
Introduction

After the End

In 1995, *Fortune* wrote a cover story for its international editions entitled “The Death of Hong Kong,” claiming that “the naked truth about Hong Kong’s future can be summed up in two words: It’s over.”¹ Different from most, if not all, of the postcolonial regions in the world, Hong Kong has a unique postcolonial history of its own. In its colonial days, long before 1997, Hong Kong had already enjoyed great economic prosperity, deemed by many as having surpassed its colonizer. Some would thus say that Hong Kong had actually entered its “postcolonial” period in the 1980s. However, while other former colonies (re)gained their independence after their colonial history ended, Hong Kong reunited with its motherland, China, after 1997.² In fact, Hong Kong had been under the shadow of “1997” for almost two decades before its reversion to China. One of the major watersheds was arguably Lady Margaret Thatcher’s infamous slip on the steps in front of the Great Hall of the People in Beijing in 1982. Before the slip, Lady Thatcher had a heated exchange of ideas with Deng Xiaoping, the late leader of the People’s Republic of China (PRC), in the Great Hall of the People regarding the future of Hong Kong. Deng made it very clear that Hong Kong’s return to the motherland on July 1, 1997 would not be compromised, and the Iron Lady was reportedly so taken aback that she tumbled down the stairs upon leaving. Immediately after the incident, the real estate and stock markets dipped as Hong Kong’s fear of its end in 1997 eventually came to the fore. After the signing of the Sino-British Joint Declaration in 1984, in which the United Kingdom’s government affirmed that it would hand over Hong Kong to the People’s Republic of China with effect from July 1, 1997, Hong Kong’s culture was obsessed with China on the one hand and *fin de siècle* on the other. The innovative “One Country, Two Systems” concept proposed by the late Deng Xiaoping served to soothe the anxieties of Hong Kong people, but

the populace had grave doubts about whether this could be realized, and thus 1997 was seen by many as the “end” of Hong Kong.

Hong Kong did not die in 1997. To the surprise of those who had no trust in Deng’s experiment, 1997 was, in a sense, anticlimactic. People expected dramatic changes, but the “unchanged for 50 years” slogan proved to be realized—at least in the first few years after the handover. As aptly put by Allen Chun, 1997 turned out to be “a year of no significance”:

The ritual façade of the handover has marked the fictive significance of 1997, and the fiction of Hong Kong’s autonomy in a meaningless ideological framework has reset the clock again on its eventual integration with the mainland. . . . In Hong Kong, embrace of the motherland has instead refined institutional capitalism to new heights.³

However, after 1997, Hong Kong witnessed a dramatic change in its attitude toward its motherland. The economic downturn in 1998 and 1999 shattered Hong Kong’s myth of economic success, putting Hong Kong people in dire straits in the aftermath of the Asian financial crisis. Perhaps for the first time, as noted by John Erni in a special issue of *Cultural Studies* published in 2001, the people of Hong Kong found their rescue through the Chinese polity: “At the end of the (postcolonial) day, the unfolding but parallel events of nationalization and economic hardship co-stage a fuzzy historical vista.”⁴ In the aftermath of the Asian financial crisis in the late 1990s, many Hong Kong people willingly turned to their motherland, not because of the Hong Kong government’s edification of national consciousness, but because of China’s surprisingly swift economic growth in the new millennium.

In his account of Hong Kong culture, Ackbar Abbas makes an inspiring point about “the end of Hong Kong.” He argues that Hong Kong in 1997 “inaugurates an intense interest in its historical and cultural specificity, a change from the hitherto almost exclusive fascination with its economic success,” and thus Hong Kong culture “is very precisely a culture of disappearance because it is a culture whose appearance is accompanied by a sense of the imminence of its disappearance, and the cause of its emergence—1997—may also be the cause of its demise.”⁵ According to Abbas, the (dis)appearance of Hong Kong culture cannot be separated from the events of 1997. Hong Kong disappeared from a fixed definition through the duality of East/West and tradition/modernity. If Abbas’s *Hong Kong* is a stimulating account of Hong Kong culture at and before 1997, Leo Lee’s *City Between Worlds* is the best description of Hong Kong culture at the tenth anniversary of Hong Kong’s reversion to China. While Lee’s book does not focus on high theory, his more “pedestrian” way of presenting Hong Kong articulates new dimensions that

cannot be fully captured by the “disappearance” model. As convincingly put by Lee at the beginning of the book, “Abbas’s observations were extremely perceptive at the time, especially about the West’s images of Hong Kong. But more than ten years after the handover, perhaps they need to be revisited and updated.”⁶ In a conference entitled “After the End: Hong Kong Culture after 1997” held at The University of California, Los Angeles, in May 2001, Abbas noted in his “After 1997; or ‘What do we do now, now that we’re happy?’” that “the relationship to China can no longer be oppositional in the old way,” and “we seem to be moving away from a politics of opposition and binary relations, to a ‘dispersed politics’ without a clear scenario.”⁷ It is important to theorize post-1997 Hong Kong by placing the emphasis not on binary relations but on “dispersed politics” outside the box of the China-West framework. To borrow the words from the aim of the “After the End: Hong Kong Culture after 1997” conference, it is important to “theorize and substantiate the ‘after’ by not only asking the question of what comes after 1997 and why culture takes a certain turn, but also asking what is at stake in using 1997 as the temporal demarcating line.”⁸

