

FOR HONG KONG'S SMOOTH TRANSITION, STABILITY AND PROSPERITY

YU SHUNING*

On July 1, 1997, less than one hundred days from now, China will resume its exercise of sovereignty over Hong Kong. At long last, after 155 years of British colonial rule, Hong Kong will come back into the embrace of the motherland. This is an event of historic significance because it will close a chapter of national shame for the Chinese people and will mark an important step along the road of peaceful reunification of China, a dream of all the Chinese people.

With the approach of this long-awaited day, Hong Kong has become one of the focal points of the U.S. media. Numerous questions have been raised about Hong Kong. Prominent among them are: will China honor its commitments made in the Sino-British Joint Declaration on the Question of Hong Kong and the Basic Law of the Hong Kong Special Administrative Region ("S.A.R.")? Why does the Provisional Legislative Council ("P.L.C.") exist? Why the review and handling of the current Hong Kong laws? Will Hong Kong people be able to enjoy the same rights and freedoms that they do now? Could Hong Kong remain as it is now without unwarranted interference from the central government of China? What should the U.S. government do to preserve American interests in Hong Kong?

All these questions are understandable, given the tremendous change Hong Kong is going to experience and the unprecedented nature of the upcoming transition as well as the inaccurate coverage of the issue by the Western media. Although Hong Kong will retain its capitalist economic and social system without change, it will become a special administrative region of the socialist motherland. The principle of "one country, two systems" initiated by the late leader Deng Xiaoping is something never

* Press Counselor at the Embassy of the People's Republic of China, Washington, D.C. Mr. Yu presented this Essay as the Symposium's Concluding Keynote Address, delivered on March 21, 1997, at the University of Pennsylvania Law School.

undertaken by mankind. Whether or not this principle really works will be proven only by its practice in Hong Kong. People are anxious to see the result of this experiment. People in Macao and Taiwan will have some idea about what it means by "one country, two systems." Of course, the case of Taiwan is different from that of Hong Kong. As a result, the central government will offer a more liberal policy for Taiwan once the latter is reunited with the mainland.

Now I'd like to offer some comments on some of these questions so that a better understanding might be achieved on the issues related to Hong Kong. First, there is the question of the P.L.C. Some people argue that the present Legislative Council is "democratically elected" and should continue to function after July 1, 1997. They deem the election of the P.L.C. both unjustified and unnecessary, and hence charge China with renegeing on democracy. To understand the issue, one has to go to the origin of the problem. Originally, according to the decision of the National People's Congress of China on April 4, 1990, it was assumed that the members of the present Legislative Council may become, upon confirmation by the Hong Kong S.A.R. Preparatory Committee, members of the first Legislative Council of the S.A.R. This is metaphorically called the "through-train."

Unfortunately, the British side, in total disregard of the strong opposition of the Chinese side, unilaterally proposed a "Constitutional Package" which spelled out, among other things, specific arrangements for the 1994-1995 elections of the three-tier political structure: the Hong Kong Legislative Council, the Urban and Regional Councils, and the District Boards. This Constitutional Package contravened the Sino-British Joint Declaration, the Basic Law, and agreements and understandings already reached between the two countries both in its contents and in the way it was produced.

In order to solve the problem, from April to November of 1993, China and the United Kingdom held seventeen rounds of talks on the 1994-1995 electoral arrangements in Hong Kong. Before any agreement could be reached, the British side discontinued the talks and, later, despite China's repeated opposition, went ahead with the elections, destroying the basis for the "through-train." The Chinese side has been forced to take measures to preserve the principles of the Joint Declaration and the Basic Law. On December 21, 1996, the sixty members of P.L.C. were elected,

thirty-three of whom are members of the present Legislative Council. Moreover, the laws enacted by the P.L.C. will not go into force until July 1, 1997, and the P.L.C. will work until the first Legislative Council of the S.A.R. is elected and, at any rate, no later than June 30, 1998. It is evident that the present situation is the result of the British side contravening the Joint Declaration and the Basic Law. The measures China has taken are aimed at upholding the principles of the Joint Declaration and the Basic Law and ensuring a smooth transition and continued stability and prosperity of Hong Kong.

