

Hong Kong: the next world strategic flashpoint?

by Mary McCourt Burdman

The British Crown Colony of Hong Kong, a city of 6 million people which the British government agreed to cede to the People's Republic of China in 1997, is becoming a world strategic flashpoint, just as the divided city of Berlin was in the 1950s and 1960s, highest-level European intelligence sources are now warning. The desperation of the murderous Beijing clique to control Hong Kong with an iron grip, under the terms of the rotten Chinese-British deal over Hong Kong, at a time when the Hong Kong population completely rejects this control, creates an incendiary mix for the 1990s.

The "new Munich" trip of British Foreign Secretary Sir Geoffrey Howe to the colony the week of July 3, has only made matters worse. Howe made very clear to Beijing that the British Foreign Office's only policy is appeasement of the Beijing regime. But this appeasement will only encourage Beijing's aggressive attitude. Only international support to guarantee that the population of Hong Kong is able to determine its own future—currently, most cannot even vote to elect the colony's governing board—and do whatever they choose, as Chinese, to shape the future of the nation of China, will prevent future massacres.

Right now, a whole section of the Chinese population of Hong Kong is openly defying both Beijing and the filthy Anglo-American deal with Beijing. More than that, organizations such as the Hong Kong Alliance in Support of Patriotic Democratic Movements in China, are appealing for international support. Jettisoning the deal over Hong Kong could do much to allow the Deng Xiaoping regime to collapse of its own rottenness over the next one to two years.

Hong Kong itself has been transformed by the development of the democracy movement in China. One overseas Chinese who visited the city during a several-week trip to the People's Republic during May, told *EIR* that Hong Kong is politicized as it has never been in its 150-year history. In the last days of May, up to 1 million people at a time marched in support of the demonstrators in Tiananmen Square—once during a typhoon. Hong Kong was notorious before, he said, as a place where people cared only about gambling and money, but all they wanted to do now was to talk about politics. During the weeks between May 22 and June 4, it seemed that no one in Hong Kong slept at all—people sat up all night watching the reports from China, journalists manned their desks day and night, millions mobilized to raise money for

the demonstrators—more than \$1.7 million was raised in a few weeks—and to get the news of the events in Beijing into southern China.

The politicization of Hong Kong did not end with the June 4 massacre of thousands in Tiananmen Square. There is tremendous fear in the colony and, over the last month, applications for emigration to Canada, Australia, the Republic of China, and the United States have risen to the thousands. Despite continued threats from Beijing, a powerful resistance movement has expanded its operations in Hong Kong, motivated by the view, as one spokesman for the Hong Kong Alliance in Support of Patriotic Democratic Movements in China, Lee Wing-tat, said to *EIR*, "we are Chinese, and we will stay in Hong Kong to fight for democracy for Hong Kong and for China" (see interview, page 43).

Support for Hong Kong has also come from the Republic of China on Taiwan. One legislator, Jaw Shau-kong of the ruling Kuomintang Party, urged the government to ask Britain to cede the colony to Taipei rather than Beijing in 1997, the Taipei *China Post* reported June 28. If necessary, he said, the colony should hold a plebiscite to decide if they want to be ruled by the "free and prosperous" Republic of China government, Jaw said. If ceding Hong Kong to Taipei is not feasible, Jaw said, then it should be put under U.N. trusteeship for 20 years starting in 1997, pending a final decision.

But the government in Beijing, presiding as it is over economic chaos which has worsened severely since June 4, wants Hong Kong desperately. China's foreign debt is already close to \$40 billion, and the country is facing a repayment crisis in late 1991-early 1992. Its foreign exchange losses just in the weeks since the massacre must be frightening to China's leadership. Hong Kong is China's biggest trading partner by far, at close to \$30 billion, while trade with Japan, China's second largest partner, is \$19 billion. Hong Kong is China's largest source of desperately needed foreign exchange, and buys 37% of China's exports. Hong Kong now serves as China's intermediary to world trade: it re-exports some \$5 billion worth of Chinese goods to the United States, and is the middleman for almost all of Taiwan's trade with the People's Republic, which rose to over \$2.7 billion last year.

Reports from military sources on Taiwan in June are therefore not surprising. They reported both People's Liber-

ation Army troop concentrations in Fukien province opposite Taiwan, and some troop movements and weapons flowing into Guangdong province, on whose border Hong Kong sits. The limp-wristed attempts by Britain's Foreign Secretary, Sir Geoffrey Howe, and the Hong Kong leaders who have made their deal with the devil in Beijing on the concession arrangements for 1997, to get Beijing to "promise" not to station People's Liberation Army troops in Hong Kong, are worse than pathetic. The man who is willing to see the slaughter of 1 million Chinese to break the current unrest, Deng Xiaoping, has called it China's "sacred right" to station troops in Hong Kong, the British daily *Independent* reported July 12.

