Contents

APRIL 18, 2005

98 Last Laugh

How Hyundai's carmaking prowess went from punchline to powerhouse—and is shaking up the world's auto industry. By Joann Muller and Robyn Meredith

106 When the Bond Party Ends

A worrisome chunk of Barclays' earnings rides on bond underwriting. What will happen when rates rise—and bond issuing goes south? By Michael Maiello

138 Russian Roulette

Soccer purists chortled when Roman Abramovich bought financially crippled Chelsea. Turns out the Russian billionaire just raised the stakes for everybody. By Jack Gage

148 The Dreamer

Long on moxie and short on money, an American-born do-gooder crusades for defendant rights in a reluctant China. By Robyn Meredith

152 Drinking to the Dollar

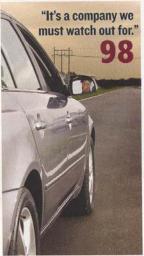
How distiller Brown-Forman gets rich by exploiting the greenback's fall—and pushing its brands abroad. *By Matthew Swibel*

158 Up From the Rubble

Can \$2,000 loans help revive a war-torn economy? Entrepreneurs in Bosnia and Herzegovina are putting microfinance to the test. *By Kerry A. Dolan*

- 164 The Forbes Global 2000
- 167 Special Foldout The Top 100
- 172 Top 50 in Sales, Profits, Assets and Market Value
- 174 Rankings 101-2000
- 183 Special Foldout The Best ... and Worst
- 232 Index









The Dreamer

Long on moxie and short on money, an American-born do-gooder crusades for defendant rights in a reluctant China | By Robyn Meredith

> Asking for it: Karen Tse has raised money from the powerful to help the powerless in Asia.

Changing China

S A GRAD STUDENT AT
Harvard five years ago,
Karen Tse drafted a
business plan for an
impossible dream: She
wanted to form a charity to push defendant
rights in China, a

booming market where political enemies are thrown in jail and suspects are urged to confess to avoid a beating. Tse, 40, started her nonprofit, the grandly named International Bridges to Justice, on her own dime in 2000, basing it in Geneva and blowing through most of her savings. In 2001, when a helpful professor at a Chinese university in Beijing lined up her first meeting with the chief of the government's legal aid program, Tse had to use a \$5,000 donation from an old friend to make the trip.

Since then Tse (pronounced "Cheh") has led a staff of eight on a budget of \$800,000 a year. She started out with not a single contact in China and little ability

to speak Mandarin. Yet she has parlayed an abundance of moxie and tread-lightly charm to pull off a number of small victories that would have seemed all but impossible in China a few years ago. Her group has trained hundreds of public defense lawyers, opened spartan lawyer-training centers in Beijing and Anhui Province and distributed thousands of posters informing people of their guaranteed rights.

"We are at a unique time in history because there is so much we can do," says Tse. China's bulging economy makes this an ideal time to advance defendants' rights. "China is moving forward."

Yet China remains one of the world's most obstinate abusers of basic human rights. It didn't outlaw police torture and threats until 1996, when it also dictated for the first time that defendants have the right to a lawyer and are to be presumed innocent until proven guilty. In mainland China dissidents are routinely arrested and held incommunicado, according to a

recent U.S. report. Members of Falun Gong, a dissident movement the Chinese government views as an "evil cult," are beaten, tortured and brainwashed; tens of thousands have been imprisoned or detained in labor camps. And though China's laws are improving, "the Shanghai judicial bureau is locking lawyers up" when they press too hard in defending the accused, says Jerome Cohen, a China scholar at New York University.

Karen Tse, undaunted, focuses on the positive. She is spunky, relentlessly perky and less than 5 feet tall, an unabashed optimist wary of saying anything that might miff her China contacts. She has lined up big donations from the billionaire financier George Soros. A professor at Harvard's Kennedy School of Government may do a case study on Tse's efforts. "She's a spark plug," says Robert B. Oxnam, president emeritus of the Asia Society in New York and a professor at Beijing University. "She's like Tinkerbell—she goes into rooms and lights them up."

Her dream of a nonprofit rights group evolved from a childhood nightmare. One of three children born to Chinese parents who had immigrated to the U.S. from Hong Kong in the 1950s, she grew up hearing harrowing tales of rights abuses in Asia. "Sometimes it seemed so hopeless," she says. By age 8 Tse started having a recurring dream that she was witnessing a prisoner being tortured but was powerless to help him.

As an undergrad at Scripps College in Claremont, Calif. she wrote outraged letters demanding fair trials for political dissidents around the world. In 1986 she got accepted to UCLA's law school and Harvard's divinity school, but she deferred enrolling at either to take a one-year scholarship to work for "the forgotten people" at refugee camps in Hong Kong and Thailand. She returned to the U.S., graduated from UCLA law school in 1990 and spent three years as a public defender in San Francisco.

