

HONG KONG, A STRUGGLE FOR BOURGEOIS FREEDOMS TRAPPED WITHIN THE LIMITS OF CAPITALISM AND POLITICAL SUBMISSION TO US/UK IMPERIALISM

One bourgeois democratic movement amongst others ...

In 2014, during the last demonstration of OCLP (*Occupy Central with Love and Peace*), the “Umbrella Movement”¹, activists carried a banner on which was written the promise, “*We will be back*”. A promise kept, and then some, as demonstrations against a legal change aimed at allowing extraditions to China gathered up to 2 million participants. A significant figure for Hong Kong, where the population is only 7.5 million.

The present protest movement in Hong Kong strongly resembles numerous other bourgeois democratic movements which have appeared in recent years². It shares the same weaknesses as all these movements, reinforced by the incapacity of the proletariat to assert itself as an independent force, and even to make use of its most elementary defensive weapon, the strike. As during other bourgeois democratic movements, a great number of proletarians have participated, but not as a class for itself. They have just, apart from very rare exceptions, made up part of the mass of protesters.

To this can be added the incapacity of the movement, in whatever way it is expressed and whatever organisation or fraction is involved, to formulate demands, even if only defensive, relating to the material conditions of life of the majority of the population. In particular, expensive housing (unaffordable rent and massive overcrowding), but also the high cost of living in general and, therefore, the relatively low level of wages, seems to hardly interest the movement. When conditions of life are mentioned, it is to feed the illusion that they could be improved if only there was more bourgeois democracy. Paradoxically, it is the dominant classes, even the Chinese state, who propose to improve the conditions of life (in particular, housing) to put an end to the movement while allowing them to only make minor political concessions and certainly not universal suffrage.

The movement is also infected with political submission to China’s capitalist rivals, the UK, the previous colonial power in Hong Kong, until 1997, and the US, considered by important segments of the rebellion as the global guarantor of bourgeois democratic freedoms.

The proliferation of flags of these two great imperialist countries in the demonstrations and numerous appeals for them to intervene against Beijing testifies to this political submission and represents a major element in the backwardness of the movement in Hong Kong.

¹ See Letter no. 39, “*Students fight the domination of Beijing and the Hong Kong oligarchy*”, November 2014: <http://mouvement-communiste.com/documents/MC/Letters/LTMC1439%20ENvG.pdf>

² See Letter no. 40, “*What are all these democracy movements about?*”, May 2015: <http://mouvement-communiste.com/documents/MC/Letters/LTMC1540%20ENvF.pdf>

This can be compared to other bourgeois democratic rebellions underway, like in Algeria³, in Catalonia⁴ or Sudan⁵.

This submission to the old English-speaking capitalist powers ends up in the almost total indifference which the movement expresses towards any initiative attempting to rally the “Chinese”. In that way it gives free reign to hostility towards them, greatly contributing to the growth of its isolation, leading to its political impasse. Those who sport the American or British flags are not all nationalists of those countries but they defend those bourgeois democracies and adorn them with every virtue. Adhesion to the dominant ideology of these great capitalist countries has prevailed in the movement. Thus, political hegemony over the movement is exercised by the partisans (localist or not) of the Western imperialist democracies. One more proof of this? Joshua Wong, an emblematic figure of the opposition for many years and an influential personality in the present movement, declared that the signing by Trump of the “Hong Kong Human Rights and Democracy Act”, potentially threatening sanctions against China was a “*remarkable achievement*”⁶.

Along the same lines, the exercise of violence in the street is hardly an expression of radicality on the part of the bourgeois democratic movement but rather one of its greatest weaknesses because it shows its inability to become rooted in its productive territory, to leave behind a logic and a framework fixed, in the end, by the executive power which it claims to fight.

But for all that, it is a truly massive movement which has involved hundreds of thousands of participants in some demonstrations, two million at its height. Thousands of people regularly fight against the forces of state repression. The population in general, in particular in working class neighbourhoods, has never stopped hating the cops and often come out of their homes to insult them and tell them to leave the area. This is hardly surprising given that the main police tactic consists of firing teargas grenades in all directions. The authorities’ refusal to hold an enquiry into excessive use of force by the police only reinforces the determination of the protesters⁷.