Hong Kong could set off world crises at any point in the coming months. It was the collapse of the Hong Kong stock exchange which finally triggered "Black Monday," Oct. 19, 1987. Now, the Hang Seng, the "blue chip" Hong Kong stock exchange index, has already dropped by nearly one-third during May and June, the Taipei daily *China Post* reported June 28. Property values, the underpinning of all the major companies in Hong Kong, have already fallen by 20% since June 4.

Sino-British deal

On July 8, the Chinese Foreign Ministry reasserted that it is committed to the 1997 agreement with Great Britain on Hong Kong, in the wake of Sir Geoffrey Howe's trip to the colony. The Chinese Foreign Ministry's statement underlined that China could "appreciate" that there was "misunderstanding" about what had to be done to deal with the situation in Beijing (i.e., the massacre).

The ministry statement was only one of a series from the highest levels of Chinese authorities, showing that China is confident that the British Foreign Office, at least, will not offend them. Banker David Li, a member of the Hong Kong committee for drafting the Basic Law, which is to be Hong Kong's constitution after 1997, said that during meetings with the head of the Communist Party Jiang Zemin, and other top P.R.C. officials July 8-9, "they made it very clear to us they don't want Hong Kong to be used as a base for subversive activity against China," the London *Times* reported July 12.

The official P.R.C. news agency Xinhua quoted Jiang Zemin July 12 telling the Hong Kong delegates, "We practice our socialism and you may practice your capitalism. We will not practice socialism in Hong Kong, Macao, and Taiwan, but you should not transplant capitalism onto the country's mainland."

Howe told Beijing clearly in his speech to a meeting with local Hong Kong leaders June 3 that the full deal was on. "The plain fact is that there is simply no way" that Britain can grant the right to abode in Britain to several million people from Hong Kong, Sir Geoffrey said, the issue being the numbers who might seek abode there. It is now up to the

People's Republic "to demonstrate they mean what they say" in the joint agreement, Sir Geoffrey said. Howe insisted that the Chinese attitude toward Hong Kong is "not affected by recent events" on the mainland, and that the Chinese will "have to demonstrate by their actions that they mean what they say." He added that those who denounce the 1984 British-China accord over Hong Kong as "disgraceful," have "disqualified themselves from participating in the debate" over Hong Kong's future.

Response in the colony was swift and nasty. Anti-British feeling is so high that Hong Kong authorities let it be known recently that "top royals" Prince Charles and Princess Diana should forego their scheduled November visit, because their safety could not be guaranteed.

Over 10,000 demonstrated against Sir Geoffrey on the last day of his visit. Earlier, a number of local officials disrupted his speech at a July 3 meeting of 250 "hand-picked" community officials. Eight officials unfurled a banner they had smuggled into the meeting, that read, "Shame of the Thatcher government. Irresponsible and hypocritical government." One activist, Lee Wing-Tat, shouted to Howe, "This bullshit speech is insulting the intelligence of the Hong Kong Chinese. . . . You say you cannot give permission for 3.25 million Hong Kong people to go live in the U.K., but can you hand these people over to the bloody and suppressing government that killed university students and workers in Tiananmen Square?" The protestors cried "Shame!" as they walked out, while the invited officials politely applauded Sir Geoffrey.

The Chinese had other, more subtle, ways of conveying their feelings. The next day, Sir Geoffrey and Lady Howe were given two birds' nests, a Chinese delicacy, by a Hong Kong shop-owner during their "walkabout" in the city. Some Chinese, the British daily *Guardian* reported June 4, later said they appreciated the "irony of the gift." The birds' nests, which Lady Howe attempted to eat raw, are formed from swallows' congealed spit.

More seriously, an underground railway has been operating through Hong Kong that has smuggled at least three leaders of the Tiananmen demonstrations to safety. The "railway" has been operating "with the help of disaffected members of the Public Security Bureau," the London *Sunday Times* reported July 3, and was set up in the aftermath of the June 4 massacre.

On July 11, the Hong Kong Alliance sent HK \$1.2 million to help finance the Paris-based pro-democracy organization just set up by the escaped leaders. This is part of the amount collected in Hong Kong during May and June to support the pro-democracy movement. Other funds have been used to help the "wanted" leaders escape. "I don't care if they are angry or not," Alliance secretary-general Cheung Man-kwong said, the *Financial Times* reported July 12. "We are supporting our own people to fight for freedom and democracy."