

BOOK REVIEWS

THE FATE OF HONG KONG

by Gerald Segal
Simon & Schuster, £16.99

THIS SMALL BOOK packs a great deal into its 211 pages and covers a much wider field than the title suggests. It provides much factual data - mainly economic - relating not only to Hong Kong but also to the other territories on the Pacific Rim which have an interest in, but little influence on, Hong Kong's future. It provides a timely survey of the social and economic framework within which Hong Kong will move from British to Chinese sovereignty. It is well researched and keenly thought through.

Two words stand out - 'fate' and 'pragmatism'. The use of the former particularly in the title is unfortunate since it implies some form of collapse before the case has been examined. As the author himself states in his conclusions, it could equally be argued that the transfer on the terms of the Basic Law presents Hong Kong with a great new opportunity to fulfil its role as the essential *entrepot* for South China and beyond during the next 50 years.

The use of 'pragmatism' is wholly appropriate. It has been - and one hopes still is - the watch word for both Hong Kong and China. Chinese people - and particularly those in the South including Hong Kong - are masters at adaption to circumstance, and they have the ability then to mould those circumstances to their own advantage. As the author states: "optimists would argue that it is precisely a Hong Kong-type mix of pragmatic professionalism in politics and economics which might be a 'Confucian'-type future for China..."

In this connection one would have wished for a more in-depth study of China's road back from the Cultural Revolution and the events leading to the tragedy of Tiananmen Square in 1989 which had so major an impact on sentiment in Hong Kong and on world opinion.

The author discusses at some length and with much insight the immigration policies of the countries which have an interest in population movements from Hong Kong in the years leading up to 1997 and beyond. This study covers a wide field - including Australia, Canada, the United States and Japan in addition to Britain, Europe and the near-by smaller states. It could have been observed that the 'brain drain' whilst a loss to Hong Kong provides welcome space at the top for the upwardly mobile, well educated young people of Hong Kong not available in countries with

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a more static population.

One might also have wished for some views on why Hong Kong and the other Pacific Rim 'Tigers' have been so economically successful. A search for common factors would have led to a comparison of the policies of the various territories relating to land. The Government ownership of land in Hong Kong and its determination to ensure its appropriate use in both the private and public sectors have been significant factors in that territory's success. Similar factors apply in other 'Tiger' states, and if such policies are adopted by China the outcome could have a major impact on its own economic development in the next century.

The author has no doubt that the future of Hong Kong lies with China, but he develops this view further by drawing attention to the difference of approach of the authorities in Peking and those in Guangdong, South China. He says "the fate of Hong Kong depends as much on Peking's relations with Hong Kong, London or any other part of the globe". There has always been tension between the central authorities in Peking and other parts

of China, and Guangdong has gained most from the success of Hong Kong and, with the development of Shenzhen, welcomes a closer association with Hong Kong. Peking is more cautious and views too close a relationship with suspicion.

Having reviewed the debate on the democratic issue and particularly the first direct elections to the Legislative Council in 1991, the author concludes: "The people of Hong Kong had been given a chance to demonstrate that they really wanted an independent political voice, but they chose to stay at home." He adds: "In the end, democracy was not on offer...and it seemed that most Hong Kong people understood that reality." To be fair the author should have contrasted the 140 years of appointed British Government with the provisions of the Basic Law leading to a fully elected Legislative Council within six years of resumed Chinese Sovereignty.

Regarding Britain's position, he writes: "Britain has an interest in keeping the Hong Kong problem off the front pages..." there is little to be gained but aggravation in holding on to Hong Kong". He implies rightly that in the long run, Britain's relations with China are far more important than those with Hong Kong. Yet the author states that the appointment of a high profile politician as the last Governor of Hong Kong was "generally greeted with approval" and in an article dated December 8th 1992, in the International Herald Tribune he takes a positive stand backing the Governor against Peking despite the 'aggravation'. He seems to have forgotten the Chinese rejection of the 'three-legged stool' idea advanced by Mrs Thatcher and dealt with so clearly in the first part of his book.

