Politics

Hong Kong’s Prospects

Will Hong Kong, less the Union Jack, continue to prosper?

BY CHRISTOPHER PATTEN

There is no simple answer to the question that everyone asks about Hong Kong—what is going to happen after 1997? There is no shortage of people offering simple answers, usually one of two types. Some will tell you that the transition has already happened. The markets have already discounted it. Keep investing and don’t give politics a second thought. Hong Kong people don’t care about politics. And some will tell you that the situation is hopeless. China will undermine the autonomy that Hong Kong has been promised, and gradually, or not so gradually, the lifeblood of a great international business center will hemorrhage away.

One view assumes that China is wholly benign and fully understands the complexities of Hong Kong. The other view assumes that China intends to violate all the agreements reached over the last fourteen years of negotiations, and either doesn’t understand or doesn’t care about the damaging consequences for Hong Kong and for China itself. If the golden goose isn’t strangled it will surely die of neglect, say the doomsters.

The great fault with either view is that they both assume that the Hong Kong people themselves play absolutely no role in the matter; that they will be the purely passive beneficiaries or victims of whatever China decides. But that is very far from the case. Hong Kong people—officials, businessmen, community leaders, journalists—all have an important part to play in ensuring the success of the “One Country, Two Systems” arrangement promised in the Joint Declaration and other sacred texts on Hong Kong’s future.

My optimism about Hong Kong’s future is based upon my optimism about the Hong Kong people. I believe, very strongly, that Hong Kong has a hugely promising future, one which could eclipse its already formidable successful achievements. But I believe that that promise will not be realized through blind faith and the occasional spinning of the prayer wheels of the Joint Declaration and the Basic Law. It will be realized only when people actively make it happen. China

CHRISTOPHER PATTEN, former Party Chairman of the British Conservative Party, is currently Governor of Hong Kong.
and Britain, the parties to the Joint Declaration; the people of Hong Kong, who have been promised that they will rule themselves and enjoy a high degree of autonomy; the businessmen of Hong Kong, both local and expatriate, who have been promised that they may carry on doing business as before; the media of Hong Kong, who have been promised that their freedoms will not be curtailed; all these, and those who live, work, and invest in Hong Kong, must go about their business based on the validity of these promises.

**Hong Kong is not a community which can be governed from behind the screen according to the precept of “tremble and obey.”**

Autonomy must be asserted and defended. This does not have to be a confrontational exercise, but it does mean that problems and threats must be identified and addressed, not ignored. Matters on which the future sovereign power has a view must not become no go areas for the kind of lively debate with which Hong Kong addresses any other issue—including particularly those involving the current sovereign power. Hong Kong is not a community which can be governed from behind the screen according to the precept of “tremble and obey.”

My optimism is not Panglossian. I am deeply conscious of the problems of the unique enterprise we are embarked upon. I am keenly aware of the threats. I have seen my main task in Hong Kong in my four years as Governor to be to ensure that Hong Kong is in the best possible shape to deal with the challenges ahead. To drive around the potholes—fill them in if possible—and to have strong enough axles to carry on intact if we can’t avoid them all. So what kind of shape is Hong Kong now in?

Economically, pretty robust. We are growing at about 5% per annum. Per capita GDP is now nearly US$24,000. Our reserves stand at over US$50 billion. The investment picture is strong. Our port—the busiest in the world—continues to grow. In 1997 we shall open the world’s longest road-and-rail suspension bridge. In 1998, we shall open an airport with the capacity to become the world’s busiest. Hong Kong’s position as the business hub of the Asia-Pacific region is stronger than ever. Over 2,000 multinationals now have regional headquarters or offices in Hong Kong, and more continue to arrive. The newspapers occasionally report that a company has moved some of its operations away from Hong Kong, usually citing reasons of cost. But actually arrivals comfortably outnumber departures. The number of expatriates continues to mount. So economically, Hong Kong is doing well.

Politically, the picture is mixed. Confidence in the future is mixed. The cliché that is usually invoked to describe the mood is “wait and see.” And that is still, at this advanced stage of the transition, a reasonable generalization. Up to 600,000 people in Hong Kong hold foreign passports. Most of them took out foreign nationality as an insurance policy, in case things went wrong. They will leave if it becomes uncomfortable, but they will stay if they possibly can.

The institutions of Hong Kong are in good shape. The civil service, which is vital for a successful transition, continues to function with the efficiency for which it is deservedly renowned. The police, which US law enforcers have described as the finest in Asia, preside over a crime rate even lower than Singapore. They play an important role, as do Hong Kong’s other law enforcement agencies, in international cooperation against drugs, money laundering, terrorism, strategic trade violations, and other global law enforcement challenges. The legal institutions of Hong Kong are strong and, by an agreement with China reached last year, will be augmented further by the establishment of a Court of Final Appeal in 1997. The Hong Kong press, formidably free, is notoriously active with 61 daily newspapers and innumerable other publications. The Legislative Council, the first fully-elected legislature in Hong Kong’s history, was voted in last year by a million voters, a record turn-out. It has convincingly disposed of the trivial, patronizing myth about Hong Kong that its people do not care about democracy, only about making money. Which brings me to the question of the future for these institutions.

