

Why so many millionaires are fleeing China, by hook or by crook. Or by jet-ski

[Peter Hartcher](#) October 8, 2024 — 5.00am

The people of mainland China have a name for it: Runxue. It means “runaway-ism” or “the study of running away”. That is, running away from China.

The rich and the connected [have been doing it for years](#), getting out while they can before the political situation turns against them. More millionaires are fleeing China than any other country. Last year, some 13,500 people with investible wealth of over \$US1 million left China, according to Henley & Partners, a British migration investment consultancy.

And this year: “China is again on track to be the biggest millionaire loser globally, with an anticipated net exit of 15,200” in 2024, said the firm. The favoured destinations are the US, Singapore and Canada, though Japan increasingly is popular.

A few years ago, incidentally, Australia was their No.1 choice, but tighter foreign investment laws here and increased scrutiny has made the place less appealing.

Among this millionaire class, an extraordinary 36 per cent

said their family members were considering emigrating, according to a survey by the Hurun Chinese Luxury Consumer Survey released in March. That's up by 6 percentage points in a year.

Guess what the rich do when they leave China? They take a lot of money with them, despite capital controls designed to prevent this. Since the pandemic, the amount of private capital that has left China through legal and illegal means has risen. In the third quarter of 2022 alone, a stunning \$US738 billion fled China, or around \$US8 billion a day, estimates the Council on Foreign Relations, a US think tank.

But the trend has spread into Chinese society far beyond the wealthy. It's become increasingly popular in a country suffering tightening repression, disappointing economic outcomes and a disenchanting younger generation.

Among younger people, a COVID-era sense of hopelessness led to the "lying flat" phenomenon. "Lying flat", explains the *South China Morning Post*, is "a social protest movement", "referring to the idea of just doing enough to get by" but making no effort. This was a startling rejection of the famous Chinese work ethic.

More recently came the more extreme "let it rot" trend. The *South China Morning Post* again: "But now, some Chinese youths are 'letting it rot' by not even attempting to participate in society to begin with."

Now young Chinese are turning to “runxue” to escape their problems. They are increasingly joined by middle-class families who’ve lost confidence in China’s promise of prosperity. After three years of [ever-falling real estate prices](#), many have concluded that the great pathway to wealth and comfort, which functioned reliably for half a century, is now closed.

“For China’s eager emigrants, the FOMO is real, and a move overseas may be now or never,” read a June headline in the *South China Morning Post*. The article went on: “Middle-class Chinese with means to move abroad see closing window of opportunity as countries tighten immigration policies, and the race is on as applications surge.”

Another category of escapee from China is the political refugee. The number of Chinese citizens seeking political asylum overseas climbed to 120,000 in 2021, says the UN High Commissioner for Refugees. That’s a twelvefold increase over the term of President Xi Jinping, whose repressiveness increases relentlessly as he moves China steadily backwards towards the political philosophy of his hero, Mao Zedong.

Xi’s hypersensitivity to criticism showed itself in the [ban on any reference to Winnie the Pooh](#), said to bear a resemblance to the president. But censorship and control has gone from the ridiculous to the truly mad. Even criticism of the economy is now illegal.

A prominent economic adviser to the Chinese government disappeared in April after criticising economic policy in a private WeChat message. [Zhu Hengpeng](#) worked for the Chinese Academy of Social Sciences, a quasi-government research and advisory body. Although his real crime might have been to refer to Xi's "mortality". Heaven forbid, Xi could be human!

There are signs that the authorities are increasingly worried about the rush for the exits. One indication: between 2018 and July of this year, China's government imposed five new or amended laws to allow the use of exit bans, making a total of 15 such laws, according to a report by Safeguard Defenders, a Madrid-based, non-profit that monitors human rights in Asia. The title of the report: "Trapped".

As a result, there is desperation in some of the efforts to escape. A headline from a Safeguard Defenders report last month: "China's exit bans are now so extreme that one man escaped on a jet-ski" to South Korea. Yet the restrictions on leaving the country continue to widen. This week London's *Financial Times* confirmed that all schoolteachers in China have been ordered to hand in their passports. If they want to travel abroad, they must apply for permission.

China's so-called "personal travel abroad management", allows local government officials to control and monitor who can travel abroad, how often and to where, reports

the *FT*, and adds that staff at state-owned enterprises are facing the same order to surrender their passports:

"The restrictions are hitting retirees as well," says the *FT*. "A 76-year-old who retired from a state-owned aircraft maker more than 10 years ago said his former employer took his passport back this year for 'security reasons' and barred him from visiting family abroad."

Radio Free Asia, which first reported the ban on teacher travel in July, went further. Not only teachers but even school students appeared to be coming under travel 'management' in at least one high school – class monitors were told to compile lists of all fellow students who possessed passports, and submit them to the school.

A professor of Chinese politics at Toronto University, Lynette Ong, wonders in Japan's *Nikkei* newspaper this week what has happened to Xi's vision of the "China Dream" of the "great rejuvenation of the Chinese people".

"On-the-ground evidence now suggests an increasing number of Chinese people no longer buy into his vision," she concludes. Xi's invitation to a dream seems now to be trapping people in a nightmare.

Peter Hartcher is international editor.