

Dèng Hóng (邓鸿):



Net Worth: [\\$660 million](#)

Company: Exhibition & Travel Group (ETG), China

Industry: Real Estate

City: Chengdu

Dèng Hóng was born in 1963, served in the military before going to the US in 1993. He returned from US ~1995, and started building his tourism and hotel empire.

He seems to have very good relations with the highest PRC leadership with Jiang Zhe-Min (http://en.wikipedia.org/wiki/Jiang_Zemin), the previous topmost leader in China, who once performed singing in Dèng Hóng's Sha-Wan Convention Center (in Chengdu) in 2002.

[General Secretary of the Communist Party of China](#) from 1989 to 2002,

[President of the People's Republic of China](#) from 1993 to 2003,

[Chairman of the Central Military Commission](#) from 1989 to 2005.

Dèng Hóng is also an artist; he initiates and sponsors the biennial art festival in Chengdu. He paints—his drawings are hanging everywhere in his grandiose hotels. He designed Jiuzhai Paradise himself, one of the most acclaimed hotels in China. (The small picture gallery www.tinyurl.com/DesignDengHong (from the .pdf file <http://goo.gl/ktCRR>, unfortunately, in Chinese), copied from the Internet, features pictures from Jiuzhai Paradise, highlighting the artistic style of this building.)

The Jiuzhai Paradise is located in one of the most well-known cultural/ecological preservation area. How did Dèng Hóng get the government's permission to build such a huge "paradise?" in that place? It is as mysterious as how quickly he got his US citizenship, after only 1-2 years stay in the US (1993-1995). And who are the "local people" in Jiuzhai Paradise? They are not Han-Chinese but Tibetan/Qiang ethnic minorities.

I've been told that Jane Zhang (one of the ETG people in the April 19th meeting, in Colonia, with young Yapanese) doesn't know who the "locals" in the Jiuzhai Paradise are, because she does not belong to that project.

Excerpt from [Lhasa Hotel Boom: The Back Story](#):

A Washington Post article, In China, the rich seek to become the 'big rich', names Dèng Hóng as the latest real estate developer to create wealth in Jiuzhaigou. Deng migrated to the US, bought property in Hawaii and Silicon Valley before returning to China because, as he told the Washington Post, "becoming 'big rich' in China was easier than in the United States. He was right: At last count he owned 35 cars, including a Ferrari, a Lamborghini, some jeeps, a Corvette, several 600 series Mercedes-Benzes and a fat Lincoln Continental. He recently purchased the rights to develop 100 square miles of land next door to one of China's national parks [Jiuzhaigou]" How did Dèng Hóng get so rich, and how will Jiuzhaigou make him richer? "Many of China's wealthiest people are members of the Communist Party or are relatives or friends of party members and have parlayed their connections into cash. Deng is an example. His father was an officer in China's air force. Deng, in addition to his military background, has assiduously cultivated ties with the city government of Chengdu. Ask him which is more important, his relationship to other businessmen or to the government, and he does not hesitate: 'I really don't have anything to do with my fellow businessmen,' he said, echoing other well-off Chinese. 'My business depends on the government.' So much so that last year Deng surrendered 30 per cent of his stake in the convention centre to the Chengdu city government, for nothing. One of his senior executives is the former deputy mayor of Chengdu. For his development project next to the national park in western Sichuan, he has hired retired government officials. Deng had to rely on government ties to win approval to develop that site, 260 km² of land next to one of China's last remaining wilderness areas, Jiu Zhai Gou. Deng plans to build 100 vacation homes, a five-star hotel and a golf course. Each vacation home will sell for at least \$300,000, he said."

What could induce such a wealthy man to give away his stake in a lucrative convention centre in a major metropolis, unless the deal gave him access to an even greater profit opportunity?

ETG's Partners visited Yap in April 2012 together with Mr. Dèng Hóng

1) China EXIM Bank (Export-Import Bank of China)

http://en.wikipedia.org/wiki/exim_bank_of_china

China EXIM (EXport-IMport) Bank is one of three institutional banks in China, chartered to implement state policies in industry, foreign trade, diplomacy, economy and finance, and to provide financial policy support, to promote export of Chinese products and services.

Note: the EXIM bank is subordinate to the [PRC State Council](#).

http://en.wikipedia.org/wiki/Exim_Bank_of_China



Li RuoGu, Chairman, President, and Party Secretary of China EXIM Bank (source: <http://goo.gl/3CKcR>)

2) China Road and Bridge Cooperation (CRBC)

www.crbc.com/en

CRBC (China Road & Bridge Corporation) was debarred by the World Bank in 2009 (for fraud in Philippines Roads Project (source: goo.gl/kqN9i)).

“Washington, July 29, 2011–The World Bank today announced the debarment of China Communications Construction Company (CCCC) Limited, and all its subsidiaries, for fraudulent practices under Phase 1 of the Philippines National Roads Improvement and Management Project. Under the sanction, CCCC is ineligible to engage in any road and bridge projects financed by the World Bank Group until January 12, 2017. This action is based on recent changes in the World Bank sanctions system to clarify that successor organizations – through purchase or reorganization – will be subject to the same sanctions applied to the original firm.

CCCC is the designated successor entity to China Road and Bridge Corporation (CRBC) which, along with six other firms and one individual, was debarred by the World Bank for eight years, beginning January 12, 2009, following an investigation of the National Roads Improvement and Management Project by the World Bank’s Integrity Vice Presidency (INT). No World Bank funds from the NRIMP project were disbursed to any of the sanctioned firms.”

67.225.140.129/News/NewsDetails.aspx?Page=news&NewsID=1222:

“World Bank Blacklists CRBC

The Chinese construction giant, China Road and Bridge Corporation (CRBC) International has been suspended from undertaking World Bank (WB) financed road projects across the world for the next eight years.

CRBC’s debarment, however, can be reduced or terminated after five years if the firm puts in place a compliance program satisfactory to the WB.

Along with CRBC, E.C. de Luna Construction Corp. and its owner and sole proprietor Eduardo C. de Luna, China State Construction Corp., China Wu Yi Co. Ltd, China Geo-Engineering Corp., Cavite Ideal International Construction and Development Corp as well as CM Pancho Construction Inc. were each debarred for a different number of years.

The Chinese construction firm, which is currently undertaking about 10 projects in different parts of Ethiopia, has already been kicked out WB financed projects in Ethiopia as of December 9, 2008.¹

CRBC had, for instance, won the Gonder-Debark asphalt road for which the Ethiopian Roads Authority (ERA) had floated a tender six months ago.

However, the WB rejected CRBC as a winner and awarded the project to the runner-up, Sino Hydro, because the former was in its black list for the alleged collusive practices in the road project in Philippines.”

www.china.org.cn/business/news/2009-01/15/content_17110950.htm:

“Chinese Construction Giants barred by World Bank

China State Construction Corporation, China Road and Bridge Corporation (CRBC) and two other Chinese construction companies have been debarred from bidding for World Bank financed projects for periods ranging from five to eight years, after a corruption investigation in the Philippines, according to a Bank press release.

The companies were among seven firms and one individual debarred for ‘engaging in collusive practices under a major Bank-financed roads project in the Philippines’, according to the World Bank press statement.

The project, the Philippines National Roads Improvement and Management Program was partly financed by a US\$150 million loan from the World Bank.

An investigation by officials from the World Bank Integrity Vice-Presidency (INT) and external legal experts determined that the companies had colluded to enter non-competitive, artificially high bid prices, the Bank statement said.”

¹ Kicked out of Ethiopia—of all places...

3) China Machinery Engineering Corp. (CMEC (Web: goo.gl/icm5R))

Snipped from www.maldivesembassy.jp/cat_001/9785:

“President meets the Vice President of China Machinery & Engineering Corp 15 April 2012, President **Dr Mohamed Waheed²** today met with the Vice President of China Machinery and Engineering Corporation (CMEC), Mr Li Chaoyang. The meeting was held this afternoon at the President’s Office.

At the meeting, Mr Li Chaoyang briefed the President on the progress of the 1,000 housing units that are being built in Hulhumale’ by the CMEC. He said that discussions were underway with the Minister of Housing and Environment in improving the work of the 2nd phase of the project.

President Waheed expressed satisfaction over the work being done by CMEC in building the housing units.

He also noted the close ties that exist between the Maldives and China, and expressed confidence that the relations would continue to strengthen.”

CMEC Suppliers to Iran (www.iranwatch.org/suppliers/suppliers-list.asp)

Snipped from www.iranwatch.org/suppliers/records/china-cmecmee.html:

“Sanctioned by the United States in July 2002 for engaging in proliferation activities with Iran; part of the **China National Machinery and Equipment Import-Export Corporation (CMEC)**; imports, exports and distributes machinery and electrical products and automobile parts; exports small hydroelectric power stations, general purpose or special purpose machine tools, heavy and mining equipment, hoisting and material handling machinery, chemical equipment, food equipment, bearings, tools, measuring and cutting tools, electric motors and electric apparatus, light industry and textile products, raw materials, electronics, instruments, environmental protection equipment, iron and steel, non-ferrous metals, building materials, and chemicals.”³

² Yes, this is the former Vice President (ETG-positive) of the Maldives, who visited China (ETG, for talks with Dèng Hóng) in the fall of 2011, and who was “elevated” to the Maldivian presidency after a bloodless *coup d’etat* earlier this year, when the democratically elected (but ETG-negative) president was thrown in jail (for details, please see www.tinyurl.com/yapetsina). Coincidences abound...

³ Stuff needed for Iran to successfully develop **nuclear weapons**, something close to the heart of PRC. Does Yap State really **have to deal with** entities like these? How does it make Yap State (and FSM) look, to the international community?