U.S. Expatriates Pursue American Dream in China

By Calum MacLeod, USA TODAY, 12 July 2011

JIANKOU GREAT WALL, China — His sweat pools quickly as Carl Setzer carries another heavy sack of smoked malt into his farmhouse-turned-brewery beside the Great Wall of China near Beijing.

"I'm living the American dream, just not in America," says the Cleveland native, 29, who brews through the night with unusual ingredients like Sichuan peppercorn to produce craft beers unique in China, and the world.

Setzer typifies a new breed of young Americans, China-savvy and Chinese-speaking, who share the pluck, patience and grit necessary to pursue their diverse dreams here.

After South Koreans, U.S. citizens had formed the second-largest national group among the nearly 600,000 foreigners living on the Chinese mainland at the end of 2010, says China's national statistics bureau.

At a time when many Americans back home worry whether fast-rising China is out to eat their lunch, the number of Americans living on the Chinese mainland has reached a record high of 71,493, according to Chinese census bureau figures released in April.

In addition, more than 60,000 Americans live in Hong Kong, according to the U.S. State Department. A 2005 estimate of 110,000 Americans living in China included Hong Kong residents. Another 430,000 people from Taiwan, Hong Kong and Macau lived in China at the end of 2010, but Beijing does not count them as foreign residents.

Those wishing to join them face challenges ranging from a lengthy licensing process, language barriers, intrusive government agencies and disrespect for intellectual property rights in which political concerns sometimes trump economic ones.

The 2011 China Business Climate Survey of American commerce in China conducted by the American Chamber of Commerce found China is a complex business culture where burdensome licensing procedures and indigenous innovation policies are seen as favoring Chinese companies over foreign ones. Yet 83% of those surveyed said they still planned to increase investment in China operations this year.

Some Americans in China have seen decades of dramatic change, from radical Maoism to cutthroat capitalism. Today, newbies arrive daily to take up jobs or hunt them down, in what has become the world's second-largest economy behind the USA's. Many work for Fortune 500 firms or U.S. agencies. Others come to teach, study, volunteer, travel, blog
and party.

To boost mutual understanding in what is an often tense relationship between the nations, Washington and Beijing are ramping up people-to-people exchanges, including a drive to send 100,000 U.S. students to China over the next four years.

"There are a lot of really bright young Americans who are here in business or studying, and they are building great bridges between the USA and China," says Thomas Skipper, minister counselor for public affairs at the U.S. Embassy in Beijing.

Brewing ‘ever-crazier beers’

On a bus twisting through the mountains of western Sichuan province, Kristopher Rubesh, from Oregon, wonders when his Tibetan hostel, the first foreign-owned business on the long journey to Lhasa, can be reopened. A landslide had taken out the approach road, and regular travel bans hurt tourism.

"An American friend asked, 'Can't you buy business interruption insurance?'" Rubesh, 35, says laughingly. "Wouldn't that be a dream!"

Inside an old courtyard, down a back alley in Beijing, Californian Casey Wilson heads online to cut poverty in rural China.

"Young people here really want to create positive change," says Wilson, 27. Her pioneering microfinance project connects online donors worldwide to Chinese borrowers hoping to raise sheep, grow mushrooms or follow other money-making plans.

Independent of official efforts, brewer Setzer points proudly to his own cultural exchange spot: Great Leap Brewing, his popular microbrewery in Beijing. Local and foreign residents flock to its tap room and courtyard to quench their summer thirst, and enjoy live Americana music.

"Everyone around me told me I was crazy," Setzer recalls of his plan to ditch a well-paying job in IT security and create craft beers in a market awash with cheap but forgettable lager. Setzer first caught the China bug in 2004, when he worked for a year at a Chinese automaker in a remote Hubei town.

There were no dairy products, let alone fine ales, Setzer says, but he found a friend in Liu Fang. After studying and working outside China, Setzer returned to Beijing in 2008 to work for a U.S. company. He and Liu reconnected, fell in love and married within six months. They are parents to 2-month-old Robbie.

"Carl is the most dedicated person I've ever seen," says Liu, 27, recalling their struggle to transform a derelict courtyard home into a microbrewery, find quality materials — and
learn how to brew. "Nothing will stop him from achieving his goal."

Setzer benefited from lower start-up costs than in the USA but faces a daily struggle to stay on top of suppliers. In China, "if you get taken advantage of, it's your fault, as you weren't smart enough. It's a tough lesson, but you either learn it or go out of business," he says.

Strong sales since the tap room's opening last fall pushed Setzer to convert a farmhouse near the Great Wall into another microbrewery so he can triple his output. Chinese make up 70% of his clientele, Setzer says.

