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by
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Since retiring from DFAIT in March of 2000, after my posting to Hong Kong 1996-1999 as SIGNET Systems Administrator, I was asked by some groups (Probus, Rotary, Church) in 2000-2004 to give talks on my impression of the 1997 handover of Hong Kong from British control to China. Here is the gist of my comments. Questions after each segment led to additional information being imparted.

We will look at a memorable international event that happened in 1997, but still gets reported on in today's news media. The occasion was the historic British handover of Hong Kong to Mainland China. Hong Kong, which for a century and a half had been a British colony, with an enviable record of economic capitalism, technological and social achievements, returned to Chinese control on July 1st, 1997. The uncertainties surrounding this dramatic change of status gripped the imagination of the world. Although years have passed since the handover, memories of it are still fresh in my mind, as I saw developments unfold during my three year stay in Hong Kong from 1996 to 1999.

We will look at three specific aspects related to the event:

- How the British got to Hong Kong in the first place;
- How Hong Kong's 1997 handover to China was conducted;
- How the handover affected Hong Kong afterwards.

How did the British obtain Hong Kong in the first place? Very simple: At gunpoint. In the year 1841, Britain snatched the island of Hong Kong from the Chinese. The acquisition of Hong Kong was part and parcel of Britain imposing trade liberalization on China, specifically its opening up of five treaty ports through which trade could be conducted. And we are not talking about a free trade agreement here. China very much resisted trading with European powers, including resistance to British use of opium as a form of currency, a custom which to this day rankles the Chinese. This practice had led to British business enterprises being kicked out of Canton, that fabled Chinese city of foreign commerce on the Pearl River, which up to that point had been the only port through which foreign merchants could trade. That expulsion left the British searching for a new base from which to operate. The spectacular natural harbour of Hong Kong offered safe haven for British trading vessels. China could not protect the island, which at that time was little more than barren rock, from British warships. Britain therefore occupied Hong Kong Island. In the 1842 Treaty of Nanking, China permanently ceded the island to Britain. The treaty made no provision for the island ever being returned to China.

Like any good colonialist, Britain was not satisfied with one island only. Within twenty years, in 1860, it grabbed a piece of Kowloon Peninsula (up to Boundary Street) on the other side of Victoria Harbour, plus Stonecutter's Island, again with no intention of ever returning those areas to China. Near the turn of that century, in 1898, Britain needed a vastly larger territory to support its growing colony. The adjacent area, called the New Territories, fit the bill. It consisted of the entire Peninsula, up to the present day city of Shenzhen, plus over two hundred islands, large and small. That was too big a bite to take, and maintain, by force. Instead, dealing with a weak and corrupt emperor-ruled China, Britain extracted a 99-year lease. That new acquisition was the territory to be

eventually returned to China, in the then distant future of 1997. The British possibly entertained hopes of never being called to account on this.

That hope was dashed in 1982 when British Prime Minister Margaret Thatcher met the Chinese leadership in Beijing. She was reminded of the expiration of the lease on the New Territories coming up fifteen years hence, in 1997. Iron Lady or not, she was handed an eviction notice. The British government realized the infrastructure of its permanent colonial possession (that is, Hong Kong Island, the tip of Kowloon Peninsula and Stonecutter's Island) was by now so closely intertwined with that of the New Territories and China itself that the original colony could not be maintained independently. Also, by this time it was no longer politically fashionable to have colonies. Everyone was too polite to mention there had been quite a dramatic shift in military power as well. Even so, Mrs. Thatcher tried to secure extended British administration of the Colony on the argument that its occupation had obviously been so successful. The Chinese were more interested in seeing the end of British rule altogether. When 1997 did arrive, the colony in its entirety was handed back to China. This very short overview sets the stage for tackling the next issue: how was the handover conducted.

How was Hong Kong's 1997 handover to China conducted? The handover ceremony was a colourful spectacle broadcast by television stations around the world. June 30th, 1997 marked the end of 156 years of British rule. The British Governor vacated Government House, the Rolls Royce exited the circular driveway for the last time. That evening, a Farewell Ceremony was held outdoors, with Prince Charles and other dignitaries delivering moving speeches. Torrential downpours of rain accentuated the tears being shed. Television viewers at the time may well be forgiven the impression that it always, ALWAYS, seemed to rain in Hong Kong. In fact, the 350 millimeters of rain that fell during the days of the handover was the heaviest in 100 years.