As the fifteenth anniversary of reversion to China is already behind us, it is necessary to avoid being trapped by 1997, and to examine Hong Kong from new perspectives. While Hong Kong’s distinctive colonial history can be used to account for the characteristics of its culture before 1997, its relation to China, the most swiftly developing economy in the world over the past decade, has introduced a paradigm shift. The important point is that Hong Kong has been caught in a paradox since 1997: on the one hand, it took great pains to retain its status as a global city, and on the other, it cannot but lean toward China for the sake of economic opportunities. Meanwhile, the rise of China and its soft power has exerted an enormous impact not only on the world in general but also on Hong Kong in particular. When China surpasses Hong Kong in terms of capitalism, Hong Kong culture can no longer retain its special role between China and the world—at that point, China has become the world. Hong Kong’s singular, ambiguous but prolific existence has changed, and the loss of “in-between-ness” fuzzes the edges, shifts the foci, and alters the shape of its cultural identity. The current flux in Hong Kong can be attributed to three factors: “writing about Hong Kong involves a triangular articulation of Chinese nationalism, British colonialism, and globalism, which also evokes the impossibility of serving three masters.”⁹ As its status and hence culture after the reversion to China have changed significantly, Hong Kong would need to redefine itself by necessity. China no longer needs to rely solely on Hong Kong as a “window” or “bridge” to the outside world. This is a key, underlying theme of this book, and it will be argued in the following chapters that the Hong Kong government failed to respond to this need. Hong Kong government has still been seeing Hong

Kong as China's gateway to the world. Its lack of imagination in redefining itself has exerted very negative impacts on the recent developments of Hong Kong culture. While Abbas's argument that for Hong Kong "the cause of its emergence—1997—may also be the cause of its demise" may be valid before 1997, it is argued in this book from a different perspective: "Hong Kong" became lost in transition when it took great pains to define its international visibility. The cause of its "demise"—China—may also be the cause of its emergence in a different form.

By "lost in transition" I am not trying to say that Hong Kong culture has disappeared in the strict sense. Instead, it has changed after 1997, but the changes have by far been negative. It also has to be stated at the outset that I believe, to borrow Rey Chow's insightful argument, that Chineseness should be plural in nature: Chineseness-es.¹⁰ Hong Kong culture, together with other Chinese cultures, would contribute to the vigorous heterogeneity of Chineseness-es. Toward this end this book is intended to offer an updated account of Hong Kong culture from the perspective of a local critic, and due allowance has to be made for differences in assumptions and ways of thinking among Chinese peoples of different backgrounds. To probe into my argument further, it is necessary to revisit the famous notion of "One Country, Two Systems."

One Country, Two Systems

As mentioned above, Deng Xiaoping proposed the famous "One Country, Two Systems" idea during the negotiations with then British prime minister Margaret Thatcher. Deng's highly original concept maintains that while most of China will adopt the socialist system, areas such as Hong Kong, Macau, and Taiwan will retain their own capitalist economic and political systems under the one-country principle. In the fifty years after reunification, the two Special Administrative Regions (SARs) of Hong Kong and Macau are expected to enjoy a high degree of autonomy and a capitalist system, and their ways of life will remain unchanged. The two Special Administrative Regions will handle their own domestic affairs, whereas the Central People's Government in Beijing is responsible for issues related to diplomatic relations and national defense. According to the Hong Kong Basic Law, "The socialist system and policies shall not be practised in the Hong Kong Special Administrative Region, and the previous capitalist system and way of life shall remain unchanged for 50 years."¹¹ In brief, "One Country, Two Systems" grants Hong Kong SAR the autonomy to be administered by Hong Kong people, and it will continue to operate under its existing systems, such as English common law. Meanwhile, "One Country, Two Systems" has created an aura propitious for the mainte-

nance of the status quo of Hong Kong—the rule of law, a capitalist economy, etc.—under the slogan “50 years unchanged.” Although people were skeptical about whether this principle could be upheld in reality, it was welcomed by both Hong Kong people and the West in general. Hong Kong and transnational corporations agreed to keep its system unchanged—and Mainland China did not disagree with this arrangement. As pointed out by Lau Siu Kai, the Head of the Central Policy Unit of Hong Kong, “When he [Tung Chee-hwa] was considered by Beijing as the first head of the HKSAR government, both Beijing and Tung himself saw the primary duty of the job-holder to be to secure the implementation of the ‘One Country, Two Systems’ arrangement for Hong Kong.”¹²