Secondly, regarding the handling of some Hong Kong laws, it is again the British side which, in contravention of the Joint Declaration and the Basic Law, went back on its words. The Joint Declaration and the Basic Law both stipulate that the existing laws in Hong Kong shall remain basically unchanged after July 1, 1997. Article 11 of the Basic Law stipulates that no law enacted by the legislature of the S.A.R. shall contravene the Basic Law. Before 1991, the British side confirmed several times that there was no need to formulate a human rights ordinance in Hong Kong. However, in June 1991, the British side created the Bill of Rights Ordinance with some clauses overriding all other Hong Kong laws, and even the Basic Law, and revised the Societies Ordinance and the Security Ordinance. Tung Chee Hwa, first Chief Executive of the Hong Kong S.A.R., said that it contravenes the Joint Declaration and the Basic Law for the British Hong Kong authorities to make revisions to the societies and security ordinances without consulting the Chinese side. In addition to contravening the Joint Declaration and the Basic Law, these changes will have a negative impact on Hong Kong's stability. For example, the Security Ordinance will allow demonstrations after mere notification to the police, instead of requiring prior police approval — which is the general international practice, including in the United States.

The Preparatory Committee of the S.A.R., at its Eighth Plenary Session on February 1, 1997, made a suggestion on the handling of the existing Hong Kong laws to the Standing Committee of the National People's Congress. The suggestion, approved by the National People's Congress, says that most of the current Hong Kong laws can be adopted as laws for the future S.A.R. It is understood that out of Hong Kong's 640 ordinances and over 1,160 clauses of subordinate legislation, only twenty-five

cannot be adopted as laws for the S.A.R.. This shows that the suggestion is not only necessary, but also reasonable. As to the possible legal vacuum which might occur because of the non-adoption of certain Hong Kong laws, the matter will be handled by the S.A.R. government.

Now, a few words about democracy and freedom. The British side is accusing China of going backwards on democracy and of restricting freedoms of Hong Kong people. It should be pointed out that during more than 150 years of British colonial rule in Hong Kong, all the governors were appointed by the Queen and that until the mid-1980s all members of the legislatures were appointed by the governors. Yet, on the eve of its departure, the British side has shown an exceptional enthusiasm for democracy and freedom. Is this really for the well-being of the Hong Kong people? Certainly not. For one thing, domestically, the British have strengthened their societies registration regime as well as the police powers, while in Hong Kong, they loosened the societies registration provision and weakened the police powers, which will in no way benefit the social order and the stability of Hong Kong.

As to the question of confidence in Hong Kong's future, a public survey conducted last January by the Home Affairs Branch in Hong Kong shows that seventy-three percent of Hong Kong residents have confidence in the future stability and prosperity of Hong Kong. The *Financial News* in Hong Kong predicts that this year Hong Kong's economy will grow more than five percent. In a speech on February 27, 1997, Mr. Boucher, Consul General of the U.S. in Hong Kong, said he is basically confident that Hong Kong will continue to be stable and prosperous.

This confidence is based on several factors. First, people have realized that China's promises on the issue of Hong Kong are serious and will be kept, as it is in China's interest to honor its word on the Hong Kong issue. Second, with the setting up of the Executive Council and the appointment of principal officials of the future Hong Kong government, a good start has been made for the principle of "Hong Kong people governing Hong Kong." Third, the economy of Hong Kong is recovering smoothly and will enjoy adequate growth this year.

Finally, a few comments on the relationship between the Hong Kong issue and Sino-U.S. relations. First, China is determined to strictly abide by the Joint Declaration and the Basic Law in spite of interference from some quarters. We firmly

believe that by safeguarding the principles enshrined in these two documents, and with the support of the broad masses of Hong Kong residents, a smooth transition and brighter future for Hong Kong will be ensured. This approach will serve the best interests of Hong Kong, mainland China, and the rest of the world. There is nothing to worry about. Some people hold that the United States should actively involve itself in Hong Kong affairs and link what happens over there with its relations with China. This idea is unwarranted, unjustified, and unhelpful. Unwarranted, because China will do its best to ensure Hong Kong's smooth transition, stability, and prosperity. Interests of foreign investors, including those of the United States, will not be hurt. Unjustified, because before July 1, 1997, Hong Kong affairs are to be discussed and dealt with by China and the United Kingdom. After July 1, matters in Hong Kong are Chinese internal affairs in which no other country should interfere. Unhelpful, because if the United States were to exercise pressures on China on the Hong Kong issue, it will undoubtedly have a negative impact on Sino-U.S. relations. The reason is simple: on the question of sovereignty and territorial integrity, China will stick to principles and will never bow to outside pressures. It is more appropriate therefore to urge those responsible for the troubles plaguing the transition of Hong Kong to come back to the right course of action.