

Millionaire Parents, Millionaire Sons

Secret tools to achieving
financial freedom,
managing your time and
raising successful children

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INTRODUCTION

The purpose of me writing this book is to find the common characteristics of good parenting, and summarize in a simple manner for easy adoption and duplication. I agree with the saying: ‘the clever one learns from his own mistakes, while the wise one learns from others’ mistakes and experience.’ I believe in learning from other successful parents and I take initiatives to get to know them. A few precious tips from them really shortened my learning curve and helped me save a lot of time. It does take “a village” to groom a child to join the top 20%, so do ask for help!

What surprised and impressed me is that the vast majority of parents are willing to share, and most of the teachers and educators are always ready to offer help and advice. Make a point to attend all the relevant workshops: the few hours you spent there can possibly save you months of exploring by yourself, and help you to avoid all the common pitfalls that others have experienced before you. Many people study every word and act of Warren Buffet, hoping to pick up a point or two that might help them become a millionaire. So if raising “successful” children is important to you, learn from those who have walked the path well. Don’t just delegate to the teacher and hope for the best.

I like planning. Therefore, having children give me a lot of practice to plan LONG term, 20-30 years down the road. The purpose of such planning is not to determine the

life of my children. It is for me to strategize, to lay out a roadmap, and to plan checkpoints along the way. It is just like going on a vacation and boarding a plane. You need to know where you want to go and that you are heading towards the desired destination. There are bound to be changes and disruptions along the way: a change of mind or priorities on your own part, or uncontrollable external factors such as bad weather, overbooking, flight cancellations or delays that will cause frustration but have to be accepted positively as part of life's journey.

My friends and family sometimes refer to me as a "planning freak". I find it surprising that few people around me like to plan far ahead early in their lives. Most people have an attitude to "wait and see" how things turn out and then taking life as it comes, accepting whatever happens as destiny. So was I surprised to discover that, for many of my sons' classmates with high college aspirations (the 20%), their parents go even further and deeper than me in advanced planning? Absolutely not!

While you might usually associate that type of behavior with Chinese, Indian and Korean parents, WASPs are doing it with better knowledge of the rules, with a better system, and executing it with more class or in a way others don't even know they are doing it. For the established class, they already have the home-ground advantage, grooming their children from a young age. What is the chance of beating them at their own game if you don't plan and prepare to do so before the game starts? So in short, the moral of the story is that if you fail to plan, then you plan to fail.

There is a common saying that 'it's not about the amount of time but the quality of time' and I would add that 'it's not the quantity of instruction but the quality of your instruction'. To illustrate my point, the role of a sports coach is to make the players shine. The sports coach does not play in the match. And with so much time to practise game skills, the player should soon be as good as - or better than - the coach! So it's never about the study skills or getting the right answer to an examination question.

I believe that children are a natural reflection of the parents and I learn so much about myself from observing the way my children act and the things they say. Children will always follow what the parent does, not what the parent says. That's why I became much more mindful of my every deed and word after having my children. So the reader might be surprised why I wrote a lot about myself, but the focus is always the possible impact and influence on the children.

Throughout this book, I have given my own input and opinions, based on my personal values and the experience I gained from raising my two sons. My views may at times seem unconventional or even controversial. But remember one important point: it works for me very well so it might work for you too! So at least be open-minded to explore and chew on it first.

Amy Yip



Part I

Achieving time and financial freedom



Chapter 1

My personal story



I was born in a wooden squatter hut in Hong Kong. After the hut was burnt down, we moved to a rented public housing flat which was provided by the Hong Kong government under the British colonial rule. I remember at the age of 4, I needed to help my mother carry buckets of water up and down the staircase as there was no elevator.

We lived in this flat until I got married. The size of the flat was only about 300 square feet and there were 40 families living in just one floor; one corridor. Six of us lived in this small flat which can only fit two bunk beds. So, I would sleep with my sister and my brother sleeps with my grandma in one bunk bed while my mother and father will occupy the other. Basically, we can listen to each other's breathing. And there was no writing desk in the house. My writing desk was my bed. The stool was my chair. But I was very happy.

My father was a storekeeper in a drug kiosk while my mother took on odd jobs including school cleaner and rubbish collector to help bring in some extra money for the household. She was young and beautiful; and she could have chosen other better jobs but she chose to collect rubbish as it gave her more time to take care of my brother, sister and me. She would go out to collect rubbish early in the morning and rushed back to make us breakfast. I wanted my mother to come home early; so I offered to help her. Initially, she didn't allow me to do so; but this was how I started to collect trash at the age of 8.