Worries about whether “One Country, Two Systems” would be upheld appear to be unfounded. Hong Kong has since its reversion been administered by Hong Kong people during the time of chief executives Tung Chee-hwa (1997–2005), Donald Tsang (2005–2012) and Leung Chun-ying (2012–17). If government officials’ repeated affirmative acclaim of this idea is not enough to relieve anxieties, then independent studies should bolster its effectiveness. James Forder of Oxford University conducted a study entitled “Hong Kong—Ten Years On,” which was commissioned by John Swire & Sons, a renowned British company dedicated to conducting business in Hong Kong. He concluded in the report completed in 2007 that “One Country, Two Systems” can be “regarded as, economically, a striking success.”¹³ James Hughes-Hallett, chairman of John Swire & Sons, added after the release of the report, “We believe the report clearly demonstrates Hong Kong’s unique position, both as the international finance center of Asia and at the same time as a Chinese city with a strong and distinctive British culture and administration heritage.”¹⁴ In Hughes-Hallett’s view, the *sui generis* status of Hong Kong reaffirmed its role as the platform for British business in China. At that juncture, it is widely believed that the doomsayers were wrong.

“One Country, Two Systems” prescribes that Hong Kong will play a special role between China and the world. As Rey Chow astutely noted shortly after the handover, countries such as Britain and the United States “share with the P.R.C. the objective of keeping Hong Kong as it is, that is, as (nothing less but nothing more than) the capital of freewheeling capital.”¹⁵ Having fully embraced global capitalism for quite some time, Hong Kong is often seen as a springboard for China’s entry into the global economy, but, at the same time, it must retain its autonomy so as not to become simply another city of China. In reality, it is not that Hong Kong is becoming another Mainland city but, rather, that other Mainland cities are becoming more and more Hong Kong-ized. The “two systems” has become vulnerable to changes not because, surprisingly, of the socialist system encroaching into Hong Kong but because of the increasing capitalization of Mainland markets. In this context senior

government officials are seeking to bolster Hong Kong's international status, which, as they see it, will contribute to differentiating Hong Kong from other Mainland cities. When *TIME* coined the term "Nylonkong" in its special issue in January 2008, putting Hong Kong side by side with New York and London, the Hong Kong government was complacent with its achievements. This is in fact an extension of the notion of keeping Hong Kong as the "capital of freewheeling capital." This, in turn, conjures up the myth of the status quo, in which Hong Kong citizens are led to believe that should Hong Kong retain the status quo after the handover, Hong Kong will continue to prosper.

The emphasis on being an international center of finance is, of course, not new. During the roughly thirty years before the handover, because of the absence of political autonomy as a colony of Britain and as a Special Administrative Region of China, Hong Kong people have come to accept a so-called "compensatory logic"; it is "because the people in Hong Kong are lacking in something essential—political power—that they have to turn their energy elsewhere, economics."¹⁶ Due to this compensatory logic and its consequent economism, Hong Kong has been shaped as a port city that places commerce and trade at the top of its priority list. "Free market" has been one of the most widely used slogans in Hong Kong for many years. After its reunion with China in 1997, the "free market" economy is still one of its greatest assets, demarcating its special status as a Special Administrative Region from other cities in China. One might even say that because of its special status, Hong Kong has changed from being "a huge Chinatown"¹⁷ to a transnational corporation that mediates trade between China and the capitalist world. Despite its continued emphasis on economism, Hong Kong "could no longer pursue profits at the expense of patriotism" after 1997, according to Leo Goodstadt, chief policy adviser to the Hong Kong government as head of its Central Policy Unit from 1989 to 1997. Hong Kong's market and other priorities have been defined in terms of the Mainland over the past decade. As rightly noted by Goodstadt, "While the community had an abiding concern for political autonomy, economic autonomy was slipping away, almost unnoticed."¹⁸ Cultural autonomy, in this special context, would also be seriously jeopardized. The myth of the status quo secured by "One Country, Two Systems," in this sense, is far from a guarantee of "One Country, Two Cultures."

