CHAPTER 6

You Can't Go Wrong

The Comfort of Certainty

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The Scene

At three o’clock in the afternoon, the bar at the Mandarin Oriental was already full. The room was not loud, but it carried a steady hum of low conversations, soft laughter, and the sound of ice against glass. Bankers, lawyers, developers, and investors stood in small clusters, speaking with the ease of people who had worked together for years. Jackets rested over chairs. Ties were loosened slightly. The atmosphere was not celebratory. It was assured.

Property entered the conversation the way weather does in small talk—naturally and predictably. Someone mentioned a recent development. Another spoke about rising demand. Then the sentence appeared, offered casually but confidently: “You can’t go wrong with Hong Kong property.”

The remark did not sound exaggerated. It sounded generous, like advice passed down to someone newer to the room. No charts were displayed, and no disclaimers were offered. The certainty in the tone made skepticism feel unnecessary, perhaps even impolite.

Aki heard the phrase repeatedly between 2001 and 2018—in conferences, receptions, and private meetings that continued after formal presentations ended. It was not debated. It did not need to be. The confidence surrounding it made the statement feel complete.

What was not mentioned was just as important. No one referred to market cycles, the familiar pattern in which prices rise, peak, decline, and eventually recover. No one discussed leverage, the borrowed money that increases buying power but also magnifies losses. Few revisited the downturn that followed 1997, when property values fell sharply and many buyers found themselves owing more than their properties were worth. Those years had faded into the background. The room focused on momentum. Confidence occupied the space where caution might have lived.

Years later, the pattern surfaced again in a very different setting. This time it was not a financial district but a quiet stretch of undeveloped coastline. The air was warm and the water calm, and the sand slowed each step toward the tide. A broker stood barefoot near the shore, gesturing broadly toward the horizon as he described plans that sounded less like possibilities and more like inevitabilities.

Maria, a close friend, listened as he explained steady demand, limited supply, and rising values. He spoke of neighboring developments as though they guaranteed appreciation. “Beachfront property is a sure thing,” he said. The words differed slightly, but the tone was familiar.

Maria asked about infrastructure, utilities, and access. She asked about carrying costs and timelines. The answers were smooth and reassuring, redirecting attention toward long-term growth. The land was scarce. Interest was strong. Similar properties had risen in value before.

Only later did she learn that making the property usable would require nearly one million dollars in additional investment before it could generate income. The optimism had been clear. The full financial picture had been harder to see. Different location. Different people. The same sense of certainty.

The Sound Bite

“You can’t go wrong with Hong Kong property.”

What It Hides

The sentence does not promise guaranteed returns directly. Instead, it implies inevitability. Hong Kong is described as different. Supply is limited. Capital always returns.

Each explanation follows a familiar line of reasoning: when demand remains steady and supply is constrained, prices tend to rise. Yet the conditions under which that reasoning might fail are rarely specified.

Compared to:

Which years are returns being measured—peak to peak, or peak to trough?

How much borrowed money was assumed in the calculations?

How long is "long term" when mortgage payments, taxes, and maintenance costs continue regardless of performance?

The questions were not controversial. They were simply absent.

Why the Belief Felt Secure

In those rooms, confidence operated socially before it operated analytically. Nodding signaled alignment. Questioning risked shifting from participant to skeptic.

At one gathering, Aki asked quietly about the losses after 1997. There was a brief pause—not hostile, just measured. "That was different," someone replied. "A structural adjustment." The conversation moved forward. The question was not rejected outright; it simply lost momentum.

The Memory That Receded

Between 1997 and 2003, property prices in Hong Kong declined sharply. In some segments, values fell by more than forty percent. Negative equity became widespread, leaving owners owing more than their properties were worth.

Over time, those years were reframed as exceptions rather than possibilities. They became anomalies—temporary disruptions rather than recurring features of a market. Repetition did its quiet work. The phrase "you can't go wrong" shifted from hopeful sentiment to accepted assumption.

A wide range of potential outcomes—strong gains, modest returns, prolonged stagnation, and significant losses—narrowed into a single reassuring narrative. The variability of the market faded into the background.

What the Sentence Displaces

When someone says "you can't go wrong," several important factors move out of view:

Property markets rise and fall over time.

Many purchases rely on borrowed money, which magnifies both gains and losses.

Properties cannot always be sold quickly during downturns.

Outcomes vary widely rather than following a single, predictable path.

The phrase does not forbid analysis. It makes analysis feel unnecessary.

Try This Instead

When certainty appears in simple form, slow the statement down. Ask under what conditions the claim might fail. A market does not need to collapse to produce loss; it only needs to move differently than expected. Stagnation can erode opportunity. A modest decline can eliminate equity when borrowing is high.

If someone says an asset always outperforms ask:

Compared to what and over which period?

Compared to bank deposits? Stocks? Inflation? Over five years? Ten? Thirty?

A comparison that looks strong across one time frame may appear very different across another.

If a market is described as different, ask in what ways and under which conditions. Every market has unique features, but interest rates, credit conditions, employment trends, and external shocks affect even exceptional locations.

When “long term” is invoked, ask how long and at what cost. Mortgage payments, taxes, maintenance, and missed opportunities accumulate. Time does not erase risk; it redistributes it.

The purpose of these questions is not to undermine confidence. It is to define its boundaries.

If We Counted This

We don’t need perfect modeling to change the tone of the conversation. Even approximate perspective can help.

How many multi-year periods ended in real declines?

What proportion of purchases relied on high leverage?

How long did recoveries take after downturns?

How many investors were forced to sell before markets rebounded?

Even rough answers shift the emotional weight. The narrative endured not because it was entirely false, but because it compressed a wide range of outcomes into the assumption that success was inevitable.

Why This Works

"You can't go wrong" does not argue; it concludes. It takes a market characterized by variation and presents it as guaranteed. By implying agreement, the phrase removes the need to examine conditions. The reassurance feels comforting, but comfort and certainty are not the same.

Quiet Lesson

Markets do not eliminate the possibility of loss. They distribute risk across time, across people, and across outcomes. Before accepting certainty, it helps to look at the range rather than the average.