

AmCham China QUARTERLY

Special
Edition
2019

Executive insights, interviews, and intelligence for business in China

Celebrating the 100-Year Anniversary of the American Chamber of Commerce in China





Peter Lighte

**Years as Chair:
1983-84**

After studying Chinese culture at Princeton University, Peter Lighte moved to Beijing where he opened the China representative office of Manufacturers Hanover Trust Company, a forerunner to J.P. Morgan. He continued to live abroad for almost three decades, dividing his time between London, Hong Kong, Tokyo, and Beijing.

He has served on the boards of Half the Sky Foundation, the Council on International Educational, Prudential Financial, Exchange, and is active in Princeton alumni affairs. A calligrapher and a mosaicist, he is also the author of *Pieces of China* and *Host of Memories: Tales of Inevitable Happenstance*.

Banking on Friendships

Former Chairman Peter Lighte recalls his years in Beijing, dealing with Chinese officials who would go on to become life-long friends.

When I was active in Beijing's AmCham during the early 1980s, my brief was simple: convince Chinese ministries that we were not an arm of the American government. Since I was working at the time for Manufacturers Hanover Trust Company – known as Manny Hanny and one of the many antecedent banks of today's J.P. Morgan – my *danwei* was the Bank of China and my overseer, Madam Bai, a formidable woman responsible for the capital's foreign bankers. At times, I made as little progress with her as I did while wearing my AmCham hat.

Early Censorship Wrangling

In the midst of activities attending the opening of our office, I was approached by an official about an advertisement we were expected to place in a local publication to mark the occasion. Although I was steered to one of those bizarrely-colored magazines

aimed at foreigners, I saw little value in such a gesture. I was then overtaken by an idea: an ad in *The People's Daily* – no bigger bang for the buck! I quickly gathered some photos for a layout, including one of a 747 to highlight our involvement in China's very first airplane lease; there was one of Mr. McGillicuddy, the bank's chairman, as well, along with senior officials he had met on a previous visit.

I also wrote the copy, helped by a wordsmith from *The People's Daily* to get things just right. Once completed, the package was sent to Madam Bai for her requisite imprimatur; and then came a phone call from Madam Cao, her mighty sidekick whose Gatling gun delivery of Shanghainese-accented Mandarin daunted me. But there was nothing unclear in her message: Madam Bai had a problem with the ad.

Entering the old Bank of China building to the west of Tiananmen, it was so cold inside that customers not only wore hats and coats, but thought nothing of seeing their breath, too. The uninitiated might marvel at the heartiness of Chinese employees in their simple Mao suits. What was not seen, though, were the layers of long underwear into which they seemed to be sewn on a date certain in autumn, from which they did not emerge until spring.

Battling with Officials

Madam Cao informed me that my appointment was at 4:00pm and not at 10:00am, my linguistic inadequacy only compounding anxiety. On my return, Madam Cao immediately ushered me into Madam Bai's office, its peeling paint and water-stained



Above:

Manny Hanny opening celebration, Beijing Hotel, Banquet Hall, West Wing, 4 February 1983

Photo courtesy of Peter Lighte

**Left:**

Peter Lighte and John McGillicuddy, Chairman, Manufacturers Hanover Trust Company, The Great Wall, February 1983

Photo courtesy of Peter Lighte

walls framing her as she stood behind her desk, arms crossed, and ready to pounce. She did.

"You know that First Chicago was the first American bank in China. How dare you claim it was Manny Hanny in your proposed ad?" I meekly asked if I could be seated, a request that somehow altered her fury and introduced a sense of slow motion into our encounter. "My advertisement says that we have full correspondent banking relations with all provinces in China, Madam Bai," I purred. Though she agreed, her hand slashed the air, impatiently directing me to get on with things, keen to see where I was going with all this.

"Is Taiwan part of China, Madam Bai?" I playfully queried. Her patience clearly spent, the furious nod of her head was as good as a bark. "It was my impression that First Chicago had shut down in Taiwan for the privilege of opening on the Mainland, Madam Bai; thus, First Chicago does not have full correspondent banking relations with all provinces of China."

She slowly seated herself, the resignation of defeat palpable on her way down. The more intense her gaze, the more my eyes wandered about the room. But I knew there could be no victory without grace. "I need your guidance, Madam Bai; otherwise, our celebration will be incomplete and Mr. McGillicuddy will be disappointed. He has great confidence in you," I offered. "Xiao Li, this advertisement needs some work," Madam Bai pronounced, her monotone maintaining authority while steering towards compromise. That she used the diminutive of my Chinese name gave me license to unwind in my chair.

Professional Friendships

The ad did get published, with Manufacturers Hanover Trust Company described as one of the first American banks in China. Over the next three years, I learned to show up at meetings on time, consult Madam Bai about navigating the local landscape with visiting captains of American industry, and take great pains to introduce her to Manny Hanny senior officers as they passed through on their magical mystery tours. We crafted a relationship that had moved well beyond the fury of our encounter over an advertisement.

When my time came to leave Beijing for a stint in London, it coincided with Madam Bai's posting there. As soon as we were settled, I invited her to lunch in the City, a stone's throw from my own office. Over limp Chinese food that made us wistful for the real thing, she confessed that now, as a foreigner, she had a lot more compassion for me when I was under her thumb back in Beijing. A decade later, it was Madam Bai who offered her good offices to assist in the adoption of my first daughter.

Touring Nanjing

At around the same time that I was being tamed by Madam Bai in Beijing, I made a trip down to Nanjing to call on the Bank of China. I was assigned the gifted and congenial Mr. Liu as my interpreter. Outside of the office, he acted as my guide

around the city, birthplace of the Ming founder and, more recently, Chiang Kai-shek's Nationalist capital.

He courteously asked what I would like to see, and, much to his surprise, I asked to see Ming Xiaoling, the Ming founder's mausoleum. In the course of our leisurely stroll around the imposing and derelict tomb, he gradually volunteered the tale of his past. When I asked him about the high quality of his English – mindful of his ordeal during his student days – he told me that he would listen to *Voice of America* broadcasts on a tiny transistor radio, hiding within haystacks at his peril, to hone his language skills.

Over the next three years, camaraderie grew between us; and when it was my time to move on to London, I was delighted to learn that Mr. Liu, just like Madam Bai, would be going there, as well. We met up regularly to share meals and go to the movies.

Relationships – Past, Present, and Future

Over the years, I proudly watched his steep professional trajectory take him to the very pinnacle of the regulatory pyramid. When I returned to Beijing in 2007 as chairman of J.P. Morgan Chase Bank, I was obliged to go through the formality of calling on him with Jamie Dimon. This solemn moment was delightfully deflated when Mr. Liu bounded into the overstuffed conference room and gave me a big hug, expressing hope that we could again have supper together and go to the movies. I've always wondered if Jamie suspected a put-up job.

I have come to understand that the past contrives surprises: witness Madam Bai's role in the adoption of my daughter and Mr. Liu's charming of Jamie Dimon. From my vantage point along the continuum of time right now, I am hopeful that the enduring and complex threads of such relationships that have prevailed over the years will see us through the folly of politics. ①