The Myth of the Status Quo

"One Country, Two Systems" spawned a myth of the status quo both before and after Hong Kong's reversion to China, which has significantly limited its political, social, and cultural imaginaries. The "rule of law" is often represent-

ed as the most important weapon in the defense of Hong Kong's autonomy and, hence, its future.¹⁹ Since Hong Kong had been deprived of political autonomy before 1997, a relatively independent and impartial legal system has since become the pride of Hong Kong. Facing a central government in which Hong Kong people have little faith, the Basic Law and the rule of law are being seen as the essential bulwark for Hong Kong's political autonomy and the civil liberty of its people. To economy-oriented Hong Kong people, a stable and independent legal system also serves to attract foreign investment in the age of the global economy. A speech delivered in South Africa in 1999 by the then financial secretary of Hong Kong, Donald Tsang, reinforces this belief. In the seminar, Tsang urged South African businessmen to invest in Hong Kong. He stressed that "Hong Kong is the springboard to the rapidly developing market in Mainland China, and, under the 'One Country, Two Systems' framework, South Africans can do business in a common law system that they are familiar with."²⁰ The rule of law has long been considered a prerequisite to the development of a country's capitalist economy.²¹ In the age of globalization, as the inflow of capital from transnational corporations becomes even more important to the development of capitalism, the role of a Westernized rule of law may be seen as even more essential. As its legal system is based upon common law, and its substantive laws are similar to those in the United Kingdom, Hong Kong's legal system, different from that of other developing countries, faces little pressure in the age of global capitalism. The open door policy in the late 1970s paved the way for transnational corporations to develop their businesses in China, and the extremely different systems of capitalist and socialist modes of operation have created many problems in the legal system. Hong Kong's common law legal system, with which Western transnational corporations are generally familiar, and its substantive law, under its laissez-faire economy, are also favorable to the running of the market and to the transnational corporations that are in the market.

Hong Kong has been upholding a "free market" policy for many years, and it is commonly believed that the doctrine of laissez-faire is the key to enabling Hong Kong to succeed in the global economy. The liberal theory of a global political economy maintains that while the "free" market is of paramount importance, "the international economy is seen as dominant in shaping both overall patterns of international relations and the policies of particular states and in imposing changes on both."²² From this perspective, it becomes patent that when the market becomes more globalized, the state will have less autonomy. Therefore, Hong Kong has to face a double bind. It must retain its global capitalistic characteristics in order to safeguard its "autonomy" under the "One Country, Two Systems" framework (making it distinct from other Chinese cities), while, at the same time, it must risk sacrificing its autonomy in the midst of the globalized free market dominated

by corporate capital. The seeming autonomy is actually legitimized by the discourse of global capitalism. On the one hand, global capitalism seeks to make its way to the sizable market of China via Hong Kong, and, through this connection, Hong Kong's legal system is believed to be the most important element in maintaining Hong Kong's present function as a port city. On the other hand, even China would not want to change the status quo of Hong Kong, since it serves a different function from its other cities (as a springboard to the global economy). Not only is the threat of replacing the local legal system in peripheral host states commonly found in the globalization process not applicable to Hong Kong, but also the transnational corporations, Mainland China, and Hong Kong itself have all agreed to retain their current legal systems. In sum, a legal system that has subtle complicity with the global economy will further stabilize the compensatory logic of Hong Kong, fabricating the myth that Hong Kong should and can only be a commercial city. After the failure of Tung Chee-hwa, Beijing realized that it would be to China's benefit to have Hong Kong revert to the function it served before 1997. Thus, the "appointment" of Donald Tsang as the second chief executive of Hong Kong Special Administrative Region revealed Beijing's intention of resuming colonial governmentality in postcolonial Hong Kong.

One danger of the false logic that has been sustaining the status quo, and the belief that it will lead to a better tomorrow, is that the discussion of justice from perspectives other than those endorsed by the legal system may be silenced. Unfortunately, to borrow from Cornel West's brilliant account of law and progressive politics in the United States, "[t]he status quo lives and thrives on the perennial radical dilemma of disbelief: it is hard for ordinary citizens to believe their actions can make a difference in a society whose resources, wealth and power are disproportionately held by the big-business community."²³ If a legal system is burdened by those inherent problems, then it should be no surprise that social injustice has been left glaringly unattended by the government. Rey Chow's remark in 1998 proved to be precursory:

In Hong Kong, China's ideological chaos has so far enabled business tycoons to continue exploiting the working classes for maximum commercial benefit in the name of anticolonialist ethnic unity. As such exploitation of the labor force is likely to intensify in the decades to come (precisely as China tries to look good by honoring the commitment to keeping Hong Kong economically prosperous), the gap between the rich and the poor, already huge, will probably widen to an unprecedented degree. Should this happen, Hong Kong's economic prosperity will have to be recognized not as bringing about democracy, with its principle of equality among citizens, but rather bringing about its lack.²⁴

Income inequality has been a notoriously serious issue in Hong Kong—for example, it had the highest Gini coefficient score in the category of “very high human development” in a 2009 United Nations report. A “horrible” balance could perhaps be stricken in good economic times, but when the economy faces a downturn, many social problems would surface.

