

Dr. The Honourable Sir Michael Graham Ruddock Sandberg
Honorary Rotarian of the Rotary Club of Kowloon

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Dr. The Honourable Sir Michael Graham Ruddock Sandberg (沈弼爵士), Kt, CBE, HonLLD (HKU), JP (31 May 1927 – 2 July 2017), Honorary Member of the Rotary Club of Kowloon (九龍扶輪社) in the British Crown Colony Hong Kong (英國殖民地香港), was a British banker and businessman who served as Executive Chairman of The Hongkong and Shanghai Banking Corporation (香港上海匯豐銀行) (HSBC) from 1977 to 1986, guiding the institution through a period of modernization and geopolitical transition in Hong Kong.

During his tenure at HSBC, Sandberg orchestrated key strategic moves, including the 1980 acquisition of Marine Midland Bank in New York, which expanded the Bank's global footprint and laid groundwork for the modern HSBC Holdings PLC, while also overseeing the construction of a landmark headquarters in Hong Kong's Central district, designed by Norman Foster and completed in 1985 at a cost exceeding US\$700 million. He facilitated pivotal deals that bolstered Hong Kong tycoons, such as selling HSBC's stake in Hutchison Whampoa (和記黃埔) to Li Ka-Shing (李嘉誠) in 1979, enabling the latter's rise to prominence in ports and infrastructure, and supporting Sir Yue-Kong Pao's (包玉剛爵士) expansion into real estate and shipping through asset swaps. Concurrently, as Chairman of the Royal Hong Kong Jockey Club (英皇御准香港賽馬會) from 1981 to 1986, he directed major infrastructure projects, including the Sha Tin Racecourse expansions and computerization of betting centers, and led the Club's centenary celebrations in 1984, which funded the Hong Kong Academy for Performing Arts (香港演藝學院).

After retiring from HSBC, Sandberg continued influencing Hong Kong business as a non-executive director for firms like New World Development (新世界發展) and Power Assets Holdings (電能實業), while in 1997 he was created a life peer as Baron Sandberg of Passfield, taking a seat in the House of Lords affiliated with the Liberal Democrats until his retirement. He was remembered for his deal-making acumen rather than conventional banking, steering institutions through Hong Kong's shift toward Chinese sovereignty without evident major controversies.



The Right Honourable The Lord Sandberg since 1997

The Story of Michael Graham Ruddock Sandberg

Family Background, Childhood and Education

Michael Graham Ruddock Sandberg was born on 31 May 1927 in Thames Ditton, Surrey, England. He was the youngest child and only son of Gerald Arthur Clifford Sandberg (1882–1954), a Bank of England official who served as chief cashier of its Hull branch, and Ethel Marian Sandberg (née Ruddock, 1882–1947). His known sisters included Sylvia Nancy Sandberg (1917–1989) and Doreen Ethel Sandberg (1919–1997).

The Sandberg family's paternal lineage originated with a migrant from the Prussian province of Posen who settled in Britain and became an Anglican priest, reflecting the family's conversion from Judaism generations earlier. On his mother's side, Sandberg was connected to the British media sector through uncles Frederick Clifford, a founder of the Press Association, and Charles Clifford, a newspaper proprietor. These ties provided an environment influenced by public service and institutional finance from his father's career, though specific details of his childhood experiences remain sparse in available records.

Sandberg attended St. Edward's School, an independent boarding school in Oxford, England, where he completed his secondary education. He left school in 1945 at age 18 amid the final stages of World War II, forgoing university studies to enlist in the British Army. This direct transition to military service reflected the era's wartime demands and his family's emphasis on practical experience over extended academic pursuits, as no records indicate enrollment in higher education institutions. Later in life, he received an honorary doctorate from the University of Hong Kong (香港大學) in acknowledgment of his contributions to finance and public service, though this was not part of formal academic training.