The Handover Ceremony itself, later that evening, was held indoors, in the Grand Foyer of the Hong Kong Convention and Exhibition Centre. A magnificent Extension had been constructed specifically for this occasion. Located on reclaimed land in the Wan Chai section of town, it regally projected itself into Victoria Harbour. Late into the night of June 30th, then past midnight, and into the early hours of July 1st, the building was lit within and without as the handover ceremony progressed. One flag lowered, another one raised. Institutions disbanded, new ones sworn in. The Royal Yacht Britannia, with Prince Charles and the ex-Governor on board, slipped out into the night. The handover deed was done. A British Colony had expired, the Hong Kong Special Administrative Region of the People's Republic of China was born.

That is what hundreds of millions of television viewers around the world saw. It was an accurate picture. Thousands of foreign media reporters made sure it was. I believe there was a collective sigh of relief that the event had been so civilized. It could have been worse.

Lengthy consultations between 1982 and 1997 allowed the handover to proceed as smoothly as it did. The preliminary Sino-British Declaration on the Question of Hong Kong, signed in Beijing on December 19th, 1984, contained clauses and provisions governing conditions after Hong Kong reverted back to China. Hong Kong was promised a high degree of autonomy. All rights and freedoms would be retained. The capitalist system would be left intact for 50 years. It looked good on paper. Nothing to worry about. Yeah, right. Tell that to the population of Hong Kong, more than 95 percent Chinese, who had come to Hong Kong mainly as refugees from China. They had fled mainland China for a variety of reasons, civil war, political upheaval, cultural revolutions, religious oppression, poverty, famines, and floods. No wonder they were skeptical of Chinese intentions. And now the Communists were about to come after them in the safe haven of Hong Kong. What to do? Many did what they had done before. Leave. They emigrated to Canada, the U.S., Australia and numerous other countries. Historically and culturally they were attached to Hong Kong, and kept up ties. But better safe than sorry, so they established residency abroad.

The brutal 1989 repression of students in Tiananmen Square showed the savagery of the mainland dragon beast. Another reason for not only distrusting China, but downright fearing it. Could similar suppression happen in Hong Kong in 1997? Why not?

As mentioned, the Sino-British Declaration of 1984 was designed to protect the existing freedoms of Hong Kong. The Chinese leader Deng Xiaoping had popularized an ingenious concept that could accommodate two differing systems united under one rule. The beauty lay in its simplicity: 'one country, two systems'. While an excellent concept, one country two systems constituted only the umbrella under which things could be done. It was not detailed enough to undertake the frightening complexity of blending a capitalist colony into a socialist dictatorship. The livelihood of over six million people was at stake, not to mention the aspirations of the entire Chinese nation.

During the period 1984-1997, several committees were formed to hammer out transition details. You can well imagine that representatives for Hong Kong, comprised of British administrators and Hong Kong civil servants, held considerably different opinions from mainland representatives. In the critical final stages of the consultative process, five years prior to the actual handover, a man stepped onto the stage and influenced events beyond imagination. Chris Patten, last British Governor of Hong Kong, passionately believed in Hong Kong citizens being granted an unprecedented level of political freedom. It must be remembered that up to this point Britain had never considered giving Hong Kong anywhere near the political independence enjoyed in Britain itself. After all, Hong Kong was a colony; political power rested in Whitehall. Patten saw this as a challenge. If the political bondage under which Hong Kong had been colonized for over a century and a half was carried over to the next stage of its existence, Hong Kongers would never taste freedom. Patten encouraged the city to think independently. Free yourself of Britain. By extension, free yourself of China. Beijing viewed it as an extreme provocation. Even some traditionalists in Hong Kong thought this was going a bit far. The ordinary citizens of Hong Kong, however, approved the idea of enjoying more democracy, and wanted to exercise it. They respected and trusted Patten. They did not trust Beijing. This angered Beijing even more. Beijing treated Patten as a meddling busybody. Even the Colonial Office in London had the jitters from time to time from the waves being created by Patten. But it was precisely this push by Patten for something better for Hong Kongers than what they'd had before that caught the imagination of the world. That made the handover such an eagerly studied event.

