

Advisers could bridge understanding gap

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NO transfer of sovereignty has been as painstakingly prepared as that over Hongkong. Come next week, the power shift from Britain to China will accelerate as Beijing formally announces the 40 or so Hongkong residents who will become its advisers.

Since it was revealed that China wanted to set up advisers as an additional channel of communication with the territory, it has split the community and caused some confusion. The advisers are to be appointed in their individual capacity and will not form a formal group or committee. Presumably this is a way for China to allay suspicions that the advisers will become a second power centre.

However, local liberals see dark, sinister motives behind the move and have warned of such a power centre being created. Their fear is that China is grooming a group of advisers who will be seen to have the inside track to Beijing, therefore becoming influential powerbrokers. It is also a worry that has exercised the mind of the Hongkong Government which is concerned that its authority will be undermined as the community looks to the advisers for direction, for high-level contacts with Beijing and resolving any disputes that may divide the territory. With such concerns, it will be incumbent on the advisers not to abuse their position.

Others take a more pragmatic view. Businessmen may feel it is far more useful to talk to one of Beijing's advisers than to turn to a legislator or a senior civil servant in Hongkong. However, that process is already well under way and creating a group of advisers merely gives formal shape to current practice. Most leading businessmen have already made their accommodation with Beijing and are looking beyond 1997 with no hesitation.

Foreign firms too have reconciled themselves with the transition, a process facilitated by rising investment in southern China. Local hong, wherever their corporate headquarters might be, know that they stand to earn higher returns in Hongkong than anywhere else. They are among the most ardent propo-

nents of the economic integration of Hongkong with China and are encouraging their executives to foster strong ties to the mainland.

Many regard the advisers as forerunners to the preparatory committee which China plans to form around 1995 to choose the candidates for the next Legislative Council and nominate the chief executive of the post-1997 Special Administrative Region. So those chosen next week stand to wield considerable influence. Since June, when the Memorandum of Understanding on the airport was initialled in Beijing, Britain has committed the Hongkong Government to consult China on all affairs that straddle the transitional period. Because few issues stop dead on the track on June 30, 1997, almost every aspect comes under the scrutiny of the Chinese Government.

The advisers are being grouped at a time when there is growing optimism about China's reform policies, boosted by the recent visit to Shenzhen of Deng Xiaoping. It was a reaffirmation for many in Hongkong that China's push towards capitalist reform is irrevocable and that the enclave south of the Shenzhen River is vital to that historic transformation. Even the most outward looking of local tycoons are proud to be regarded by Mr Deng as inspirations for other Chinese and models for their own search for strength through wealth.

The one faction frozen out of the advisory group will be the United Democrats who have found that electoral success in Hongkong does not translate into power or great influence. The Chinese Government has dealt deftly with the liberals by splitting their ranks into those, such as the United Democrats and independents, with whom it can and cannot do business. The United Democrats face a dilemma of choosing between accommodation or opposition.

Hongkong people feel that Beijing does not understand their very different approach to business and politics. If the advisers help to bridge that gap, that will be a very considerable achievement in ensuring a smooth transfer of power.