

For me, there is no question that Hong Kong is one of the world's most wondrously livable cities. Be in no doubt, I feel very strongly about this. After 30 years of adopting Hong Kong as my home, I would challenge anyone to claim that - on balance - any other city can deliver the same combination of virtues.

So you can imagine the sense of perplexity, verging on outrage, when three quite separate organizations recently published "livable city" indices that left Hong Kong stumbling along in the deep penumbra of "also ran" cities. Something clearly was amiss.

This synchronized triple assault came to my notice first in the idiosyncratic UK style magazine *Monocle*, which ranked Munich, Copenhagen and six other European cities in their top ten livable cities, letting in just Tokyo (Tokyo?? Livable?? I always felt that was a contradiction in terms) and Melbourne (reasonable choice). Whether Europe's cities look as smug in five years time after the deep government spending cuts and tax hikes now being implemented to fend off bankruptcy can only be guessed.

Monocle alone would of course have given me few palpitations. After all, it is very breathlessly contrarian, and includes wonderfully evocative but opinionated factors like "mallification", outdoor sitting areas, and a Zara and Starbucks "chain test" that discriminates against cities that have lots of them. Editor Tyler Brule also seems to have a love affair with Munich airport, which would not rankle if I did not have my own irrational love affair with Hong Kong's airport, and with cycling - which may be fine if the other choice is driving a car, but is a profound eccentricity in steamy, mountainous Hong Kong where everyone uses excellent public transport, and only 28% of the population bother to have access to a car.

But after *Monocle* came *Mercer*, the very worthy human resources consultant which developed its “Quality of Living” rankings to help client companies select preferred locations for overseas operations, and to tell them whether or not they were sending an expatriate to a hardship post deserving of a “sweetened” salary. To find Hong Kong wallowing down in 71st place, just above San Juan in Puerto Rico, came as a bit of a shock. Again *Mercer* shows a strong European bias, with Vienna in its top slot, and a total of seven European cities in the top 10. But if *Mercer* is counseling on best locations to serve Asia, its clear preferences are Vancouver or Auckland (equal 4th place), or Sydney in 10th. These too are among my own favourite cities to visit, but to operate a business focused on Asia?...Joke.

The final and fatal assault came from the much respected *Economist Intelligence Unit* (EIU) whose Global Livability Survey put Hong Kong down in 31st place (interestingly, just a few notches below Munich, so loved by *Monocle*). I say fatal because at last I was forced to capitulate. Here, I was able to wade through a methodology that painstakingly and transparently explained why it put each city where it did. Here I was able to work out why Hong Kong gets marked down – which of course is the important first step towards doing something about it.

For the EIU, Hong Kong scores brilliantly by stability measures, education measures and infrastructure measures. It slumps in culture and the environment (no surprises here), and in healthcare, where public healthcare provision was regarded as just “tolerable”. I am reminded that many westerners simply cannot fathom how Hong Kong people can actually enjoy high-rise living. Perhaps the one source of comfort here is that Hong Kong remains head and shoulders more livable than alternative locations for serving the Asian region - Shenzhen ranked 82nd out of 140 cities, while Shanghai ranked 83rd and even Singapore ranked 53rd.

Of course, the real “takeaway” from these various rankings is that they vary widely depending on the factors you choose to determine livability, and how you weight each factor. This makes both Mercer and Monocle controversial and of limited use, because neither is transparent about their methodology. This makes me realize that many of the reasons I see Hong Kong as one of the world’s most livable cities are simply not appreciated in the same way by others. Germans don’t seem to mind that all the shops close at 8.00pm, and don’t open on Sundays. These quality of living boffins seem not to appreciate how wonderful it is to have just a 25 minute journey from my busy Central office to high mountain trails, and swimming over coral in Clearwater Bay. When complaining about the lack of quiet little squares, they forget the astonishing mountain panoramas all around us, and the thrill of sunset ferry rides to Tsim Sha Tsui or further afield.

The second takeaway is that these Quality of living indices measure factors that may matter very little if your company is looking for the best place to base operations to serve needs in Asia. Yes indeed, Auckland or Melbourne may be wonderfully livable cities – but they rapidly become “unlivable” if you are spending half your year on aircraft shuttling between hotel rooms across the region.

The third takeaway is that in spite of the manifest shortcomings of these rankings, they still have tremendous force. This may be why austerity-smitten Foreign Ministries across Europe may be considering closing or cutting back on their consulates in Hong Kong (the Norwegians closed in 2003, while the Danish consulate is planning to shut up shop and move to Guangzhou in 2012), and Hong Kong-based heads of multinational companies complain about constant pressure to relocate away from Hong Kong.

At this level, such rankings clearly need to be taken seriously. Talk to Invest Hong Kong or the Trade Development Council, and it is definitely a worry that European and US business leaders are being told that the quality of living in Hong Kong sucks. If this means headquarters don't settle here, it means the financial, legal and accounting services that support their Asian operations also don't settle here, putting in serious jeopardy Hong Kong's aspiration to be Asia's "world city".

Obviously we must do two things: we must do a better job of getting the message out about how utterly livable Hong Kong is; and we must do a better job improving the environment, air quality in particular. The Government says it is doing what it can. It is not doing enough.

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