"Some come, they think, 'That's a bit weird,' and leave after one drink. But then they come back the next day, the next week, and bring their friends, too," says Liu, who says Setzer may be changing the country's culture of drinking usually with meals only and with shots of firewater distilled from sorghum or other grains.

For Setzer, the weirder the brew, the better. His nine current brews include Honey Ma Blonde, pairing Shandong honey with Sichuan peppercorn. Another features Chinese tea.

"There are so many different spices and flavors in Chinese cuisine that have not been defined chemically yet," he says. "I want to do ever-crazier beers."

**Yak burgers and rabid dogs**

If the eyes and tongue are sticking out of a yak's severed skull, you know its meat is fresh, innkeeper Rubesh says.

Shopping is not for the fainthearted in the street markets of Kangding, in southwestern China. Back at the Zhilam Hostel, Rubesh and his American wife, Stephanie, turn out yak burgers, pizzas and spaghetti for visitors to this peak-framed frontier city, the gateway to eastern Tibet.

Besides caring for daughters Adalia and Indira, ages 4 and 2, the couple must rescue guests when trekkers break ankles on mountaintops or need rabies shots after dog bites, Rubesh says. The son of Christian missionaries, Rubesh grew up in Sri Lanka and India before the 1998 tourist trip to Tibet that changed his life. "I liked it so much I figured I needed a way to get back there," he says.

For four years, he led occasional tour groups of U.S. college students to Tibet — including the woman he would marry in 2002. The pair moved to Chengdu, the Sichuan capital, in 2003 to study first Chinese then Tibetan language. Educational work with a Hong Kong charity took them deep into ethnic Tibetan areas, but they dreamed of building something local.
The result is Zhilam Hostel, meaning "ancient peace road" in Tibetan, which opened in 2008.

He buys local produce and employs local labor. The first of five current employees told him during her interview that she was good at slapping handfuls of yak dung onto walls to dry into fuel. (Timber is scarce here and fossil fuels expensive.) Now she's assistant manager, "can make a beautiful chocolate cake with icing and get a job in any hotel," Rubesh says.

Stephanie Rubesh, 33, grew up on a Navajo Indian reservation in New Mexico, she says. So she is used to "wide-open spaces and a simple lifestyle" and is not put off by life in a remote area where heat and water can be a challenge.

Communist Party politics is never far away, though. Authorities have banned foreigners from parts of Sichuan province following anti-government protests at Tibetan monasteries. Rubesh says local officials have welcomed his family, and while he misses Taco Bell, he has much here to enjoy.

"When we take a weekend off, we have access to some of the most beautiful places in the world," he says.

**Hassles and headaches**

Casey Wilson faced a major life choice. After learning business and economic Chinese at a top Beijing university, the Oakland native received a job offer in 2007 with a solar energy firm. But she and classmate Courtney McCollgan had hatched their own plan: to help some of the 200 million Chinese living on less than $1.25 a day.

"Citizenship was the only grade my parents cared about as I grew up," says Wilson, whose interracial family boasts strong examples of entrepreneurship and philanthropy.

"I couldn't imagine doing anything else, it's what I am programmed to do," she says of the decision to co-found Wokai, a non-profit that makes modest loans to small-business enterprises (known as microfinancing) to alleviate poverty.

The name means "I start" in Mandarin, but Wokai stalled at first because of Chinese rules preventing Wokai from raising money for the loan proceeds.

Undaunted, they raised $30,000 start-up capital from family and friends, and focused on loan-capital donations from abroad that are reinvested for other borrowers. Via the Wokai website, lenders can fund, with as little as $20, the small-business ideas of rural Chinese, then follow their progress.

To date, Wokai has made 1,100 loans totaling $350,000, with a 99.5% repayment rate. It
has 7,400 users, 150 volunteers and 16 chapters worldwide.

"China is one of the few countries where you could have a completely self-sustaining model of a country helping itself," says Wilson, Wokai's CEO.

Despite visa hassles and headaches, the number of Americans living in China looks set to grow. The foreign population "shows the international standard of a city," argues Dai Jianzhong, a researcher from the Beijing Academy of Social Sciences. The think tank is lobbying city hall to improve living and working conditions for foreigners, who total just over 1% of Beijing residents, compared with 20% in New York and London, he says.

Trailblazers like Wilson are always welcome, says Wang Dan, deputy secretary-general of the China microfinance association.

"Whatever race, nation or gender, young people should be open-minded," Wang says. "Casey shows that Americans and Chinese can be good friends and partners."

Source: