

# *The Hong Kong Handover: One Year Later*

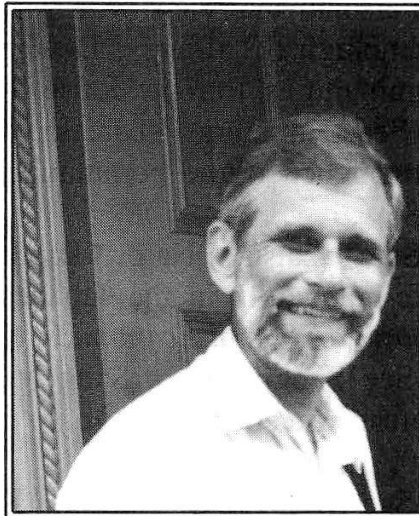
---

*By Charlie Dittmeier*

## *PART ONE*

### *Introduction*

Last year at this time, just after the handover fireworks had faded and the military bands stopped playing, Hong Kong people experienced great uncertainty. What would change in Hong Kong's everyday life, in its political and legal systems? Would the People's Liberation Army be an unwanted daily reminder of reunification? Would the church and foreign missionaries, like me, experience new obstacles? Would "One Country, Two Systems" actually work?



Since then, some things have changed in Hong Kong; some things haven't. But probably most surprising is that one year on, the most pressing problems facing Hong Kong today could hardly have been anticipated a year ago.

### *Then*

In July 1997, fears were of mainland-style corruption and *guangxi* (connections with important people), political repression, and social instability. China's inefficient state-owned enterprises seemed certain to drag down China's economy, burden it with massive layoffs, and possibly even infect Hong Kong.

On the other hand, Hong Kong's economy was booming, land sales (the major source of government revenue) and property speculation were soaring, and hordes of tourists were eagerly

anticipated. Hong Kong's high-tech and sophistication would do much to modernize and streamline mainland business.

### *Now*

But today Hong Kong is experiencing its highest unemployment in 15 years, the tourists have stayed home or gone elsewhere in droves, property prices have dropped 40%, and large Japanese department stores and neighborhood shops alike are closing down.

Meanwhile the mainland's economy has continued to grow at a respectable 6% rate. The People's Republic has pledged not only to maintain the stability of the  *yuan*, but also to use China's reserves to back up the Hong Kong dollar if attacked by speculators. Some officials are suggesting that Hong Kong's unemployed may find work in China's job market. And it is now the Chinese tourists that Hong Kong is seeking to entice.

### *The Government View*

The Hong Kong government would like to say there have been no important changes since the handover, none were needed, and nothing needs to change in the future. The reality, though, is that there have been significant changes since 1 July 1997, not always obvious on a day-to-day basis to the citizens of Hong Kong, changes in the legal, political, and human rights environment.

As evidence that basic rights of Hong Kong people are still intact, the government can point to the more than 1,000 demonstrations that have taken place since the handover, protests about everything from the Beijing-selected provisional legislature to better care for the elderly.

Indeed, on the anniversary of the Tiananmen Square June 4<sup>th</sup> crackdown, 40,000 people gathered in Victoria Park in a pouring rain for the annual candlelight commemoration and heard recently exiled Wang Dan urging them to be a model for the transformation of China--although Beijing has repeatedly warned Hong Kong not to become a "base of subversion" against the mainland and the Communist system.

Concerning the media, a journalists' association recently reported that self-censorship is "no worse" than a year ago and that mainland and SAR (the Hong Kong Special Administrative Region)

authorities have yet to close down any newspaper for political incorrectness. A poll of business leaders ranks Hong Kong among the four Asian countries with a high degree of press freedom and credit the scrutinizing media with a positive role in Hong Kong's avoiding the worst effects of the Asian economic crisis.

Hong Kong's business climate remains fair, open, and competitive. The Independent Commission Against Corruption is still independent and quite active. And the PLA remain literally out of sight.

### *The Reality*

But despite what the government wants the world to think, there have been significant changes in the area of human rights and civil liberties. A February report to the United Nations Human Rights Commission accused the Hong Kong government of abuses in regard to demonstrations, elections, immigration, and labor laws, and of hindering "human rights development with far-reaching structural and attitudinal changes." The report concluded that "It is clear that social control is much stronger than before and the SAR government intends to control and suppress the collective expression of voices that is deviant from the Government's opinion."

The popularly elected British legislature was disbanded at midnight on 30 June and replaced by a Beijing-selected provisional legislature which by 3:00 AM had re-enacted repressive colonial-era laws regulating political gatherings and made them even more restrictive.

The Basic Law, Hong Kong's mini-constitution, stipulates that the Hong Kong legislature must enact laws on subversion, treason, sedition, and secession. There are fears that very broad mainland subversion legislation will be used as a model, and because of the public outcry, the government has decided to wait a year before drafting these laws.

Another law sought simply to replace all references to "the Crown" in Hong Kong legislation with "SAR Government." However, the final draft instead controversially changed the wording to "State" which includes all mainland government bodies and effectively exempts them from Hong Kong laws.

The Secretary for Justice herself has done much to undermine respect for the law. In one controversial decision, she

opted not to prosecute the New China News Agency (China's unofficial embassy in Hong Kong in colonial times) when it clearly violated new privacy legislation. In another case she failed to prosecute a newspaper publisher with strong political connections although the police had charged her with falsifying records. The incidents give the impression that certain friends of China are above the law.

But it is in the area of freedom of expression that the greatest fears of control have arisen. In a recent speech, the head of the Hong Kong Bar Association detailed how the Hong Kong government has deliberately and systematically curtailed freedom of speech. She pointed out guidelines issued to the police to consider the subject matter of a demonstration when determining appropriate action, and how protesters were kept far away from their targets if the targets happened to be Chinese authorities.

Journalists speak of increased obstacles in reporting issues that might offend Hong Kong's new rulers in Beijing, and they fear for their safety after colleagues have been imprisoned in China for reporting on "state secrets" which in China is whatever the government doesn't want people to know. Self-censorship is an acknowledged reality, especially in relation to the taboo subjects of Tibet, Taiwan, and the continuing insurgency in the Muslim area of northwest China.

A concern of another kind is that mainland commercial interests are buying up the Hong Kong media. What to print may now be decided not according to professional journalism standards but according to how it will affect mainland authorities who can make it impossible to do business in China.

## ***PART TWO***

For the first anniversary of China's resumption of sovereignty over the former British colony, Chinese President Jiang Zemin, in Hong Kong, reviewed the troops of the People's Liberation Army troops stationed here. Marching past the troops standing stiffly at attention, Jiang asked: "How are you, Comrades?" As one man, the troops shouted back: "How are you, Leader?" Jiang continued: "Comrades, you have worked hard." Troops: "We work for the people."

The prospect of forced lock-step obedience and parroting of propaganda by ordinary Hong Kong citizens was a real fear on July 1, 1997 as the last British governor sailed out of the harbor a few minutes after midnight. What kind of changes were in store for Hong Kong under their new masters?

Deng Xiaoping had devised the slogan "One Country (China), Two Systems (Communism and capitalism)" to describe how China and Hong Kong would relate to each other in the future. But could China really keep its hands off the former colony?

It is something of an anomaly that in the past year, China has bent over backwards to honor "One Country, Two Systems," even going so far as to allow non-Chinese foreigners (who are Hong Kong citizens) to represent Hong Kong and China in international bodies such as UN committees. And it has kept the PLA literally out of sight and strictly confined to their barracks.

At the same time the Hong Kong government, supposedly the primary defender of our rights, has done the opposite, generally interpreting policy and making decisions in favor of China. In one instance, on Taiwan's national day, October 10, Taiwanese flags flown by Hong Kong supporters were torn down by the police even though there is no law against displaying them.

The overall effect has been to enhance China's international reputation for honoring its agreements while its "dirty work" is done by the local government-- with the same end results as if China had acted itself.

### ***The Provisional Legislature***

That is seen perhaps most clearly in the dissolution and re establishment of the Hong Kong legislature. Outraged by British electoral reforms, China threw out all the popularly elected pre-handover legislators and installed its own hand-picked "provisional legislature" at midnight on 30 June 1997.

The provisional legislature's legitimacy was questioned from the very beginning, and eventually survived a court challenge partly on the legal argument that to disallow it would create a situation of no government which was worse than allowing it to continue. Further criticism was later directed at the provisional legislature for exceeding its mandate to deal only with urgent issues that could not wait for a legally elected legislature. It rushed into law ordinances

such as a ban on flag burning and a requirement for demonstration permits, acts certainly pleasing to Beijing but hardly urgent.

### *The Elections*

The prospect of the May elections for the first elected post-handover legislature was hardly reassuring for the pro-democratic groups. The government's \$6 million ad campaign encouraged people to vote and promoted the elections as "Open. Honest. Fair." They were open and honest, but hardly fair.