Service in the British Army

Sandberg joined the British Army in 1945 at age 18, shortly before the conclusion of World War II, and was commissioned that year as an officer in the Royal Armoured Corps. Posted to India amid the final months of British rule, he transferred to the Indian Army's 6th Lancers, an armoured cavalry regiment, and served on the North-West Frontier. There, his duties centered on escorting civilian supply convoys through tribal territories, safeguarding them from attacks by Pathan raiders.

After India's independence on 15 August 1947 which prompted the partition and reorganization of military forces, Sandberg transitioned to the 1st King's Dragoon Guards, a British armoured regiment. His postings included Palestine amid rising tensions in the Mandate territory and Libya, specifically Benghazi. These assignments reflected the rapid redeployments of British forces in the post-War decolonization era.

Sandberg concluded his military service in 1949. His four years of active duty provided foundational discipline and global exposure that later informed his executive career, though no combat decorations from this period are recorded in available accounts.

Banking Career at HSBC

Initial Employment and Early Roles

Following his military service, Sandberg joined The Hongkong and Shanghai Banking Corporation (HSBC) in London in 1949. He was then dispatched to Hong Kong for initial training before his first overseas assignment in Tokyo, Japan.

Sandberg's next posting was to Singapore, where in 1956 his manager praised him as possessing "distinct ability and intelligence, well in excess of his years", marking him as "a man for the future". These early roles involved operational and managerial responsibilities in branch banking across Asia, building his expertise in the region's post-War financial landscape.

By the late 1960s, Sandberg had advanced within the organization to the position of chief accountant in Hong Kong, a role equivalent to senior lending officer, overseeing key credit and financial operations at the Bank's headquarters, and managing critical credit and financial oversight amid expanding operations in Asia.

Advancement to Senior Positions

By 1973, Sandberg was elevated to Deputy Chairman under the leadership of Chairman Guy Mowbray Sayer (沙雅), a promotion that placed him in a pivotal executive role during a phase of economic volatility, including oil shocks and regional instability, where he helped guide strategic responses and internal restructuring to maintain the Bank's resilience.

In this capacity, Sandberg focused on enhancing lending practices and preparing for geopolitical shifts in Hong Kong and China, leveraging his operational experience to influence board-level decisions and foster ties with emerging business leaders, which solidified his trajectory toward the top echelons of the institution.



From 10 October 1935 until July 1981



Since November 1985

The Hongkong and Shanghai Banking Corporation headquarters in Hong Kong

Leadership as Chairman of HSBC

Appointment and Strategic Modernization

Michael Sandberg was appointed Chairman and Chief Manager of The Hongkong and Shanghai Banking Corporation (HSBC) in 1977, succeeding Sir Michael Turner (端納爵士) at a time when the Bank dominated Hong Kong's financial sector amid growing geopolitical uncertainties related to the Colony's future. His leadership combined operational oversight with a forward-looking approach to adapt the institution, originally rooted in colonial trade finance, to a diversifying global economy.

Under Sandberg's direction, HSBC pursued aggressive modernization through infrastructure and diversification initiatives. In 1979, he commissioned British architect Norman Foster to design a new headquarters in Hong Kong's Central district, completed in November 1985 at a cost of approximately HK\$5.2 Billion (US\$700 million+), making it the world's most expensive building at the time and symbolizing the Bank's commitment to the region despite impending Sino-British negotiations. This project incorporated advanced technology, including automated teller machines and computerized trading floors, reflecting a shift toward technological integration in banking operations.

Key Business Deals and Expansions

Under Sandberg's chairmanship, HSBC initiated a strategy of diversification beyond its Asian roots, emphasizing entry into mature Western markets to hedge against uncertainties in Hong Kong amid decolonization and the 1997 handover negotiations. This "three-legged stool" approach for the United States involved acquiring stakes in regional banks to build a foothold, marking a shift from colonial-era operations to a more global, post-colonial posture.

A cornerstone expansion was the 1980 acquisition of a 51% stake in Marine Midland Bank, a major New York State commercial bank with an extensive branch network. The deal, signed by Sandberg and Marine Midland's chairman Edward Duffy, provided HSBC with its first significant U.S. presence and was fully consolidated by 1987, though it later incurred losses in the late 1980s. This move diversified revenue streams and positioned HSBC for North American growth, absorbing its existing New York branches and eventually rebranding as HSBC Bank USA in 1999. Additionally, there were the establishing of the Hongkong Bank of Canada in 1981, and HongkongBank of Australia Limited in 1986.