I took the opposite view to the appointment at the time, and all that has occurred since has confirmed my view. Whatever the outcome of the next 4 years - and the author sets out both optimistic and pessimistic scenarios - the Basic Law provides a clear route to much wider representation of the people of Hong Kong in their own affairs. It provides, *inter alia*, that the next Chief Executive shall be "a permanent resident of the Region...who has resided in Hong

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A CLASSIC ANALYSIS OF POVERTY

Inside the Third World, 3rd Edition,
Paul Harrison,
Penguin, Harmondsworth.

In the thirteen years since the first edition of this book was published, it has been reprinted no fewer than fourteen times. This rise and rise to the status of a classic best-seller should occasion no surprise. It will probably be a long time before we see another guide to the Third World whose coverage is so comprehensive, which describes so graphically the dire conditions in which the mass of the people live, and in which the author shows such perception and understanding of the origins and causes of those conditions.

Between 1975 and 1980, Paul Harrison travelled through eleven countries of Asia, Africa and Latin America, seeing for himself what he calls "the anatomy of poverty". His odyssey took him to, *inter alia*, Bangladesh, where landless labourers struggled to support wives and children on wages of 33 pence a day; to Sri Lanka, where tea plantation workers - typically families of five - lived in dark cells 10ft square; to Colombia where, in a nightmare world of disease and insanitation, he saw a family of nineteen living in a two-room shack, existing on maize soup and rice.

In Brazil, he saw a typical community where, because of a large labour surplus (ensured by keeping vast stretches of land under weeds and shrubs), the landlords were able to obtain workers for a level of wages that forced them, and their families, to exist on a diet of nothing but cassava flour. And all over the Third World he saw bright, shiny cities, their glittering skyscrapers, graceful flyovers and desirable residences contrasting starkly with the unsavoury shanty-towns on the outskirts where the poor camp in squalor, disease and neglect.

In Africa, he noted the decline in the traditional system of land tenure under which "a man cannot own the land because he did not make it", and the insidious growth of private ownership which brings in its train "social polarisation, increasing degrees of inequality and grinding poverty among those without adequate access to land." In Asia, he saw the same process at work with "Private property in land ..(leading) almost automatically to increasing inequalities and the emergence of landlessness, even with a static population." In Latin America he saw the legacy of the conquistadors who, long ago, "replaced an egalitarian communal system of landholding with large estates and landless labourers."

Seen through the eyes of Paul Harrison, the Third World to-day is an endless documentary of man's inhumanity to man. But there can be no doubt that the author "tells it like it is", making this book essential reading for anyone wishing to understand the "whys" and the "hows" of the shameful fact that one fifth of the world's population live in hunger and poverty; or, as Harrison puts it, "on the very edge of existence."

B. W. BROOKES

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Ronald Banks (editor)

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Robert Schalkenbach Foundation, New York, USA.

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they can invest in privatised enterprises. Many of them, desperate to overcome the impact of roaring inflation, have resold their vouchers for around R4,000.

The professor was obviously dismayed by the Yeltsin Government's policies. For example, he said, "enterprises will receive land in return for paper, because the vouchers don't mean anything: it is just paper given by the government to everybody, there's nothing behind the paper."

He wants a stop to Yeltsin's plan to privatise land until, for example, "we have a theory of how land rent should be determined under market conditions. The practical mechanism to determine the land rent doesn't exist here, because we have no land market."

The ominous future for Russia, if property rights to land led to the re-creation of a class system, was not lost on the professor. He warned:

"As soon as we come back to private ownership of land, taking into account the differences in the regions within Russia, the consequences will be very terrible. It is possible there will be the continuation of the Peasant Wars we had in the civil war 70 years ago."

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Kong for a continuous period of not less than 20 years." So Hong Kong will not again have to suffer a failed politician who, but for the loss of his parliamentary seat, would have had no thought of Hong Kong let alone a role in its fate.

The author refers many times to the Far Eastern Economic Review - a respected and well informed Hong Kong weekly - so it seems appropriate to conclude this review by a quotation from that journal. In January 1984, before the Anglo-Chinese Joint Declaration, it stated "if Hong Kong is still free and prosperous after 1997, it will not be because of any agreement signed by Britain and China in 1984. It will not be because the people ruling China at the end of the century have their own stake in the survival of an autonomous capitalist enclave on their country's south coast...there can be no such thing as a moneyback guarantee for Hong Kong." This is still the case.

* Richard Clarke was for many years Hong Kong's Director of Lands, Surveying and Town Planning.