2003: A Year of Significance

In the history of Hong Kong, 2003 would prove to be a year of greater significance than 1997. After a brief and slight recovery from deep financial and social hardships in 2000 and 2001, Hong Kong’s economy suffered another dip. The SARS (Severe and Acute Respiratory Syndrome) crisis in 2003 was arguably the final breaking point for the notoriously ineffective Tung Chee-hwa administration. A half-million Hong Kong people rallied in protest on July 1, 2003, voicing their discontent with the government. Two senior officials, the then financial secretary Anthony Leung and the then secretary for security Regina Yip, were forced to resign shortly after the July 1 march, which dealt a momentous blow to the Hong Kong government. To save Hong Kong’s economy and divert intense criticism against the Hong Kong government, Beijing launched plans such as the CEPA and “free tours”—in which Mainland citizens could travel to Hong Kong more easily for shopping and sightseeing. Since then, Hong Kong’s economy has been heavily slanted toward Mainland capital and investment.

The embattled chief executive, Tung Chee-hwa, finally stepped down in March 2005—two years before the end of his term—and was succeeded by Donald Tsang, who joined the civil service back in 1967. Although Tsang’s governance seemed to differ significantly from Tung’s, it was the rise of China’s economy and the constant inundation of Mainland capital and investment that had a profound influence on Hong Kong society. On the one hand, there were more and more Mainland cities becoming as “capitalist” as Hong Kong; the former British colony no longer enjoyed its special privilege as the most, or only, capitalist Chinese city. On the other hand, as money from the Mainland poured in, Hong Kong found its economy becoming more and more dependent on this capital, increasingly turning to the Mainland in pursuit of making money. Thus, it was not surprising to hear that a Singaporean academic categorized Hong Kong as “already a half state-owned enterprise.”²⁵

Ironically, the myth of the status quo was broken not by China’s intervention but by Hong Kong’s own return to its motherland. The unexpectedly swift growth of the Mainland economy had sounded the alarm for Hong Kong people, reminding them that the status quo was no longer a sure thing for Hong Kong’s future. Hong Kong people came to realize

that they had to rely largely on the Mainland in keeping their own economy robust. More and more hope has been invested in China, particularly in the aftermath of the financial tsunami generated by the subprime mortgage crisis in the United States, leaving Hong Kong to face a drastic change in its relationship with China. In 1997, China was postulated by mainstream media as a communist Other who was poised to take over Hong Kong—according to Rey Chow’s famous account of the “King Kong syndrome” that produces “China” as a spectacular primitive monster.²⁶ Soon after 1997, however, China was deemed by many as the future of Hong Kong. “The value of Hong Kong to the international community is that Hong Kong is part of China and is able to take full advantage of its position in China,” noted Anthony Cheung, the president of the Hong Kong Institute of Education and nonofficial member of the executive council. “To do this, the Hong Kong of the next 10 years has to reassess where it fits into the China story.”²⁷

Janet Ng’s *Paradigm City: Space, Culture, and Capitalism in Hong Kong* offers a comprehensive account of post-1997 Hong Kong up to this point. Her conclusion that “[t]he experiences of these five years [first five years of the HKSAR period] have made sure that within capitalist space, there will also be ‘space of hopes’”²⁸ is convincing, and I would even say that this remains true after the first five years. However, during the second five years of Hong Kong’s reversion to China, there were vast changes in the political, social, and hence cultural conditions in Hong Kong that must be documented before the “space of hopes” can be located. After 2003, Hong Kong witnessed tremendous changes that Ng’s book had not fully captured. To cite one such example, when the Disney Corporation decided to bring its Magic Kingdom to Hong Kong in 2000, as Ng notes, it was seen as recognition of Hong Kong’s success as a city embracing global capitalism.²⁹ But less than a decade later, in November 2009, a new Shanghai Disneyland was approved by Beijing. This aroused great anxieties in Hong Kong, sparking debates on whether Hong Kong would be marginalized when Shanghai becomes the new “capital of capital.” In chapter 2, I will examine in detail the rise of China and Beijing’s new strategy of promoting Chinese culture. The paradigmatic shift has had an enormous effect on the cultural landscape of Hong Kong. As argued by Lo Kwai-cheung and Pang Laikwan in the introduction to the special issue of *Postcolonial Studies*, “Hong Kong: Ten Years after Colonialism”:

The process of very limited (if not entirely absent) decolonization does not lead to a more liberated and self-determining socio-political structure, and the failure to build a radically altered postcolonial order by the first Chief Executive Tung Chee Hwa’s Hong Kong Special Administrative Region government only further reveals

the antagonistic relations between the power and the oppressed inherited through the colonial legacy.³⁰

Perhaps no one would really believe Tung had the necessary power to “build a radically altered postcolonial order,” but his administration did fail to establish a credible government in the eyes of Hong Kong people.

Donald Tsang formally succeeded Tung Chee-hwa as the chief executive of Hong Kong Special Administrative Region on June 21, 2005, and he won the third term chief executive election with 649 votes (84 percent of the total valid votes) on March 25, 2007. Chapter 3 will examine the “Donaldization” of Hong Kong—seemingly “strong” governance but patently not for the people—that once spurred a momentary but false hope for Hong Kong’s future. On the one hand, Donaldization represents an incomplete McDonaldization; on the other hand, it has further shaped Hong Kong into a commercial society. Tsang highly values Brand Hong Kong, a global brand program with a goal of focusing international attention on packaging Hong Kong as “Asia’s World City.” The marketing strategy of Hong Kong as “Asia’s World City” has marginalized other values while it continues to uphold “Central District Values,” which will be discussed in chapter 4. When the iconic dragon, the visual identity of the Brand Hong Kong program, soared high above Victoria Harbor, Saskia Sassen’s question, “Whose city is it?” was left unanswered. Although Hong Kong does not want to become a “Chinese” city, other Chinese cities have become more and more “Hong Kong-ized,” with swift development of global capitalism throughout the Mainland. While Hong Kong has tried hard not to become Chinese while maintaining its international identity, Chinese cities have become more international, as the Beijing government has placed more emphasis on accumulating soft power by selling Chinese culture to the world. What the Brand Hong Kong program has failed to recognize, however, is that the distinguishing characteristic of Hong Kong is its “emergent community,”³¹ where genuine cosmopolitanisms have the space to emerge.

At the tenth anniversary of Hong Kong’s reversion to China in 2007, opinions on Hong Kong’s achievements over the preceding decade were rather diverse. The Hong Kong economy in 2007, which had recovered from the SARS crisis, looked promising, as the growing financial tsunami had not yet threatened. This optimistic outlook led Donald Tsang to claim during a visit to Beijing in November 2006 that Hong Kong was enjoying its best economic times in almost twenty years. In addition, Hong Kong was reported to have “reinvented” itself.³² In 2007, *Fortune* admitted in “Oops! Hong Kong Is Hardly Dead” that they were wrong to declare the death of Hong Kong in 1995: “What’s clear is that economic concerns have won, and that—at least economically—China has left Hong Kong alone to thrive under its ‘One

Country, Two Systems' pledge."³³ *TIME* was also very optimistic about Hong Kong's future, claiming that it would be "sunshine, with clouds":

Hong Kong understands that it's damned lucky to have become a part of China at so fortuitous a time, when the mainland is becoming ever freer and more open and in a position to give its hybrid, somewhat alien, child more opportunity than it could possibly have dreamed of.³⁴

Two things are clear in this kind of remark. First, for better or worse, Hong Kong's future is tied with China. Second, generally speaking, the bright sunshine in Hong Kong's future is related to economics and the clouds to society and culture. Of course, the economy is far from representative of the whole picture. Even when the Hang Seng Index soared to new heights, people's feelings toward their motherland were still very mixed.³⁵ One of the most vehement complaints among Hong Kong people is that they do not have the right to choose their own leaders. Regarding culture, the issue of an identity crisis has also raised many concerns. Identity has long been a big issue for Hong Kong people since the Joint Declaration. However, unlike the situation before 1997, the issue has significantly transformed after 1997, especially with the rise of China. The tension among the local, the national, and the global still persists, but Hong Kong's relationship with China has changed completely: "Hong Kong people manifested an identity which has become increasingly hybridised between the local and national identity."³⁶

As *TIME* columnist Philip Bowring remarks, "Hong Kong must adjust to the fact that it is not the only capitalist city or financial center in China, is not the biggest port, is no longer a manufacturing hub or a unique political anomaly in a postimperial age."³⁷ He urges Hong Kong to "[c]elebrate quality, culture, entrepreneurship, food, efficiency, climate and scenery," a recommendation similar to Leo Lee's advice to focus on "expressive activities."³⁸ Apparently, critics concur on the point that Hong Kong should not place an emphasis only on economic development. Why does the government ignore these voices? To answer this question, it is necessary to examine the misrecognition of the Hong Kong government.

A New Misrecognition

While the myth of the status quo gradually recedes, a new misrecognition of Hong Kong culture has come into effect, overdetermining the cultural imaginaries of Hong Kong. As forcefully argued in Leo Lee's *City Between Worlds*, Hong Kong should evade provincialism and avoid becoming a gener-

ic city. Expressive activities are of paramount importance in parrying these dodges. Unfortunately, the emphasis on Brand Hong Kong—which will be analyzed in detail in chapter 4—ironically restrains vibrant expressive activities by framing them within the concept of “Asia’s World City.” As noted by Lee:

Hong Kong’s current official self-image as “Asia’s world city” can be both self evident and self-deceptive. Whether Hong Kong can still preserve its identity as a city and a people remains to be seen, for it depends upon political, economic and cultural permutations both in China and globally.³⁹

However, the Brand Hong Kong program remains torn between China and the global perspective. One of the most inspirational arguments in Abbas’s *Hong Kong* is related to the notion of “misrecognition.” The second sense of “disappearance” concerning Hong Kong culture, according to Abbas, is that there is “a gap or hysteresis between Hong Kong’s erratic historical fortunes and the attempts to explain its itinerary in terms of available models like modernization, dependency, or development.” Consequently, “[t]he way the city has been made to appear in many representations in fact works to make it disappear.”⁴⁰ He calls this “disappearance,” which “does not imply nonappearance, absence of lack of presence . . . it is more a question of misrecognition, or recognizing a thing as something else.”⁴¹ The West, as well as many Hong Kong people themselves, has been misrecognizing Hong Kong as cultureless when its protean development almost incessantly displaces local culture and heritage. It will be apparent from the following chapters that a similar kind of misrecognition remains, but as the problem of Hong Kong’s uncertain future has been replaced by a dilemma between China and the world, this misrecognition takes a different form. In short, Abbas’s comment that Hong Kong is a culture of disappearance proves to be perceptive but for a slightly different reason. According to Abbas, Hong Kong is “a culture whose appearance is accompanied by a sense of the imminence of its disappearance.” As argued in this book, Hong Kong has indeed become lost in transition but for different reasons.

As will be discussed in chapters 3 and 4, the emphasis on the international status of the so-called Brand Hong Kong campaign ironically led to the loss of Hong Kong’s brand. It is apparent that the more the Hong Kong government tried to define Hong Kong’s international status, the worse the situation for (g)local culture to develop became. With an eye to developing Hong Kong into a “creative capital,” Donald Tsang has been pushing hard for the West Kowloon Cultural Center, which has since become an infamous example of fostering culture, with neither foresight nor long-term planning. A similar double “reverse hallucination” can be seen in the notion of “New

Hong Kongers.” In his first policy address of the third term Hong Kong Special Administrative Region government, Donald Tsang said, “Over the next five years, we need to cultivate a new spirit for these new times. We need to become new Hongkongers, better equipped to sustain developments in the new era.”⁴² Unfortunately, this “new Hong Konger” is still handcuffed by the old operational logic: “enterprising individualism.”⁴³ As noted by Agnes Ku and Ngai Pun, the government’s emphasis on being a “global” city and renationalizing Hong Kong citizens “fail to adequately answer the claims, the needs, and the concerns of the people.”⁴⁴ Should there be new Hong Kongers, they should be understood, in the words of Ku and Pun, “as a lived practice by which agency, subjectivity, and embodied struggle from below expand the space of participation and resistance.”⁴⁵ Obviously, these qualities are not what the Donald Tsang administration has in mind.

The new wave of “disappearance” that has been threatening Hong Kong can also be related to the government’s indifference toward preserving cultural heritages and local histories on the one hand, and the impact made by swiftly growing Mainland cities, which have become more and more “Hong Kong-ized,” on the other. Leo Lee worries that if the situation does not change, Hong Kong will become a “generic city” that aims only at money, as evidenced by the iconoclastic Dutch architect Rem Koolhaas in the 1990s. To the notion of a “generic city,” Lee raises an appealing point:

On the eve of the 1997 handover, most of the seven million residents of Hong Kong had no choice but to stay in their home city, and this real existential situation—of being grounded in one place, for better or worse, like most of the world’s population—seems to have eluded the global theorizers.⁴⁶

On this point, the current book will further probe into Hong Kong culture. While *City Between Worlds* is a “pedestrian” attempt to find the local in one of the most global of cities, this book endeavors to map the influence of the rise of China and its impact on the strategy of the Hong Kong government to position itself and, hence, the blow dealt to the development of Hong Kong culture during the fifteen years after the handover.

The Hong Kong government has exhibited another kind of “reverse hallucination,” which means, “*not* seeing what *is* there.”⁴⁷ The once vigorous film and music industries were driving forces of Hong Kong’s economy, as well as sources of Hong Kong’s identity. Chapter 5 and chapter 6 will argue that the rise of Chinese cultural industries have exerted very adverse effects on these signature cultures of Hong Kong. While Hong Kong has to redefine itself by necessity in the age of China, the government has misrecognized the national and the global as the future hope of Hong Kong culture. This

has in turn generated a reverse hallucination of not seeing the vigorous local cultural spheres, without which the once vibrant “glocal” culture cannot rejuvenate itself.

Lost in Transition: Hong Kong Is Not Hong Kong Any More?

In the ceremony celebrating the tenth anniversary of Hong Kong’s reunification with the motherland, held on July 1, 2007, Chinese president Hu Jintao highlighted the successful implementation of the “One Country, Two Systems” concept and paid tribute to Deng Xiaoping for proposing this highly original concept. Some might agree that “One Country, Two Systems” is, in general, not only valued but also practiced in Hong Kong; however, it comes with no guarantee that it will remain intact. “The Death of Hong Kong,” after all, is not an empty claim. Although *Fortune* stated that “Hong Kong is hardly dead,” Hong Kong cinema and Cantopop are still widely accepted as being doomed. While capitalist economic and political systems continue to operate in Hong Kong, its highly original and vigorous popular culture, which was once widely consumed across Chinese communities, is generally agreed to have been in decline since 1997. Hong Kong film and Cantopop, among other creative industries, contributed to the emergent Hong Kong identity in the 1970s and 1980s. Unfortunately, after 1997, while Hong Kong became torn between the national (the rise of China and its soft power) and the global (Brand Hong Kong), Hong Kong’s popular culture lost its vigor as a form of emergent culture.

Hong Kong’s aporia is not only cultural but also social. Lui Tai Lok’s often-cited *Four Generations of Hong Kong* is widely seen as being able to account for the structural problem inherent in Hong Kong society, causing the lack of hope felt among Hong Kong people born in the 1980s.⁴⁸ According to Lui, the first generation of Hong Kong people consists of those born in the 1920s and the 1930s; they created their own careers and businesses. The second generation consists of postwar baby boomers; they climbed the social ladder by means of their knowledge. The third generation consists of those born between 1966 and 1975; only a small percentage—those who had family networks—of this generation were able to succeed. The fourth generation was born between 1976 and 1990; they were doomed losers, having no chance to move upward. For some third generation and most fourth generation Hong Kongers, there is no hope of advancing in society. While the first and second generations were able to establish careers and were able to fare well in the Mainland, the younger generations cannot hope to develop their careers there in the face of enormous competition from their counterparts in the Mainland. When the Gini coefficient and the Hang Seng Index simultaneously hit new

highs, the problem is aggravated, as Hong Kong's social crisis can no longer be soothed by its typical cultural achievements in fields such as film and popular music.

On March 2, 2009, Hong Kong and Shanghai Bank Corporation (HSBC), at the center of the subprime storm, announced a "5 for 12 Rights Issue"—an HSBC shareholder was entitled to buy five new HSBC ordinary shares for every twelve HSBC ordinary shares held—at 254 pence per share to raise approximately £12.5 billion (US\$17.7 billion) (net of expenses) to enhance HSBC's capital strength. HSBC, despite its having become global, has long been considered a "Hong Kong Bank" by Hong Kong people. Subsequently, shares in HSBC plunged 24 percent on the following Monday to close at HK\$33 per share, the lowest in nearly fourteen years. Critics lamented, "HSBC is no longer HSBC anymore." In a similar vein, one can arguably say, "Hong Kong is not Hong Kong anymore." When HSBC turned into the so-called World's Local Bank, it was no longer a "Hong Kong Bank." Likewise, when Hong Kong tried hard to brand itself as "Asia's World City," it was no longer Hong Kong anymore. After China opened its doors wider to the world, Hong Kong's special position was no longer a privilege. Regarding the three factors that have enthralled Hong Kong—globalization, nationalization, and localization—the government has been torn between the first two—the "global city" campaign and the renationalizing project. As for localization, the government has issued a halfhearted response to public demands for cultural heritage preservation. On this point, the government failed to recognize that what counts is the "hyphenation" among the three factors.

Abbas hinted at a new social and cultural imaginary for Hong Kong when he put forward the notion of "(h)edge city":

The cosmopolitan today will have to include at least some of the less privileged men and women placed or displaced in the transnational space of the city and who are trying to make sense of its spatial and temporal contradictions: the cosmopolitan not as a universalist arbiter of value, but as an arbitrageur/arbitrage use. This is arbitrage with a difference. It does not mean the use of technologies to maximise profits in a global world but refers to everyday strategies for negotiating the disequilibria and dislocations that globalism has created.⁴⁹

Hong Kong has long been an "edge" city excellent at "hedging" between China and the world. However, the Asian financial crisis showed that Hong Kong itself could become a prey of hedge funds. When China became the world and Hong Kong's unique position changed, the situation worsened. Moreover, the (h)edge city could in the past balance its lack of social and

political voice with economic gain and popular culture achievements. In the age of China and the rise of its cultural industries, Hong Kong has lost not only its hedging position but also its distinctive function of exporting popular cultures to Chinese communities. It is in this sense that Hong Kong culture has become lost in transition.