In Europe, Sandberg pursued a £498 million bid in 1981 for the Royal Bank of Scotland (蘇格蘭皇家銀行) as a potential "flagship" to establish United Kingdom and continental operations, outbidding Standard Chartered's (渣打集團) £334 million offer. However, regulatory scrutiny by the Monopolies Commission and opposition from Bank of England (英倫銀行) Governor Gordon Richardson led to rejection, preserving Scottish economic interests but highlighting HSBC's ambitions.

Domestically, a key divestment deal in 1979 involved selling HSBC's controlling stake in the indebted British trading house Hutchison Whampoa to entrepreneur Li Ka-Shing,

brokered by shipping magnate Sir Y. K. Pao and priced below asset book value without competing bids. This transaction, deemed a bargain by contemporaries, recouped funds while forging alliances with emerging Hong Kong tycoons, aiding future business ties amid China's opening. Alongside figures like Lydia Dunn (鄧蓮如) was appointed as the first female director, to leverage regional expertise. These efforts propelled HSBC from the 80th position in global banking rankings in 1977 to the top five by Sandberg's retirement in December 1986, coinciding with China's 1978 economic reforms, for which he formed an exploratory team. Additionally, in 1983, he advocated pegging the Hong Kong dollar to the U.S. dollar at 7.8:1, stabilizing the currency ahead of the formal board introduction in October of that year.

Infrastructure expansion included commissioning a new headquarters at No.1 Queen's Road Central (皇后大道中一號) in Hong Kong, designed by Norman Foster in 1979 and opened on 7 April 1986 at a cost exceeding HK\$5.2 Billion. The structure, using 27,000 tonnes of steel and built by up to 4,500 workers in round-the-clock shifts, symbolized enduring commitment to the Colony despite geopolitical risks.

Criticisms and Challenges

During Sandberg's chairmanship from 1977 to 1986, HSBC incurred significant losses from its exposure to the Carrian Group (佳寧集團), a Hong Kong property conglomerate that collapsed in 1983 amid allegations of massive fraud and false accounting, marking one of the Colony's largest corporate failures. The Bank had extended substantial loans to Carrian, personally authorized in part by Sandberg, contributing to write-offs estimated in hundreds of millions of Hong Kong dollars and drawing scrutiny over due diligence lapses in high-risk lending practices.

Critics also faulted Sandberg for the 1979 sale of HSBC's controlling stake in Hutchison Whampoa, a key trading house, to Li Ka-Shing's Cheung Kong Group (長江集團) at what was perceived as an undervalued price without competitive bidding, enabling Li to consolidate control and build a vast conglomerate at the expense of shareholder value. This transaction, executed during a period of economic volatility, has been retrospectively viewed by some analysts as a strategic misstep that forfeited long-term gains for short-term liquidity.

The construction of HSBC's new headquarters in Hong Kong, completed in the mid-1980s under Sandberg's oversight, faced backlash for its extravagant design and cost, exceeding expectations amid economic pressures, though Sandberg defended it as essential for projecting a modern, competitive image.

Broader challenges included navigating geopolitical uncertainties in Hong Kong, particularly as Sino-British talks on the Colony's future intensified in the early 1980s, prompting Sandberg to accelerate diversification into Western markets like the 1980 acquisition of Marine Midland Bank in the United States to mitigate reliance on Asian operations vulnerable to political shifts.



13 February 1978 -- Financial Secretary Sir Philip Haddon-Cave (夏鼎基爵士) (left) cuts a ribbon with the help of Michael Sandberg, Chairman of the Hongkong and Shanghai Banking Corporation, at the opening ceremony of a new branch of HSBC at China Building (華人行) in Central, Hong Kong.
(Photo: South China Morning Post)



25 April 1978 -- Michael Sandberg (R2), Chairman of the Hongkong and Shanghai Banking Corporation, and Li Ka-shing (李嘉誠) (left) to unveil the newly renovated China Building (華人行) which was acquired by Li in 1974. Accompanying is Mrs. Amy Li Chong Yuet-Ming (李莊月明) (R1).



3 March 1983 -- Michael Sandberg, Chairman of the Hongkong and Shanghai Banking Corporation (HSBC), speaking at the 50th anniversary reception of the Hang Seng Bank (恒生銀行).

HSBC has held a 61% stake in the Hang Seng Bank since the mid-1960s.

At right is Dr. Ho Sin-Hang (何善衡博士), Chairman of the Hang Seng Bank.



October 1986 – Sir Michael Sandberg (centre) escorting Queen Elizabeth II to Sha Tin Racecourse in his capacity as Chairman of the Royal Hong Kong Jockey Club.

Her Majesty greets the champion jockey Tony Cruz (告東尼) (right).

Assessments of Impact and Influence

Michael Sandberg's tenure as chairman of The Hongkong and Shanghai Banking Corporation (HSBC) from 1977 to 1986 is widely regarded as a pivotal period that modernized the institution and positioned it for global expansion amid Hong Kong's geopolitical transitions. He spearheaded the acquisition of Marine Midland Banks Inc. in New York, establishing a critical U.S. foothold that diversified HSBC beyond its Asian base and facilitated its evolution into a multinational powerhouse, eventually rebranded as HSBC Holdings PLC. Under his leadership, the Bank constructed its iconic headquarters in Central, Hong Kong---designed by Norman Foster and completed in 1985 at a cost of US\$700 million, the world's most expensive building at the time---symbolizing technological innovation and a shift from colonial-era infrastructure to a forward-oriented corporate identity. These initiatives, executed during the opening of the Chinese mainland and Sino-British negotiations over Hong Kong's future, are credited with enhancing HSBC's resilience and adaptability in a rapidly changing East Asian financial landscape.

Sandberg's influence extended deeply into Hong Kong's business elite, where he cultivated alliances with emerging tycoons, providing strategic financing that amplified their enterprises and, by extension, the Colony's economic dynamism. Notably, HSBC under Sandberg sold its 22% stake in Hutchison Whampoa to Li Ka-Shing's Cheung Kong Holdings in 1979 for HK\$639 million (US\$81.8 million), a transaction fully financed by the Bank that propelled Li from a plastics manufacturer to control of a global conglomerate in ports, telecoms, and real estate, making him Hong Kong's wealthiest individual. Similar support was extended to shipping magnate Sir Yue-Kong Pao, facilitating exchanges that granted him dominance in Wharf Holdings (九龍倉集團) and related property developments like Harbour City (海港城), and to New World Development's (新世界發展) Cheng Yu-Tung (鄭裕彤), where Sandberg served as a non-executive director from 1987 to 2008, aiding navigation through post-1984 Sino-British Joint Declaration market turbulence. His board roles at entities such as Power Assets Holdings (1988–1998) and Vanke Property (Overseas) (萬科置業 (海外)) underscored a network that bridged colonial banking traditions with indigenous capitalism, fostering Hong Kong's real estate and industrial growth.

Community Engagement and Philanthropy

On 14 July 1972 Sandberg was appointed Unofficial Justice of the Peace for Hong Kong (JP) by Hong Kong Governor Sir Crawford Murray MacLehose (香港總督麥理浩爵士). In 1978, Sandberg was appointed again by Governor Sir Crawford to serve as Unofficial Member to the Hong Kong Executive Council (香港行政局) until 1986 when he retired from the HSBC.