In the end, often under the glaring lights of publicity, the requisite deals and compromises were worked out, allowing for an orderly transition. A Selection Committee, composed of 400 members representing four sectors in the industrial, commercial, professional and labour fields, chose the first Chief Executive for the new Region. Some conditions for being Chief Executive were: Chinese citizen aged not less than 40 years, having lived in Hong Kong continuously for at least 20 years, and with no right of abode in any foreign country. Mr. Tung Chee Hwa fit the bill, and on July 1st, 1997 he became Hong Kong's first Chief Executive. What happened next?

How did the handover affect Hong Kong? After the ceremony, what were the immediately visible signs that Hong Kong was no longer a colony? The early morning arrival, on July 1st, of 4,000 Chinese troops from across the border was a chilling reminder of who was now in control. This event was all the more ominous because it took place on a dark, rain-soaked morning, with the troops stoically enduring transportation in open vehicles, defiant to the elements. Not customers to tangle with. Few residents lined the street in support of the troops. This only highlighted the absence of nearly everyone else, who endured the invasion, rather than applauding it.

If at any time in the new Hong Kong Special Administrative Region you wanted to start an argument, all you'd have to say were three words: "right of abode". Who had the right to live where? Did mainland Chinese now have the right to live in Hong Kong, as it had just become part of China? One of the greatest fears of the Hong Kong administration was that they'd be overrun by millions of poor Chinese searching for a better life. The local infrastructure simply was not there to accommodate them. Hong Kong was crowded enough already. The Beijing government agreed. It was easy for them to declare Hong Kong off limits. Within China itself, people can not move around freely. Protected by a system already in place, Hong Kong was safe from a massive influx of people.

But there were tens of thousands of cases less clear. What about workers from the mainland, already legally living in Hong Kong? Could they now bring in their families? No hard and fast rule applied. Hong Kong courts were continually confronted with special cases. Emotional scenes frequently appear on television screens.

Politically, of course, the new status of Hong Kong brought about a change in public attitude. Newspapers, for example, became more circumspect in their criticism of the Beijing regime. There was no sign of blatant censorship imposed on Hong Kong's media by Beijing, but suggestions that Hong Kong media were self-censoring content had some merit. The work that former British governor Patten had done to encourage expressions of freedom was now tempered with the subconscious question of how it would play in Beijing.

Schools started promoting the Mandarin language, with diminishing roles for Cantonese and English.

Hong Kong was also buffeted by a severe economic slump. But that was a widespread ailment affecting all of Asia. In fact, to the extent it was able to do so, China helped Hong Kong come through the economic crisis.

Other immediately visible signs were the flying of Chinese flags, instead of the British ones, on public buildings. Mailboxes of distinctive British motif were replaced. Some organizations with the name "Royal" decided voluntarily to drop that description. The British insignia on the gate of the former governor's mansion was taken down. But many Hong Kongers who had feared the Chinese would immediately and on a large scale rename streets, remove English signs, and generate a distinctly Beijing presence were relieved this did not happen. A year later, for example, the Headquarters of the People's Liberation Army Garrison was housed in a building with its old name still intact: Prince of Wales. Troops were confined to barracks.

For the two years I lived in Hong Kong after the changeover, no earthshaking differences took place. The economy picked up again, Hong Kongers went back to one of their main pursuits, that of making money, and were generally confident that Beijing was living up to its treaty commitments. Because of that confidence, a number of Hong Kong residents who had left the territory before the changeover were now returning.

Beijing had, and still has, a lot to gain by keeping Hong Kong a dynamic city. China's reputation as an economically advancing country would lose credibility if it allowed Hong Kong to stagnate. In fact, China is doing its utmost in developing several mainland cities to the high standard exemplified by Hong Kong. Shanghai, for example, is being groomed to give Hong Kong a run for its money.

Internationally, China wants to prove to the world that it can absorb special regions like Hong Kong and Macao, always with an eye on the big prize, Taiwan.

In my opening remark I mentioned the impact of the handover still gets mentioned in the press these days. Protest by half a million Hong Kong residents influenced the delay in formulating new security laws. Election for the position of Chief Executive is judged on how compliant candidates are to the wishes of Beijing. The process of the handover let loose a sense of democracy in Hong Kong. With this desire for democracy establishing itself, it is proving difficult to put that genie back in the bottle.