Let me take the Legislative Council first. The Chinese have said it will come to an end in 1997. They claim, erroneously in our view and in the view of independent legal opinion, that its composition is incompatible with the Joint Declaration and the Basic Law. They say that they will establish a Provisional Legislature, a notion not mentioned at all in those documents, to sit for up to a year from 1997. They have indicated that it will be selected, not elected, because the legislature of the new Hong Kong Special Administrative Region must be according to the Joint Declaration and the Basic Law. Some have even argued that it should be operational before July 1, 1997, absurd and destabilizing proposition though that self-evidently would be.

Beyond that, not much is known about how this extraordinary idea will be implemented. And no convincing justification has been offered as to why it should be. It is not easy to find a plausible pretext for an exercise which in reality is designed to exclude certain individuals and certain views from the political process.

The Hong Kong Government will remain fully committed to working with the present, elected, legally constituted Legislative Council until June 30, 1997. At that point, it must be for the Chinese to explain and justify what they do. There is no getting away from the fact that this threat to impose an unelected provisional legislature is very damaging. It offers uncertainty when Hong Kong needs reassurance, discontinuity when Hong Kong needs continuity, instability when Hong Kong needs stability. It weakens
the rule of law by making outlaws of those whose main purpose is to stand up for it.

The central issue is whether China will trust Hong Kong to run Hong Kong, as the Joint Declaration and Basic Law promise. Some Chinese officials like to say, in a tired old speech that is trotted out every two months or so, that Hong Kong is an economic place, not a political place. That Hong Kong people are not political. What on earth does that mean? If it means that the majority are not political animals then that is true of Hong Kong, as it is true of nearly every city in the world outside the Beltway.

Most people around the world just want to get on with their lives in peace. Most people only become political if they feel that they have to do something to defend their right to get on with their lives in peace. To defend themselves from interference. To defend their chances of getting a fair deal in a fair society.

Politics in Hong Kong is a moderate affair. Coming from Westminster, I was struck, still am struck, by how moderate the debate is. Center-Right versus Center versus Center-Left. Moderate, polite, unthreatening. If Hong Kong people are left to rule themselves I believe that politics there will continue to be moderate and unthreatening. But if there is political interference there will be a response. Hong Kong will become a “political” city in the very sense that some Chinese officials fear.

China will be able to demonstrate the extent to which it is prepared to trust Hong Kong people when it selects the Chief Executive (designate)—the person to whom I shall hand over governance in the middle of 1997. If they choose someone of integrity, someone with credibility in Hong Kong and abroad, they will send a strong, positive message to the community and the world.

If they then allow that person to choose advisers and officials freely, if they do not try to instruct the Chief Executive to get rid of Mr A or find a comfortable niche for Mrs B, they will send the most reassuring message to the community of Hong Kong. And in particular to the civil servants of Hong Kong, many of whom will be waiting to see how these matters turn out before making up their minds about their own futures.

Chinese officials at the highest levels have assured the Prime Minister and the Foreign Secretary that they recognize the fundamental importance of these decisions. I am hopeful, Hong Kong is hopeful, that the right decisions will be made. One of the best developments over the past ten months has been the establishment of more regular contacts between Hong Kong civil servants and the Chinese, beginning with a visit to Beijing in July 1995 by the Chief Secretary, Anson Chan. She visited again in Spring of 1996. In the intervening period Chinese officials have gotten to know nearly all the senior civil servants in the Hong Kong administration, and I hope they have established a basis of trust for the future.

Another day at the office . . . one fewer left to go
A high degree of continuity from the present Hong Kong administration to the post-1997 administration is vital for the successful implementation of “One Country, Two Systems.” As part of that, autonomy will have to be asserted and defended by the Hong Kong people and Hong Kong officials.

Let me make it plain that I do not presume that the leaders of China intend wilfully to dishonor their commitments to allow Hong Kong autonomy to run itself after 1997 in all matters other than foreign affairs and defense. If I believed that I might as well go home. What I do fear is that, at lower levels in the Chinese system, there will be bureaucrats who from time to time will seek to interfere in Hong Kong affairs. Perhaps with sinister or corrupt intent, but perhaps more often out of ignorance of the “One Country, Two Systems” concept and the detailed commitments that China has made over the years.

I do not regard this as a controversial observation. Indeed Chinese officials and businessmen have themselves warned about this danger. It is only realistic to recognize that it will happen. The important point is that, when it does happen, it is met with the right response in Hong Kong. An experienced and confident civil servant, or senior police officer, or judge, or whoever, who has been through the transition process and knows what autonomy is supposed to mean, will be much more likely to say no to any such try-ons than new people who owe their appointment to cronyism or shoe-shining.

Hong Kong now has a government, a police force, and a legal system which will stand up to these types of issues, and stand up for autonomy very well. I have every confidence that those Hong Kong institutions that are allowed to go through 1997 with minimal change will be able to actively defend and assert Hong Kong’s autonomy. To the extent that they are interfered with, I shall have my doubts.