On another side, Beijing has so far avoided, by a controlled use of force, an outcome where the rebellion ends in thousands of dead, as happened in June 1989 in Tiananmen Square. It’s a sign that the executive has learned its lesson well. It is enough to compare the balance sheet of repression in Hong Kong (one death) with the hundreds murdered recently in Iran and Iraq and the 26 killed in Chile in a few days during the class combat against the high cost of living.

If the state has made concessions to the movement, first declaring the detested extradition law “suspended”, then abolishing it completely, this has not prevented confrontations in the streets, nor protests by school students, nor attacks on shops suspected of being accomplices of the authorities, nor attacks on government buildings...

...which was born in opposition to a freedom-killing law

The weaknesses of the movement in Hong Kong are, in the first place, the expression of the inter-classist nature of bourgeois democratic movements in general but, also, the result of the nature of the initial provocation by the state. The demonstrations began in June, in response to an attempt by the Hong Kong authorities to present a change in the law allowing the extradition of

³ See Bulletin no.17, “*Algeria: the democratic upsurge from capital’s civil society provokes a serious political crisis*”, June 2019: <http://mouvement-communiste.com/documents/MC/Leaflets/BLT1906ENvF.pdf>

⁴ See Bulletin no. 14, “*Catalan independence: what’s hiding behind the nationalist myth?*”, October 2017: <http://mouvement-communiste.com/documents/MC/Leaflets/BLT1710EN%20v1.pdf>

⁵ See Bulletin no. 18, “*Soudan : nouvel épisode du cycle des mouvements démocratiques bourgeois en Afrique*”, November 2019: <http://mouvement-communiste.com/documents/MC/Leaflets/BLT1911FRvF.pdf>

⁶ <https://www.newsweek.com/hong-kong-celebrate-trump-bill-call-other-nations-follow-1474588>

⁷ At the end of October, the government was “reflecting” on the creation of a commission of enquiry into police violence: <https://www.scmp.com/news/hong-kong/politics/article/3034655/hong-kong-government-will-consider-commission-inquiry>

criminal suspects to mainland China, and between other parts of “China”, including, of course, Taiwan! All sectors of capitalist civil society immediately recognised it as an attempt to submit inhabitants of Hong Kong to the same forms of state repression as in mainland China, characterised by courts directly subjected to the authority of the CCP, the non-respect of legal rights to defence, systematic humiliations including arbitrary detention etc.

It was a matter of a serious assault on bourgeois freedoms. The threat of extradition could potentially affect everybody, from big capitalists accused of corruption or tax evasion, to exporters ripped off by Chinese importers, to disgraced politicians, to independent journalists and academics, and then there are students who complain about the propaganda content of their courses and NGO activists, and non-government unions trying to act in Shenzhen. In the absence of workers’ struggles on a class terrain, the demand for the removal of the extradition bill makes it difficult to go beyond its eminently bourgeois and inter-classist nature. According to the *Financial Times*, even cops and other members of the repressive apparatus of the state have participated in the big peaceful demonstrations⁸. The extension of demands to universal suffrage, the resignation of Carrie Lam and the demand for an enquiry into police violence have anchored the movement even more firmly in bourgeois political liberalism.

Inter-classist strikes, not well supported, and with a weak impact

On 3, 4 and 5 August, workers in communication and finance joined those in retail and construction in what was the most important collective action for half a century. But we can’t speak of a “general strike”. The protesters paralysed the city’s transport system, in particular the metro lines of the MTR, whose train doors were blocked. Yet, it was essentially a matter of an action based on civil disobedience and not a strike. This paralysis of transport prevented many workers getting to work. The actual strike was most effective in air transport with around 2,300 staff in the sector stopping work and hundreds of flights cancelled, totally disorganising the international airport.

This is well described in an interview with the *Workers’ Group*⁹ published on Libcom.org:

*“All these three general strikes [including previous less important ones on 12 June and 21 July] are not organised in the traditional sense. There are just some propaganda materials circulating around the internet which help to coordinate people. There are two phases of action on 5 August. Phase one is to paralyse public transport in the morning by blocking the metro; phase two is to have assemblies in seven different places in Hong Kong. I think the reason of having seven places is not to squeeze everyone at one particular spot. And I don't think it is in the plan, but the seven assemblies immediately become occupy in seven places. In every assembly there are tens of thousands of people and no one wants to sit down and to listen to something for quite a long time, so many people simply walk straight and take over the streets. On that day, all over different places of Hong Kong there are clashes and tear gas and that kind of thing. The strike is actually directly becoming, I will call it, "all-HK action day". In the past, the actions were only focused on one particular region, but on that day, there were actions all over Hong Kong, six or seven places.”*¹⁰

The idea of a general strike had been in the air for several weeks and all sorts of informal and ingenious methods were used to popularise it. For example, anonymous communications (email and WhatsApp messages) circulated in the four big accountancy firms (KPMG, Deloitte, EY and PwC) calling on staff to join the strike. A seditious email was distributed at Price

⁸ “Beijing will have its revenge on Hong Kong”, *Financial Times*, 6 October 2019

⁹ The *Workers’ Group* is an activist group in Hong Kong concerned with workers’ struggles and rights. For Chinese speakers, a presentation of their positions can be found here: <https://www.facebook.com/workercom/>

¹⁰ “Protests in HK: a talk with the Workers’ Group”, <https://libcom.org/news/protests-hk-talk-workers-group-12092019>
The interview was conducted by *Bad Kids of the World*: <https://badkids.noblogs.org/>

Waterhouse Cooper imitating the company style and inciting employees to “be Price Water”¹¹, making use of a celebrated phrase by Bruce Lee¹².

A coordination group¹³ of 95 trade unions from the public and private sectors, supported by the Hong Kong Confederation of Trade Unions (HKCTU, the “pro-democracy” federation), in the end seized the motto for “general strike”. Four hundred employees of various financial groups circulated an anonymous petition in favour of the strike and organised a small demonstration on Thursday 1 August. The strike also had the support of the Union of Professional Teachers and the Cabin Crew Federation. Civil servants organised a rally on Friday evening (in Chater Gardens, near the government offices) to demand that the government respond to the demands of the protesters. Thousands participated, explicitly defying their pledge of loyalty and of “political neutrality”, but this was a gathering after work, not a strike.

On 5 August, fewer than 10,000 stopped work in a wide range of workplaces, including civil servants, bus drivers, coffee shop baristas and airline pilots. A few dozen even walked out at Hong Kong Disneyland (which employs 7,000 people).

The most important impact was at the airport, where more than 200 flights were cancelled. This is certainly disruptive, but this is an airport which regularly sees more than 1000 flights per day. In fact, the protest actions at the airport on 12-13 August (which didn’t involve any strikes) were far more effective in shutting it down. The three main passenger airlines operating out of HK International Airport are Cathay Pacific, Cathay Dragon and Hong Kong Airlines – these accounted for most of the flight cancellations: 140 by the Cathay airlines and 37 by HK Airlines. Over 400 employees of HK Airlines officially joined the strike¹⁴, but this is an airline which employs almost 4,000 staff. A major factor in the effectiveness of the strikes seems to be that large numbers of air traffic controllers called in sick¹⁵.

On 2 and 3 September, around 40,000 workers, students and secondary school kids marched after a call from HKCTU¹⁶ and the *Civil Human Rights Front*¹⁷. The majority of them joined in actions before or after work, many using their holiday entitlement to be present in the streets.

On 25 October, hundreds of employees gathered to march from eight metro stations to their places of work, a symbolic form of action a long way from having the strength of a strike.

On 26 October, health workers protested peacefully in response to police entering hospitals to arrest patients.

On 11 November, following the wounding of a young protester by police bullets and the police attack on the universities, thousands of office workers took to the streets in their lunch break, several days running. These were peaceful demonstrations, which, however, didn’t stop the cops from gassing and clubbing them. But these solidarity actions remained symbolic and never led to strikes.

¹¹ “Unauthorised emails, WhatsApp messages doing the rounds of the Big Four accounting firms urge staff to join Hong Kong strike”, *South China Morning Post*, 2 August 2019.

¹² “Be formless... shapeless... like water! Now water can flow! Or water can crush! Be like water my friend!”

¹³ “Hong Kong bankers join call for citywide strike over handling of outcry over extradition bill”, *South China Morning Post*, 1 August 2019.

¹⁴ Ibid.

¹⁵ “Hundreds of flights cancelled leaving travellers facing chaos as citywide strike action hits Hong Kong International Airport”, *SCMP*, 5 August 2019.

¹⁶ Founded in July 1990, it groups 61 branch trade unions, and claimed to have a total membership of around 1760,000

¹⁷ See: https://en.wikipedia.org/wiki/Civil_Human_Rights_Front

The hold of nationalist, unanimist, electoralist and pro-capitalist ideologies, traps the movement in a dynamic of defeat

Youth against the Chinese state

After *Occupy Central* in 2014, the Hong Kong government launched a campaign to gain the hearts and minds of young people on the occasion of the twentieth anniversary of the handover in 2017. The PRC invited young people to visit the Motherland, all expenses paid, under the best conditions. It was a propaganda effort without any effect.

According to a poll organised by the University of Hong Kong¹⁸, the number of Hongkongers identifying as Chinese has fallen to its lowest point since 1997. Of the 1,015 who responded to the poll between 17 and 20 July 2019, 53% saw themselves as Hongkongers, 11% as Chinese, 12% as Chinese from Hong Kong and 23% as Hongkonger in China. To the question “are you proud to be of Chinese nationality?” 71 % replied “no”. A percentage which grew to 90% amongst people aged 18 to 29.

On a visit to Nepal on 13 October, President Xi threatened “Anyone attempting to split China in any part of the country will end in crushed bodies and shattered bones. Any external forces backing such attempts at dividing China will be deemed by the Chinese people as pipe-dreaming”.¹⁹ No particular adversary was mentioned, but it was taken to include Tibetans, Uyghurs and Hongkongers.

Anti-Chinese Hong Kong nationalism, a bad response to Chinese nationalism

In August, ProgressUST, a Facebook page associated with a group of students from Hong Kong’s *University of Science and Technology*, posted a message demanding the repatriation of all Mainland Chinese, the revocation of the permits for Chinese businesses and the construction of a physical wall to separate Hong Kong and China. This hateful message has since been deleted. This extreme, certainly minority, opinion is an expression of a much wider tendency of inward withdrawal to which Pun Ngai²⁰ gave a very clear reply: “How can you change Hong Kong without changing China? In terms of the economy, political influence, everything is interconnected”. She recalled that as a student the slogan taken up by her generation was: rooted in the community, facing China, opening ourselves to the whole world²¹.

The most common targets for attack are police stations and the MTR metro stations. To these are added “anti-Chinese” attacks on economic targets chosen by the rowdiest protesters: shops belonging to big Mainland China firms (Huawei, Xiaomi, Lenovo), offices of big Chinese banks, the bookshop Chung Hwa, controlled by a subsidiary of the Liaison Office of the central government, and businesses which have taken a verbal position against the movement. Among the latter, we can count the chains of cafés and fast food joints like Maxim’s (franchisee of Starbucks) and Best Mart 360.

Hostility towards the Mainland Chinese is justified by the nationalists in terms of the high price of housing which they blame the mainlanders for, “badly behaved” Mainland tourists and mainlanders’ identification with the central state. A fine cocktail of racist reaction.

Even if all the participants in the rebellion don’t claim to be nationalists (a bit less than a quarter of the participants in protests defend some kind of independence for Hong Kong,

¹⁸ *Public Opinion Program, University of Hong Kong in SCMP*, 24 November 2019.

¹⁹ *SCMP*, 13 October 2019, <https://www.scmp.com/news/hong-kong/politics/article/3032741/chinese-president-xi-jinping-warns-anyone-trying-split-any>

²⁰ A sociology lecturer at the University of Hong Kong, already active in struggles in 1989, who studies the class struggle in China.

²¹ *Financial Times*, 17 October 2019: <https://www.ft.com/content/e640aca8-eeed-11e9-bfa4-b25f11f42901>

according to a survey by the Chinese University of Hong Kong²²), they do appear to be hegemonic in the movement. The present nationalism is an extreme form of the proto-national identity which began to appear in the 1950s. It is reinforced in the face of the policy of cultural homogenisation (Han supremacism) promoted by Xi Jinping and the impossibility of a bourgeois liberal democratic transformation of China.

The success of the unofficial national anthem *Glory to Hong Kong* sung during demonstrations of all sorts, and the waving of American or British flags, including the old colonial banners, are the signs of a reactionary involution of the movement. Those who wave the flags expressing a support for external imperialist powers, and even thank Trump, forgetting that for Trump (who described protesters as “rioters”) Hong Kong is certainly part of China and that what happens there is an internal matter.