Of the 60 seats in the legislature, only 20 were directly elected by the people in geographic constituencies, 30 were chosen by functional constituencies, and 10 were chosen by a pro-Beijing Selection Committee. This arrangement ensured that the favored pro-democratic forces could not elect representatives equal to their anticipated large share of the popular vote.

Functional constituencies--groups of voters from a similar industry or profession--are a British creation. Britain had enlarged the voter base by allowing anyone, shipping clerk or chief executive, in any of these constituencies to vote. But this time the vote was restricted to only professionals and industry executives, people who would be much more compliant with Beijing's wishes if they wished to continue to trade on the mainland.

The result of this voting system was that some people could vote twice--in a functional constituency and a geographic constituency; and some legislators were elected by only 300 or 400 of their business peers while a pro-democracy candidate needed tens of thousands of votes in a geographic constituency.

Many of the pro-Beijing business candidates, rejected by the voters in the last British elections, were this time elected by their business peers. One magazine wryly commented that this new system was much better because "Both the winners and losers all get elected. It's so much more fair than under the old system, in which only the winners won."

### *The New Legislature*

A large voter turnout in the May elections surprised everyone. The government claimed the turnout showed support for its policies, but the democratic groups' assessment of the turnout as a

call for more democracy is probably more accurate since they swept almost all the directly elected seats.

Although the other members of the legislature, the majority, were elected from the pro-Beijing business groups and selection committee, there are still signs of hope in the new body. At the swearing in on July 1st, some members used English to swear to uphold the Basic Law and serve Hong Kong because the Chinese word for "uphold" has an almost religious tone to it and is used in such oft-repeated slogans as "Support the collective leadership with Jiang Zemin at its core."

And immediately after they were seated--as the economic downturn began to be really felt in Hong Kong--an unlikely and surprising coalition of democratic and business parties offered a counter proposal to the government's economic policies and threatened to veto the budget if they were not heeded.

China still has the upper hand in the legislature, however. Thirty-four ex provisional legislators are in the new body, including the former president who is also president of the new group. And new procedures will keep members in check. For example, bills from individual legislators can be introduced only if approved by the government, and members cannot amend government bills on public spending or on government structure or operations.

There is no doubt China is very much in control of all of Hong Kong. Many freedoms have been maintained in the past year but only by pressure from democratic parties. And the implied threat is always there, enough to ensure that most bodies, business and religious groups alike, will walk Beijing's path.

### ***PART THREE***

The Kowloon peninsula, jutting into the South China Sea, has a picturesque ridge running across it. Recently quarrying operations took a huge, very visible bite out of the ridge. Bad news, warned a *fung shui* master. *Fung* (wind) *shui* (water) studies the interplay of nature and the activities of mortals. The ridge is actually the arm of the dragon, he warned, and notching the ridge will allow the power and energy of the harbor to leak out.

Hong Kong life is still very much tied to *fung shui*, to ancient Chinese culture, traditions, and superstitions. At the same time it is a high-tech, first-world, thoroughly modern metropolis, one of the

major financial and trading centers of the world. There is an ever-present dichotomy--and clash--between the old and the new.

### *Changes in China*

Similar clashes characterize the situation in China, scene of tremendous turmoil in the last 50 years, and now experiencing change and modernization at a dizzying rate. To many people, China may seem unmoving, monolithic; and in some ways it is. But the changes occurring there now are rapid, dramatic, and irreversible.

In the past year, the majority of the Chinese population still stood in the mud of their rice paddies every day; but at the same time the coastal cities and southern provinces have discovered glitzy commerce and capitalism in its most ruthless form.

"Socialism with Chinese characteristics" has been promoted as the way forward for China; but that same theory has forced the closure of inefficient state-owned enterprises and created a vast class of roving unemployed.

More and more people are gaining middle-class status; but the gap between the new entrepreneurs and the traditional farmers has steadily widened.

### *President Clinton's Visit*

The events and controversies surrounding President Clinton's visit to China two weeks ago highlighted some of the good and the bad about modern China.

In many ways his visit was a real breakthrough. On four occasions he spoke live to the Chinese population on radio and television. He met with Beijing University students. He engaged Chinese President Jiang Jemin in face-to-face debate and challenged the official pronouncement that the Tiananmen Square crackdown was "correct." And on a less momentous but highly significant level, he mingled with ordinary Chinese in the street and on the campus.