Sandberg, as chairman of HSBC, established the Hongkong Bank Foundation in 1981 to support education, healthcare, and community development in Hong Kong and other regions of operation. While the Foundation's broad mandate aided diverse groups in Hong Kong's multicultural society, including its small Jewish expatriate community, no records indicate

targeted funding or leadership roles in specifically Jewish organizations such as synagogues or cultural preservation efforts. His philanthropic legacy emphasized general social welfare over sectarian causes, consistent with his role in a British colonial banking institution. In the United Kingdom, as a Liberal Democrat peer after 1997, Sandberg advocated for inclusive policies in House of Lords debates touching on immigrant communities, including references to Jewish immigrants' contributions to British society, but without direct charitable involvement. In other charitable activities, Sandberg held various positions including:

- (1) Treasurer (1977-1986) at the University of Hong Kong, contributing to the institution's financial oversight and development during his time in the Colony.
- (2) He served as President of the Society for the Relief of Disabled Children (香港弱能兒童護助會), a Hong Kong-based organization dedicated to supporting children with disabilities through medical care, rehabilitation, and community services.
- (3) Sandberg was elected to the Board of Stewards of the Royal Hong Kong Jockey Club in 1972 and later became its Chairman (1981-1986), leading an entity that channels substantial revenues from horse racing and lotteries into charitable causes, including welfare, education, and medical projects across Hong Kong. During his tenure, the Club advanced community initiatives aligned with public benefit, reflecting his commitment to broader societal support beyond banking.
- (4) Treasurer of the Queen's Silver Jubilee Appeal Fund (英女王銀禧紀念基金會)
- (5) President of The Community Chest of Hong Kong (香港公益金)
- (6) Member of the Council of the Outward Bound Trust (香港外展訓練信託基金會)
- (7) Member of the Hong Kong Red Cross Advisory Board (香港紅十字會顧問團)
- (8) Trustee of the Croucher Foundation (裘槎基金會)
- (9) Vice-Chairman of the Hong Kong Heart Foundation (香港心臟基金會)
- (10) Vice-Chairman of the Hong Kong Arts Festival Society (香港藝術節協會)

Political Involvement and Peerage

Elevation to the House of Lords

On 2 October 1997, Michael Sandberg was created a life peer as Baron Sandberg, of Passfield in the County of Hampshire, by 《Letters Patent》 issued under the provisions of the 《Life Peerages Act 1958》, which enabled non-hereditary peerages conferring seats in the House of Lords. The peerage was announced on 2 August 1997, during the initial phase of Tony Blair's (貝理雅) Labour government following the general election earlier that year. This elevation recognized Sandberg's extensive career in international banking, particularly his leadership at HSBC, though no formal citation for specific services was publicly detailed in the creation documents, consistent with many life peerage appointments for prominent figures in business and finance.

Sandberg was introduced to the House of Lords on 16 October 1997, taking the oath in his robes as Sir Michael Graham Ruddock Sandberg before assuming his title. As a Liberal

Democrat peer, he participated in proceedings focusing on issues related to commerce, Hong Kong affairs, and economic policy until his retirement from the House on 8 May 2015. His elevation exemplified the post-1958 trend of appointing life peers from non-political backgrounds to broaden expertise in the upper chamber, amid ongoing reforms to reduce hereditary influence.

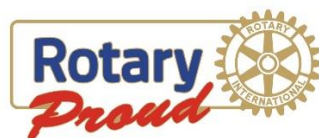
Contributions to Policy and Advocacy

Lord Sandberg, elevated to the peerage in 1997 as a Liberal Democrat life peer, contributed to policy discussions in the House of Lords through targeted interventions on foreign affairs, trade, and international security, informed by his background in global banking and Hong Kong. He participated in approximately 58 divisions between 1997 and his retirement on 8 May 2015, reflecting selective engagement on issues of strategic importance.

His advocacy often centered on economic and diplomatic matters affecting former British territories and emerging markets. In a 26 April 2004 debate on Hong Kong, Lord Sandberg addressed the territory's post-handover governance and stability, leveraging his prior role in navigating HSBC through the Sino-British Joint Declaration era. Similarly, during a 28 February 2001 discussion on Latin America, he advocated for expanded trade ties, declaring a relevant interest and emphasizing untapped commercial opportunities in the region. On 26 June 2003, in a debate on Cuba, he probed the Export Credits Guarantee Department's stance toward the island, highlighting implications for British export finance.

