Hong Kong: More Questions than Answers

The lights dim and a slick promotional video flashes on the big screen. Dynamic Hong Kong. The best-place-on-earth Hong Kong. Come visit us soon. Pearl of the Orient. Home to world's largest outdoor sitting bronze Buddha. (How many can there be?) The place with more cellular telephones per capita than anywhere else. Site of Asia's best symphony orchestra, biggest floating restaurants, longest roller coaster. Land of hyperbole. Poor Hong Kong.

In less than 80 days, the fun could be over. On June 30, 1997, Britain will hand sovereignty over this island colony to China. And many people are beginning to fear that Hong Kong’s freewheeling market economy will be mismanaged by heavy-handed bureaucrats from Beijing.

To for tell a brighter future for Hong Kong, the IUB Bloomingong Hong Kong Students’ Association held a seminar March 29 in the School of Business. But while the seminar addressed the key themes of “business management and economics, politics and public administration, and key factors to the success of Hong Kong,” the proverbial tea leaves stubbornly refused to divulge definite answers other than this: For better or for worse, like it or not, Hong Kong’s future belongs to China.

The seminar, which was the first of several events comprising Hong Kong Week, featured a panel of distinguished speakers including Donald Breiter, owner of Venture China Associates, and Yan Kai, from the consulate general of the People’s Republic of China, plus three IUB professors, namely James L. Perry from the School of Public and Environmental Affairs and John D. Daniels and Marc Dollinger from the School of Business.

According to Daniels, “The Chinese view is unblushingly optimistic. ‘China needs a capitalist enclave like Hong Kong to serve as a window to the West, while the West can use Hong Kong as a bridge to the uncharted China market,”’ said Yan.

Daniels was less rosy. “There are differences between Hong Kong and China in terms of tax, investment, immigration, currency, and perceptions of corruption,” he said.

Yan Kai spells out China’s official views during Hong Kong Week.

China sees the return of Hong Kong as a cause for celebration. The British wrested control of the island from China’s last dynasty during the Opium War in 1842. The Chinese Communist Party, which rules China today, has a historical claim to all of the lands once held by the Qing dynasty including, it says, Hong Kong, Macao, Taiwan, and Tibet. The return of Hong Kong after 150 years brings China one step closer to its ultimate goal of national unification.

“When the Hong Kong people will finally be the masters of Hong Kong, in the embrace of China,” said Yan. But, the people of Hong Kong seem to have mixed feelings about the embrace. Land prices in the colony are rising in the run-up to June 30, demonstrating local confidence, but several multinational companies have hedged their bets by moving from Hong Kong to offshore locations such as Bermuda.

“There is no doubt that Hong Kong is one of the most successful, dynamic economies in the world and also one of the most successful colonies in the world, surpassing England,” said Breiter. “Questions remain though. What kind of city will Hong Kong be in the future? Does it want to compete with Shanghai?”

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Under the “one country, two systems” approach embodied in the 1984 agreement to return Hong Kong, China will allow the territory to retain a substantial amount of autonomy. Hong Kong will be able to police its own borders, make its own laws, and enter into trade agreements with foreign countries. China has, however, reneged on a promise to allow Hong Kong people to maintain a self-elected representative body. Instead, China has created a new provisional legislature of already designated people with the power to rewrite laws, raising fears that Hong Kong’s limited democracy will be dismantled after June 30.

When asked whether the press in Hong Kong would be subject to prosecution if it severely criticized Chinese political leaders or the Chinese Communist Party, the Chinese representative was not very reassuring. “Under the Basic Law, Hong Kong people have freedom of speech but may not be allowed to undermine the prosperity and stability of the country. I think the same holds true for your country.”

One key to the success of the Hong Kong transition will be whether China avoids actions that symbolically violate the spirit of the 1984 accord, said Dollinger. “There are some actions that might unnerve the people, for example the introduction into Hong Kong of the Peoples Liberation Army. The key issue is will the Hong Kong people have the civil and economic freedom to prosper as individuals?”

A graduate student from Hong Kong asked the last question. “Who will define what freedom and democracy in Hong Kong mean, the West, Hong Kong, or China?” The unanimous answer of the panel members: China.