There have been more concerns about the Hong Kong press. Self-censorship exists. It is, I stress, self-censorship. Press freedom is firmly entrenched in law in Hong Kong. Government certainly does not try to guide the press. And the problem of self-censorship does not apply to the press as a whole. The reading public, via subscriptions, has voted for those papers and magazines that are clearly not pulling their punches. The Hong Kong media as a whole provides a lively and varied service to its customers; indeed I challenge anyone to point to a freer press anywhere in Asia. I also note in passing that the phenomenon of self-censorship where China is concerned is not a problem specific to Hong Kong. When a certain US-based media mogul took over our satellite TV company he immediately dropped the BBC from the package after it had recently
annoyed the Chinese; it was a locally-owned cable TV company that brought the BBC back to Hong Kong viewers. The press will have a duty to help assert and defend Hong Kong’s autonomy after 1997. So will the community in general.

What can the general public do? One suggestive episode came when it was revealed that the World Lutheran Conference was to meet in Hong Kong in July 1997, a meeting of several thousand delegates which had been planned over a period of years. Some Chinese officials decided that this was a matter to be discussed between Britain and China. Britain and Hong Kong, however, took the view that this was not a matter for governments to discuss at all. The Chinese officials made their position public and there was a massive outcry in Hong Kong, from the entire spectrum of political opinion. China was reminded of its commitment to allow free assembly and worship after 1997 and was told in no uncertain terms that, in Hong Kong, government did not interfere with private conferences of any kind. Within a day or two Beijing put an end to the matter by saying that the Lutherans were free to organize their own meeting.

This example illustrates three points. First, that Hong Kong people are prepared to cry foul. Second, that crying foul can be effective. And third, that the problems after 1997 may well be caused by lower level Chinese officials acting misguidedly rather than by unpopular decisions from the top. And that is why crying foul will be important.

The British Prime Minister, on his last visit to the territory, stated that Hong Kong people would have to assert and defend their autonomy after 1997. He went on to add that they would not walk alone and pledged that the United Kingdom, as a party to the Joint Declaration, and as a country with massive interests in Hong Kong beyond 1997 would watch closely to see that the Joint Declaration was honored and, in the event of a breach, would mobilize the international community and pursue every legal and other avenue available.

But why does the fate of Hong Kong matter? One accusation which is occasionally levelled at me is that I am committing the oxymoronic felony of “internationalizing” Hong Kong. Internationalizing one of the world’s most international cities! Hong Kong’s peaceful transition to Chinese sovereignty will be unique in history. It should concern anyone who cares about the historical process and the way it operates in Asia today. It matters a great deal more to the 6.2 million free people of Hong Kong—and particularly the five million plus of those who have nowhere else to go and hope that the Hong Kong in which they have to live will continue to be a free one.

It matters to the many countries, the United States included, that have a strong interest in seeing that the Joint Declaration is honored. 1200 US companies want to be able to continue to do business in Hong Kong as they have done in the past. 30,000 US citizens want to continue to live there. US law enforcement agencies need to continue to rely on Hong Kong as a law enforcement partner of excellence.

Hong Kong is a bridge, the vital link between the West and China. As China emerges, the big question, perhaps the biggest of all the foreign affairs questions for the next few years, is how China will fit into the international community. How will it interact with its neighbors and the West change? The answer, for China, for the United States and for everyone else, will be much more difficult, and not only for commerce, if Hong Kong is no longer able to perform its functions of facilitating and lubricating China’s dealings with the world.

But it goes wider than that. Hong Kong represents the kind of Asia that partners around the world want to see. An Asia committed to open markets and open minds. An Asia committed to the rule of law and respect for human freedom. Hong Kong has proved that East and West can mix very well. Commercially, culturally, socially, intellectually. If the Hong Kong of today is diminished after 1997 the relationship between East and West will suffer.

There have been suggestions that the best thing the territory’s friends can do for Hong Kong is to do nothing. The argument seems to run something like this. We recognize that you have some stake in Hong Kong, and that that stake will suffer if Hong Kong is damaged. Ergo, if anyone actually does something which threatens to damage Hong Kong, it is best to keep quiet in case an ill-judged intervention makes the attacker so angry he does more damage.

In other words, if somebody threatens to burn down your house, it is best not to complain lest he bulldozes it afterwards. This is not in the interest of Hong Kong and surely not in the interest of anyone who wants to see the emergence of a thriving Asian Pacific community in which partners can address, honestly and effectively, the issues that are bound to arise between them in coming years.

It is important for Hong Kong that her partners avoid letting the debate about China swallow up the Hong Kong debate. Instead they should continue to treat Hong Kong on its own merits for as long as it stands as an autonomous entity. It is crucial, too, that Hong Kong’s partners continue to speak up if they feel that their interests in Hong Kong are being threatened: speak up in private if that is, as often the case, the most effective way, but not being afraid to speak up publicly if that is what the situation calls for. Hong Kong can cross, safely and successfully, the threshold which now looms before it, but only if we are true to ourselves and our friends are true to themselves.