Lord Sandberg also weighed in on security policy, contributing to debates on international terrorism following the 11 September 2001 attacks, where he supported pragmatic definitions and responses to global threats. In Iraq-related discussions, including a 26 March 2003 debate and queries on Saddam Hussein's custody in June 2004, he urged attention to post-conflict reconstruction and accountability without endorsing unchecked interventionism. These interventions consistently prioritized causal economic stability and rule-of-law principles over ideological positions.

Beyond debates, he served on the Hybrid Instruments Committee from November 2002 to May 2011, aiding scrutiny of parliamentary procedures involving private legislation and public policy hybrids, though his specific influence there remains undocumented in public records. Notably, he rebelled against the Liberal Democrat majority once, voting in favor of House of Lords reform on 14 March 2007, aligning with broader calls for modernization amid 361 Ayes to 121 Noes. His overall approach eschewed prolific advocacy, focusing instead on expertise-driven input rather than partisan volume.



Personal Life and Interests

Family and Residences

Sandberg married Carmel Mary Roseleen Donnelly (born 1927) in the first quarter of 1954 in Dublin, Ireland. The couple had two sons, Michael and Paul, and two daughters, including Marion. Carmel Donnelly survived him following his death in 2017.

Early family residences included Heathfield on Grove Road in Hindhead, Surrey, where Sandberg lived with his parents and sister in 1948. During his career, he resided at Longdown on Longdown Road in Farnham, Surrey, from 1968 to 1977, and maintained Flat 2 at 71 Eaton Place in London, SW1, from 1975 to 1976. In Hong Kong, as HSBC chairman, he occupied Skyhigh (天比高), a lavish mansion on the Peak built as the official chairman's residence, featuring panoramic views and extravagant amenities. It was later sold in 1991 for HK\$85 million (over US\$10 million) and redeveloped. Post-retirement, Sandberg returned to England, living at Waterside in Passfield, Liphook, Hampshire, from 2003 to 2008, and then Field House in Wheatsheaf Enclosure, Liphook, until at least 2010.

Watch Collecting and Hobbies

Sandberg developed a passion for collecting antique watches during his career in banking, amassing one of the most notable private collections of historical timepieces, which spanned from the 16th century to the early 20th century. His holdings featured exceptional Renaissance-era watches, rare enamel-painted pieces made for the Chinese market, and intricate complications such as minute repeaters and center-seconds mechanisms. The collection, cataloged in a dedicated publication, highlighted the artistry of watchmaking with examples of painted enamels, seed pearl bezels, and blue enamel dials that captivated Sandberg for their aesthetic and technical merits.

In March 2001, Antiquorum auctioned the bulk of Sandberg's watch collection over two days at the Hotel Richemont in Geneva, realizing proceeds exceeding US\$13 million---a testament to the rarity and quality of the lots, which drew international collectors and set records for several categories of antique horology. Pieces from the sale continued to appear in subsequent auctions, underscoring the enduring value of his discerning acquisitions.

Beyond horology, Sandberg's hobbies encompassed cricket and horse racing, pursuits he actively engaged in during his time in Hong Kong and later in England. He owned thoroughbred racehorses in both regions and contributed financially to the Surrey County Cricket Club, reflecting his support for these traditional British sports. These interests provided outlets for relaxation amid his demanding professional life, aligning with his upbringing in Surrey.

Final Years, Death and Legacy

After retirement in 1986, Sandberg divided his time between residences in Britain and France while making frequent visits to Hong Kong, where he retained board positions with several companies until scaling back travel in the early 2000s due to health issues.

In 1997, he was elevated to the peerage as Baron Sandberg of Passfield in the County of Hampshire, enabling him to take a seat in the House of Lords as a Liberal Democrat affiliate. He remained active in the upper chamber until his voluntary retirement on 8 May 2015, during which period he focused on fundraising for the Liberal Democrats, notably organizing high-profile events leveraging his Asian business networks, such as a 1990s dinner in Hong Kong for Party leader Paddy Ashdown (艾思定) that secured substantial donations.