I was brought up in Hong Kong when it was still under British colonial rule. I went through a British education

system in local schools that were very much geared towards examination results and training of middle level administrators to preserve the system. There was little coverage of modern day history. Hence, it's no surprise that liberal ideas and leadership issues were nowhere to be seen in the syllabus.

My family was poor, and my dad made it very clear in my early teens that studying overseas would be an unrealistic dream that I should not even think about because he could not even afford a one-way airline ticket. It would be either a local university or go to work after high school.

As if to make the early part of my life even more challenging, I started to suffer from chronic asthma at the age of two, a result of my parent's lack of time and proper knowledge in dealing with a simple cold. From that time onwards, quite often I spent an average seven days per month seriously sick and immobile. Looking on the bright side, it was a great way to build my habit of high productivity, as I needed to accomplish a month's work in three weeks' time. It was sort of a miracle that I continued making good grades which stopped my dad throwing me into the job market, a norm at that time for poor families.

Even today, I cannot understand what drove me to excel at that time. All I knew was that the colonial government was not going to help, and my parents were not financially capable of helping me. I could only help myself by being more driven to a better life. I remembered assuring my mother that I would take my family out of poverty when I grew up and started working. Like almost all Chinese

parents, the classic advice was study hard and get good grades, which I did obsessively.

No one told me the importance of social skills so I did not know how to be sociable. To make things worse, my parents asked the school to exempt me from all physical education classes throughout the year due to asthma concerns. My mother would make me wear winter uniform way before the change in season, making me an easy target of ridicule. As a result, school life was no fun except for achieving my goal of entering into University of Hong Kong, which I jokingly referred to as the “Harvard of Asia”.

Due to my family’s limited finances, I realized that a professional degree like medicine or law would take too long, so I ended up taking economics and management. I decided that this would be the fastest way to bring in income and positive cash flow to support my parents and younger siblings.

The degree helped me secure my first full-time job with Bank of America, the biggest financial institution at that time, as a customer account officer in the loan department. It was not an easy start and I was probably the least polished and sophisticated employee in the department, which included a lot of people from a good background with all the right connections. The only thing helping me was my enthusiasm and a willingness to ask.

At the age of 24, I married my University of Hong Kong classmate and St. John’s residential hall-mate Gary. I was

among the first in my class and among my peers to marry. No one was optimistic about the two of us being together when we first started dating at the end of our second year in university. While other couples went to movies or picnics for their dates, Gary was regularly accompanying me to emergency ward if and when I suffered from my late night asthma attacks.

In a lot of ways, we were extreme opposites. My husband Gary was sporty, popular and kind of cool. He was from Shanghai and his family had been very wealthy, but lost everything during the Cultural Revolution. We hardly shared any common friends - not that I had a lot of friends to start with. Somehow, to everyone's surprise, we made it to the wedding altar before everyone else! My parents were not particularly pleased about my marrying early and to someone not established, but I decided to stand firm regarding the most important choice in my life.

My break came when my husband got a one-year overseas posting to Tokyo with Citibank, his employer at that time. I was faced with a choice of staying in Hong Kong and waiting for his return in a year's time, or breaking my career with Bank of America and go to Tokyo as a full-time housewife! My parents tried very hard to persuade me to stay, but finally I followed my heart and went.

After attending full-time Japanese language course in Tokyo for six months, I got so bored that I decided to find myself a job. Everyone told me that was a bad idea: in the early 1980s, a foreign lady with limited Japanese language skills would never find a decent opening in

the ultra-conservative and male chauvinistic Japanese corporate business world. Luckily, it was the beginning of a mega bull market in Japan, and foreign institutions were rushing in to exploit the opportunities arising from financial deregulation. There were simply not enough qualified foreigners in Tokyo at that time to satisfy the demand.

I managed to get two job offers: bond sales with Morgan Stanley and Japan equity sales with S.G. Warburg. I chose the latter, based more on instinct than rationality. My colleagues were all graduates of either Oxford or Cambridge, and I was the only Asian and the only female on the sales desk.