Nothing to rock the foundations of Chinese society or government, but those encounters planted more seeds of change: the idea that a supreme leader can be, should be challenged publicly to defend policy and practice; the idea that such a challenge will not destroy the government but might make it more accountable; the idea that mingling with and engaging ordinary people--rather than restraining them--is good for both the leader and the led.



### ***Repression in China***

But China is still a repressive dictatorship. 3000 activists are still imprisoned for their roles in the 1989 Tiananmen demonstrations. On balance, repression still wins out over freedom in China. But the balance is changing, ever so slowly. US and Western foreign policy must engage China and encourage change in a process that must be patient and prolonged.

### ***China and the Church Today***

How do the tensions in China affect the Catholic and other Christian Churches today? Like many other elements in Chinese society, the church and China find themselves locked in a continuing see-saw struggle.

### **Positive Signs**

In the past year, there have been some positive signs:

- During Clinton's visit, the government-recognized bishop of Shanghai, Bishop Aloysius Jin, told the president of his seminaries, programs, publishing house, and printing press;
- The American Jesuits were given permission to begin teaching a new university business program in Beijing;
- In some provinces church workers are relatively free to minister and the laity worship without fear;
- Theology instructors from eight mainland seminaries received training in Hong Kong;
- Mainland seminarians have been sent abroad to study in Europe and the U.S.;
- The Guangdong provincial government unexpectedly, and with an explanation made land available, at a greatly reduced price, for a large, modern, new church.

### **Negative Signs**

At the same time there have been setbacks for the church:

- The same Guangdong officials recently cracked down on a popular Protestant house-church leader, whose flock was becoming too large, after he defied "education and warnings";

- Catholic clergy are almost routinely detained and arrested;
- Two unofficial-church bishops were removed from their homes during Clinton's visit;
- Cardinal Ignatius Kung, in exile in Connecticut, had his Chinese passport confiscated when he submitted it for renewal;
- Congregations and religious groups often find themselves the target of suspicion and harassment.

### *The Church in Hong Kong*

In Hong Kong, the past year has seen little direct interference with Catholic schools, social welfare organizations, and the general life of the church. No foreign clergy or religious have been pressured to leave. And actually, some situations have improved. Now we foreign missionaries can acquire permanent resident status which was not available before.

In a recent interview, one of Hong Kong's bishops, Bishop Joseph Zen, noted that the Chinese government encouraged a smooth transition for the former colony to give a good impression to the world. But, he added, Beijing will not lose control, and personnel and structures are now in place to insure that. The past year's political and legal change strengthened the mainland's hand without its having to intervene directly. At the same time, Catholics figure prominently in the Hong Kong government, including the number two and number three positions in the civil service, and in the newly elected legislature, Martin Lee, the popular head of the Democratic Party.

Where there have been obvious changes concerning the church's place in Hong Kong life, they have been relatively minor. This year there was no official church service at the cathedral to mark the beginning of the judicial year, and on the official protocol list, the Catholic and Anglican bishops dropped from fifth to eleventh place.

Relations with the mainland church have not changed dramatically, either, although it is now harder for clergy there to travel to Hong Kong.

Bishop Zen observed that in many ways, the status quo of the church has not changed. There is always a great deal of uncertainty in dealing with China. Sometimes there is more freedom; sometimes there is less, with no obvious explanation. "Past experience shows

that in China things always go two steps ahead and one step back. One can say that the situation [now] is normal."■

## Facts about Hong Kong

### ●Population of Hong Kong (December 1997)

6.617 million.

Of these:

1.38 million live on Hong Kong island. (21.3%)

2.05 million live in Kowloon (31.6%).

3.05 million live in the New Territories (46.9%)

0.02 % dwell on the outer islands.

3.3million people live in public housing

### ●Vital statistics

The median age of Hong Kong's population is 34.9

18.1% of the population is under 15 years of age..

10.4% of the population is over 64 years of age.

The life expectancy for men is 76.4 year of age.

The life expectancy for women is 81.9 years of age.

The overall sex ratio is 1013 males per 1000 females

The birth rate is 9.1per 1000 population.

The death rate is 4.8 per 1000 population,

### ●Nationalities

95% of the population is of Chinese descent.

The largest foreign passport-holder group is Filipino: 146,400.

The next most numerous foreign passport holder groups are:

American, USA: 41,000

Indonesian : 34,300

Canadian 33,600

British 31,400

### ●Religion

The vast majority of people are either Buddhists or Taoists.

Others number as follows:

Christians: 592,500.

Muslims 80,000.

Hindus 12,000.

Sikhs 1,200.

Jews 1,000.