In his later years, Sandberg pursued personal interests including cricket---he served as President of Surrey County Cricket Club in 1998---and horse racing, alongside maintaining a garden at his Hampshire home. A prominent hobby was collecting antique watches, amassing over 400 pieces valued at approximately US\$13 million, many tailored for the Chinese market, which he auctioned in Geneva in 2001. He described his approach modestly as buying items he enjoyed without deep connoisseurship. In 2012, he published his autobiography 《Hurrahs and Hammerblows》 reflecting on his career and life experiences.

Sandberg died at his London home on 2 July 2017, aged 90. His funeral took place in the United Kingdom, followed by a memorial event on 6 September 2017 at the Hong Kong Club, organized by his son to honour his enduring ties to the city. He was survived by his wife, Carmel, whom he married in 1954, and their four children.

Honours

- (1) June 1977 – Appointed Officer of the Most Excellent Order of the British Empire (OBE) by Queen Elizabeth II, United Kingdom
- (2) June 1982 – Appointed Commander of the Most Excellent Order of the British Empire (CBE) by Queen Elizabeth II, United Kingdom
- (3) 1984 – Conferred Doctor of Laws, *honoris causa*, by the University of Hong Kong
- (4) June 1986 – Invested Knight Bachelor by Queen Elizabeth II, United Kingdom
- (5) 2 October 1997 – Invested Baron Sandberg of Passfield in the County of Hampshire by Queen Elizabeth II, United Kingdom

Li Ka Shing Foundation Lord Sandberg Memorial Scholarship

The Li Ka Shing Foundation (李嘉誠基金會) established the [Li Ka Shing Foundation Lord Sandberg Memorial Scholarship] in September 2017 to commemorate Lord Michael Sandberg who passed away that same year. This scholarship aims to support outstanding Hong Kong permanent resident students pursuing undergraduate studies in the United Kingdom, and is currently primarily offered by the following two designated universities:

1. King's College London
Scholarship amount: approximately £15,000 per year.
Number of places: 2 students per year.
2. Christ's College, Cambridge University
Scholarship amount: approximately £8,300 per year.



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THE UNIVERSITY OF HONG KONG

121st Congregation 1984

The Hon. Michael Graham Ruddock SANDBERG

Doctor of Laws *honoris causa*

CITATION

Mr. Pro-Chancellor, “Whenever you commend, add your reasons for doing so; it is this which distinguishes the approbation of a man of sense from the flattery of sycophants and the admiration of fools”. So said Steele, and it is my task today to give our reasons for commending the Honourable Michael Graham Ruddock Sandberg to you.

As you know, Mr. Pro-Chancellor, Mr. Sandberg is a banker, yet not from boyhood ambition. Indeed, with the independence of spirit which a child often shows, the young Sandberg, seeing his own father return daily from work at the Bank of England, resolved to be something different.

This resolution was first kept. During the very period in which the Bank which he was later to join was beginning to try to recover from the calamities of war and the Japanese invasion of China, he left school at the end of the Second World War, and at the age of eighteen joined the army. He saw service in the Sixth Lancers on the North West Frontier, protecting civilian traffic against the marauding Pathan, and in the King’s Dragoon Guards in Palestine and Benghazi.

Compare a life at the banker's desk with that of the young officer hunting to hounds on the edge of the Libyan desert, with the elusive golden jackal as his prey.

But the boyhood idea that the profession of banking lacked adventure was soon left behind. At the age of twenty two, he had joined the Hongkong and Shanghai Banking Corporation in London, and six months later took the five day trip to Hong Kong by flying boat. This was May 1949, three months after the arrival in Hong Kong of another of our honorary graduands, Joyce Bennett, who - for her part - had arrived by the slow boat. At that time, the saying was that if you threw a stone in the streets of Hong Kong you were sure to hit a missionary. These days, they say, you would be more likely to hit a merchant banker on his way to Bermuda. I do not necessarily suggest, Mr. Pro-Chancellor, that in Hong Kong in 1949, you would have seen Mr. Sandberg throwing stones at Miss Bennett, nor in 1983, Miss Bennett throwing them at Mr. Sandberg.

