Asia or not, but I'm open to offers."

When he goes, what is he most likely to remember? "It's one of the most vibrant cities I've ever lived in - there is still a real buzz about the place."

"Then there's the view from my balcony window. I can clearly see the waters of Victoria Harbour and the hills of Kowloon. If you're Scottish, then water and hills are always going to mean a lot to you. I'll miss that."