Then she went back to Asia, working in Cambodia to help rebuild the justice system destroyed by the brutal Khmer Rouge regime, which had systematically murdered thousands of lawyers, judges and other intellectuals. When she arrived in 1994, only 10 lawyers were left in a country of 13 million people. She helped train 25 Cambodian public defenders, the first ones in the country's history. And that is when Tse's childhood nightmares began to fade.

While there she visited a prison and met a boy who had been jailed and beaten, with no trial in sight. "When I looked into his eyes," she says, "I realized that for all of those years I wrote letters on behalf of political prisoners, I would never have written one for him because he wasn't a political prisoner—he was a 12-year-old kid who stole a bike."

She wanted some big, powerful group to crusade for defendant rights across Asia but found no takers. Thus when she enrolled at the Harvard Divinity School in 1997, she began devising the business plan for International Bridges to Justice (and later became an ordained minister in the Unitarian Universalist Church). When she formed IBJ in 2000, experts, friends and family told her she was crazy to tackle the rights issue in China; her

mom and dad even refused to make a donation (they later gave \$10,000).

In 2001, two days before she was to leave to make her first official trip to meet the Ministry of Justice's legal aid chief, Gong Xiaobing, he tried to bail out. "I just need 15 minutes," she told his staff, insisting she would drop by anyway. He relented, and when she arrived from the airport, he took her out for Chinese food at a local restaurant. At dinner he declared: "I

ROUNDTABLES, POSTERS AND SOME CONCESSIONS FROM BEIJING—THE SLOG OF DEFENSE WORK.

don't know exactly why, but I think I want to work with you."

Tse's group could set up in China, train lawyers and do other things in support of defendant rights, he offered, but for a price: Tse had to come up with 400 desktop PCs for government legal aid outlets setting up across the country. "My jaw dropped," she says—she hadn't yet raised any money, and IBJ had a staff of one: herself. Nonetheless she shot back:

"No problem."

A few months later she had signed a formal memorandum of understanding with the Chinese government, granting her nonprofit the right to train defense lawyers. But Tse then endured a year of fruitless efforts to raise money. Her friends kept telling her, "Get a job." Justice officials were growing impatient. "The Chinese were really, really angry, and they almost refused to see me," Tse recalls. "But I couldn't say I didn't have any money."

Friends threw a fundraiser for her in Hong Kong, and that led to a businessman giving her \$25,000; he insisted on anonymity, fearing China might retaliate against his business there. An even bigger break: Another attendee introduced her to a program officer at George Soros' Open Society Institute. The Soros group handed Tse a \$300,000 grant in the summer of 2002. "They took a huge risk on us—we had done nothing," she says. Smaller donations followed.

In early 2003, still searching for her 400 free PCs, Tse finagled an invite to the World Economic Forum in Davos, Switzerland. There she schmoozed with the merely powerful and the immensely wealthy. At one dinner she regaled her tablemates with the advances taking place in China, and—hint, hint—how public defenders there can't even look up cases online because they don't have computers. Sitting next to her was Michael Dell, the billionaire founder of Dell Computer.

An Accenture official took her aside, told her, "You need to ask people for money," and donated \$5,000. Afterward Tse worked up the nerve to ask Michael Dell and another Davos luminary, John Chambers of Cisco, for the same amount. "I probably could have asked them for \$50,000, but I asked for \$5,000, so they gave me \$5,000."

In the two years since, International Bridges to Justice has accomplished small but critical steps toward a better justice system in Asia. It has trained 500 legal aid lawyers in China and has begun similar efforts in Vietnam and Cambodia. It has produced a poster codifying defendants' rights; in the U.S. a single ten-item Bill of Rights in the Constitution makes it easy, but in China the rights are spread across myriad bodies of law.

So far half a million posters have been handed out, and they have been reprinted in the languages of China's most oppressed groups: Tibetan, Mongolian and Uigher. Last year Tse's group staged 49 roundtables of judges, lawyers and prosecutors to highlight the emerging role of lawyers in China. In December 1BJ worked with the Communist Youth League to have 3,000 law students blanket police stations nationwide with a second poster, listing rights during interrogations.

Plenty more is needed. Legal aid lawyers in China have sparse funding and antiquated equipment. In Beijing the main office is housed in a dingy gray building with a rickety elevator and no heat; staff members wear parkas indoors in winter. And despite her efforts Karen Tse thus far has lined up only a few of the 400 PCs she promised. Yet 2,800 legal aid offices have opened, and she needs at least one for each. No problem.