Yet theirs are very different professions, and Michael Sandberg had chosen the profession of money. The great English philosopher, Francis Bacon, Viscount St. Albans, Lord Chancellor of England, said: "money is like manure: of very little use, except it be spread". And the purpose of this spreading was clear in the philosophers mind. He wrote: "Two things are to be reconciled. The one, that the tooth of usury be grinded, that it bite not too much; the other, that there be left open the means to invite moneyed men to lend to merchants, for the continuing and quickening of trade". These words, Mr. Pro-Chancellor, do something to characterise the role of this bank in the development of Hong Kong, and the role of this man in the bank.

For the bank itself, its loan policy was one factor which helped it to recover from the second calamity of losing its interests in China again in the late 1940s; for Hong Kong, the bank's loan policy was a factor in the miraculous development of the territory's economy. Returning to Hong Kong from spells in Singapore and Japan, Michael Sandberg found himself in 1958 at the centre of this crucial work, being responsible successively for import and export. His loans to local industry ran from watchbands to wigs.

Hong Kong prospered, the bank prospered, and Michael Sandberg prospered. This was Top Fortune for some, and a Rice Bowl for many. It was, we might say, a happy Quinella for Hong Kong. But the "quickenning of trade" by such a man of ambition, known for his quick thinking and his sharp decisions, known to for his love of Shanghai crabs, and his openness to local friends - this quickening of trade had its dangers. As Bacon also remarked, "the tooth of usury must be grinded, that it bite not too much". More clearly put, there comes a point where a financial structure that favours the quickening of trade can favour also exploitation, and plain cheating.

Michael Sandberg has always been vigilant and outspoken in defence of his own conception of what moral standards mean in the world of business and finance, and in condemnation of what he saw as abuses or dubious practices. At the height of the Stock Exchange boom of the early 1970s, and before its equally dramatic collapse, he made a savage attack on the relevant regulatory bodies for their failure to prevent the floating of "lap sap" companies, shells with no intrinsic value. This was, after all, a form of cheating, with small investors as the main victims. In 1980, at the height of the property boom, he argued that the government's land release policy was ill-adapted and short sighted, and that the land should be released much faster to lower its price, and to provide more, better and cheaper housing. Were these not wise judgements? It is perhaps hindsight for us to recognise their wisdom; but it is a more direct matter to recognise their integrity.

It is an integrity which may be connected to Mr. Sandberg's record of public service: as Chairman of the Hong Kong Society for the Protection of Children, Treasurer of the Queen's Silver Jubilee Appeal Fund, President of the Community Chest, member of the Council of the Outward Bound Trust, and the Hong Kong Red Cross Advisory Council, trustee of the

Croucher Foundation, Vice-Chairman of the Hong Kong Heart Foundation, of the Arts Festival Society, Chairman of the Jockey Club, President of the Society for the Relief of Disabled Children, Treasurer of this University, member of the Executive Council. All these posts Mr. Chairman, held now or earlier, and many more numerous to list further, show a man undertaking public service beyond any call of routine or role playing or ordinary duty. Yet this is a man who has gone on record with the words: "I am not a person of great altruism".

Mr. Pro-Chancellor, we may feel justified in attending not to these words, but to those deeds. As Mr. Sandberg might have heard said by the nomad Arabs of the Libyan desert, where he hunted there many years ago: "the clouds may promise what they will, but only the rain brings fertility to the earth". Mr. Pro-Chancellor, to the extent that we flourish here today, it is partly due to such refreshing rain, or - in Francis Bacon's terms - to such manure, to that adventurous effort for prosperity which Michael Sandberg represents, and which he has pursued according to a clear conception of its moral strengths and dangers.

Mr. Pro-Chancellor, for his service to the University as its Treasurer since 1977, and for public service in Hong Kong, I present to you the Honourable Michael Graham Ruddock Sandberg, CBE, JP, for the award of the degree of Doctor of Laws *honoris causa*.

Citation written and delivered by Professor Francis Charles Timothy Moore, the Public Orator.