A year later, my colleagues got an offer from Baring Securities, then an up and coming boutique firm whose boss, Mr. Christopher Heath, believed that money was the best motivator. Incredibly, the team asked if I would be interested to join them. It was the first time I truly experienced the phrase 'the trend is your friend'. Till then, I did not believe that life could be so easy, as experiences in Hong Kong had always been so hard. Suddenly, an equity sales trainee got a triple increase in basic salary without doing much! Only later on when I had the money and time to consult Feng Shui masters did I realize that my fortune lay in places outside of Hong Kong.

I did not disappoint my bosses. Honestly, money was a great motivator for me. I single-handedly enrolled big clients like Government Investment Corporation of Singapore (GIC), Malaysian Central Bank and Brunei Central Bank, and a number of private and corporate speculators from

Hong Kong and Taiwan. The entire world's attention was on Japan and the Nikkei stock market. I was doing the right thing, at the right place and at the right time!

I rose to become the Regional Sales Director and when I was pregnant with my elder son Colin in 1988. I told my boss that I wished to give birth in the United States, due to the uncertainty of Hong Kong's return to China in 1997. Not only was my wish granted, but the company also paid for all the expenses, from medical to rental to air-ticket. I must say I had never felt so important in my life. Together with my husband's income as a Head of Foreign Exchange Trading, we lived quite a lavish life in a big house and drive flashy sports car.

Unlike preparing for our career, where we study for years and often change our minds, raising a child is more like cycling. You have a rough idea picked up from some pre-natal crash courses or word of mouth personal coaching from one's parents and relatives. The rest of the journey is very much learning through a 'comedy of errors' and occasionally some serious falls. Probably the biggest confidence booster is the fact that so many people have done it and survive, so why should we be any different?

The main reason why I wanted to have children was because I felt it would be an integral part of my marriage and as a woman. Otherwise, I would not know what I might have missed. As a career woman in Japan's securities industry, I knew having children would be demanding on my time. But with full support from my mother and my husband, I chose to go ahead in a bull market when everyone was in a happy and jolly mood. Furthermore,

according to the Chinese Zodiac, the year of the 'Golden Dragon' occurred in 1988. This astrological sign can only occur once every 60 years and it is said to bring good 'feng shui' and prosperity. With the uncertainty of what motherhood might bring except long hours of labour pain, all these made-believe reasons did help mentally!

As it turned out, I was not the only superstitious Asian. More than a third of my husband's married colleagues ended up having children at or around that period, creating havoc for staffing and holiday schedules. After six months of trying and no sign of success, the stress level was higher than trying to close a mega deal. It was like having to wait for the market to turn in a favourable direction. I cancelled all my business trips, evening appointments and had a 9:00 p.m. evening curfew for my husband. Fortunately we succeeded three months before the "deadline", helped by the breaking of my water bag while chasing taxis in New York City during a business trip! Looking back, it was such a reckless thing to do but it was just the beginning of a 'comedy of errors'.

Born six weeks early with jaundice, my elder son spent his first week of life in the hospital. We had a daily schedule of two to three visits to the hospital, preparing breast milk in container bottles, adjusting to the wintry cold of New York, and on top of that we both experienced a lot of worry and self-doubt as new parents. Even though the doctor and everyone else ensured that my child would be healthy in a few days time, the (near-impossible) worst-case scenarios kept popping up in my mind. Only later did I find out that it was a very common symptom of 'baby

blues' which happened to a lot of post-delivery mothers even if their child was born healthy.

The negative mood was gone when my child was finally discharged on Thanksgiving Day. Carrying our little baby on the way to dinner, we were greeted with so many well wishes by passersby that I felt New York was a city full of warmth and generosity, contrary to her image in the 1980s.

Then I went on to do things that I would definitely advise my future daughter-in-law not to do, such as taking a 1-month old baby on a long distance flight, causing discomfort to the child and inconvenience for other passengers. Once I was back in Tokyo and found that some of my clients had moved, I decided to go back to work immediately, less than three weeks after delivery. That was the harsh reality for people in the competitive financial industry where people had very short memories of you had done for them previously.

Of course, looking back, I would never trade my health and precious time with my baby for a few more orders. Only later did I learn about the traditional Chinese wisdom of a minimum of one month's confinement. While we may not notice when we are young, our body will pay the price later if we do not have adequate and complete rest after delivery. For a detailed explanation, I highly recommend everyone who understands Chinese to read 庄淑芹博士“坐月子的方法” (Prof. Zhuang Shu Qin's confinement book).

I breast-fed for only three months, even though the original plan was to do that for at least half a year. Long working hours and high stress level took a toll on the quantity of milk that I could produce. I started to realize that increasing my work place efficiency alone would not allow me to do a good job as a mother. It was not only about the time: it also required my mental and physical health aspects to be in tune as well. Not being a person who gives up easily, I kept on pushing. An obvious short-term solution was asking my parents for help, and they happily agreed to do so. With their experience in raising children, they relieved most of my duties in looking after my child.

However, the issue was that in certain areas I did not agree with their way of raising children. For example, I preferred my son to sleep in his own crib instead of co-sleeping, and I invested in the latest baby-monitoring machine. Yet, grandma held him tight in her bed where he slept every night. Grudgingly I had to bear with it as it provided immediate comfort for all parties, including myself. Like most working mothers, I had too many balls to juggle to think about what would happen long term by not doing the small things right. Two events, however, changed my stance of staying with the status quo and “hoping for the best”.

Many parents have told me before and I also relayed the same message to others: if you have a boy that is normal and mildly active, be prepared for accidents. While playing various sports at school, my sons experienced broken

noses, legs, fingers, knees and injuries to their heads, spines, shoulders and toes. And they actually faired pretty well compared to their teammates!

The first incident was a head injury suffered by my 2-year old son when he fell over in the front yard. It occurred when my parents were back in Hong Kong and one of my cousins was baby-sitting. When I rushed to the hospital from work and saw the doctor putting stitches on my son's head, I suddenly started crying uncontrollably and was asked to leave the room. I thought I was crying due to worry for my son but it was actually an excuse for relieving my stress after months of extreme intensity at the workplace: the Nikkei stock index was making the final exhausting climb to its historical high and like every other major top and bottom in the financial market, emotions were running high with huge amounts of money made or lost every day.

I needed to be 100% focused on the market, and interruptions like a phone call informing me that my son had a fall were simply unacceptable. That night I had a dream about shopping for a playpen, which could contain my son for 15 hours a day till my return from work.

The second incident was when I realized that my elder son did not show much reaction when I left the house for work, but often threw a tantrum when my mom or the nanny left the house for grocery shopping or just to dispose the rubbish. This was definitely not something I like. I very much wanted to have a close relationship with my son. I remember convincing myself that once the

market quiet down a bit, I would have the mood and time to bond with my son and everything would be fine.

The Japan stock market did stop going higher but the move down was even more ferocious. The initial plummet was great for market insiders as the volatility provided ample opportunities for making a small fortune within a very short period of time. But when the market stayed “down and ugly” and more people realized that the only thing left for the bulls was just wishful thinking, many people turned ugly as well. I started to see some of the worst attributes of human behavior to exacerbate the daily stress and work intensity.

I was feeling particularly low one day when a woman who was both my client and close friend cut her losses on her Japan stock portfolio, but then a flash of ingenuity struck me: what a great time to have my second child. This would give me a legitimate excuse to stay away from all the long faces and unwarranted temper flares in the office. Moreover, the Year of the Golden Monkey would be due in a year’s time! But most important of all, it was the perfect age gap of 2-3 years between the two siblings. Not too close to cause potential rivalry, nor too far apart to limit close affinity.

The first pregnancy had been easy and I worked till the day before delivery. My child survived even after I did some stupid things like chasing a yellow cab in New York City till my water bag broke. So I took it for granted that every pregnancy would be trouble-free. It was a rude awakening to experience my first miscarriage: I began to appreciate the preciousness of each and every life.

I felt that a part of me was lost with the miscarriage. After being down for a few days, I figured the best way to shake off the blues was to immediately try for another pregnancy. This time round, I was extra cautious, cancelling all my overseas trips and evening entertainment. I changed my daily diet to include homemade soymilk, highest-grade omega fish-oil, walnuts and a lot of fruits and vegetables. The pregnancy went smoothly and all the signs were perfect, except that it was overdue for three weeks!

There were two false alarms when I went to the hospital, only to be sent home a few hours later. This was frustrating for someone who always wanted to get things done according to a planned schedule. I felt clumsy moving around as my weight and belly size increased beyond a bearable limit, but my baby seemed very content staying inside my womb. Now I really believe that every pregnancy is different. The rewarding part of this long wait was a smooth and natural delivery and a very healthy baby.

I tended to worry unnecessarily a lot about my first child due to inexperience. For example, when Colin started walking before the normal age, I worried that it would affect the development of his bones. When he was not talking by two and a half years old, I was concerned with his speech ability and brain development. With the second child, I was more relaxed when something did not happen perfectly on time.

I found it fascinating that there were quite a number of differences between my two boys. For example, my elder son finished his milk within five minutes but his little

brother could sometimes take an hour, frequently falling asleep in the process. On the other hand, my younger son started speaking very early and was so eloquent as a child that family members and relatives gave up trying to win an argument with him. We usually cut off the discussion with the words, "It will be a waste of you not becoming a lawyer." (Lo and behold, he is studying a double degree in law and business now!)

Seeing his early potential, I kept on reminding him that it would be fine to lose a few discussions. There was no need to win every argument at the risk of losing friends. If he is to be a lawyer, I very much want him to be a lawyer with heart and compassion.

Common to most new mothers, I bought way too much baby stuff for my first child. Some of those items, like shoes and socks for infants, were a complete waste. But the one thing I found to be an absolute must was cloth-diaper. Some seniors recommended to me when I was looking for a solution to my son's rashes. After a few days of usage, the rashes were completely gone. Cloth-diaper has the additional benefits of being eco-friendly, cost effective and most important of all, allows the baby to be aware of what's happening physically.

I am not a big fan of toys. There were two toys, however, that I found to be extremely useful as well as fun for everyone when my children were toddlers (around one and a half years old). One was a flash-card system whereby the adult would show a card with a word on it and the little guy would go and fetch the item. Each

time the child got it right, the adults would applaud and utilize the power of recognition. It was a great tool for the toddler's brain development, prepare them for the joy of reading later on and provide close interaction between the parent and the child.

The second toy was an indoor climbing rack; with a height triple or quadruple that of a toddler. This is an exceptional tool for young children to develop motor skills, confidence and to overcome fear. It was a great joy to watch my sons' beaming smile every time they conquered a higher step.

During my pregnancies and my sons' early childhood, I must thank those who had helped me. After all, I was working full time and I was going through a challenging period learning how to be a parent. My mother came all the way from Hong Kong to Tokyo to help me, even though she did not speak a word of Japanese, not even English nor know anyone at all in the whole of Japan. She helped establish a healthy daily routine for the children: regular sleeping time, consistent 3-meal schedule and early toilet training. I think all these are fundamental basics easily overlooked by many people.

I also greatly appreciated Tokyo hospitals' and my gynecologist's insistence on natural birth and minimum use of medication. It contrasted with my delivery experience in the States where an anesthetist was called in early to minimize my contraction pains. Tokyo's nursery school system was surprisingly efficient and accommodating to 'gaijin' (foreigner) kids and parents. It was a great experience for both of my sons, where they

learnt to build rapport with other kids in the absence of a common language, now called “Third Culture Kid”. It is a valuable life skill.

My most amusing incident as a mother happened at a high-end Tokyo department store’s grand bargain sale. I was so happy and focused on shopping that I only realized my little boy was missing when I saw the empty car seat on the way out. Upon rushing back, everyone was amused to see, Gabriel contentedly playing at a quiet corner with various wallets taken down from the shelves. I was thinking at that time that the boy might grow up loving money. Later it turned out that Gabriel is very careful about spending money.

Special thanks must be given to a number of teachers who not only inspired my children at an early age to achieve their best but also energized the parents to do a better job. It was especially important at that time of my inexperience and ignorance regarding parenting.

The one case that I recall most vividly was some homework set by my elder son’s Primary One class teacher, Mr. David White. He requested the parents to write down in detail what their child would be like at the age of 18. The exercise really got me thinking what kind of person I would like my sons to become when they grew up. Naturally it evolved into my aspirations for them, as well as a self-assessment of what I was doing and whether that was in agreement with my aspirations for my sons. I still keep the list with me and I am happy to say that everything I wrote down has become reality: possessing leadership qualities, being

sociable, strong, sporting, adaptive, responsible and great men in service to others.

In addition to the power of visualization, I think one of the most important factors was my decision to take the short-term pain of making a complete career change. While I believe I could have done well in my job and have my sons as straight "A" students, I doubt very much in contributing to their character development if continue working full time. If I was always tired, stressed, tensed, short-tempered and absent (all the common attributes of people working in the finance industry), how could I ask my sons to be grounded, compassionate and composed? Children will look at what you do, not what you say they should be doing. I would like my sons to be all-rounded students who are happy and have a lot of friends.