Activists have tried to extend the movement to Mainland China. They have distributed leaflets on the border crossings (on the Hong Kong side) to workers who work across the border, calling for strikes. Without any result. They did the same with regards to Chinese tourists visiting Hong Kong at the terminus of the high-speed mainland rail link in the south of Kowloon, talking about “exporting revolution”²³.

Five demands for political liberalism

To the annulment of the extradition law, four other demands have been added in the course of the movement:

- That protesters shall not be considered as rioters (a classification which formally corresponds to a crime punishable by 10 years in prison),
- Amnesty for arrested protesters,
- An independent commission of enquiry into police violence,
- Universal suffrage in elections for the Legislative Council (LegCo) and the Chief Executive.

After the announcement of the annulment of the extradition law, the movement continued with the slogan: “*five demands, not one less*”.

Taken as they are, these demands aim at the reinforcement of the dictatorship of capital and the enlargement of the social base of the regime through the introduction of liberal democratic mechanisms. And this is despite the consciousness that the participants in the rebellion have about it. Yet, as we will see later on, the Party-State is not a long way from adjusting the status of Hong Kong (“*One country; two systems*”) and its formal constitution so as to give a bigger voice to the civil society of capital in this territory. The holding of the last municipal elections on 24 November is a prime example of this.

But at least not everyone in Hong Kong thinks this way – some anarchists interviewed by Crimethinc (anarcho-insurrectionists based in the US) had this to say:

“When friends ask us why “anti-capitalist” discourse and rhetoric seem so outlandish to people in Hong Kong, we must answer that this is very much a matter of context and circumstance. For Hong Kongers, capitalism represents enterprise, initiative, and self-reliance,

²² In an interview given to the *SCMP*, in 2017, Joshua Wong mentioned a poll which showed that only 11% of Hongkongers were favourable to independence: <https://www.scmp.com/news/hong-kong/politics/article/3034710/newly-appointed-election-official-grills-hong-kong-activist>

²³ See: https://www.washingtonpost.com/world/hong-kong-protesters-seek-to-educate-mainland-chinese-about-their-struggle-at-city-train-station/2019/07/07/c720adfe-9ffe-11e9-83e3-45fded8e8d2e_story.html and: <http://en.hkctu.org.hk/content/anti-extradition-protesters-occupied-west-kowloon-station-burning-prc%E2%80%99s-back-column-heated-0>

which they juxtapose with the corrupt nepotism of the party and the big Hong Kong tycoons and politicians who ingratiate themselves into the company of this cartel. Beyond “capitalism,” however, we find the sacredness of the law, which remains the transcendent horizon beyond which social struggle has yet to cross.”²⁴

Unanimism against class polarisation

Capitalism is shit! The Chinese Communist Party is capitalist!” (anarchist graffiti in front of some big public toilets in the centre of Hong Kong)

Taking lessons from the *Occupy Central* movement which ended in confusion and more or less personal conflicts, the present democratic movement is organised without obvious leaders. It also shelters behind a unanimism which forbids any critique of the declarations and actions of other participants in the movement. The maintenance of unanimity forbids all debate and therefore any clarification. If it is necessary to maintain moral collectivity, the general positive ambiance masks an aversion to difference, and the divergence and conflict which could allow the polarisation of the movement along class lines.

“This atmosphere makes it very difficult to conduct a critique, especially of highly questionable phenomena such as the waving of American or colonial flags”, stress the anarchists already mentioned, who say that, playing on the fear of creating antagonisms, “Throughout the struggle, the principle of liberal tolerance has been weaponized in an unprecedented way”.

This unanimism, which fits in very well with inter-classism, also favours the expression of fractions who are anti-mainlander racists and against immigrant workers, as well as sexist insults against female cops and cops’ wives... We could almost be talking about the *Gilets jaunes* in France. *“This sort of culture pretends to marginalize no one while effectively marginalizing everyone”*, note the same anarchists.

The *China Labour net* activist, Au Loong Yu, warns against the “fetishism of spontaneity among young activists”. Many simply see organization as superfluous or necessarily authoritarian. *“Leaderless struggles, however great, are also less able to have careful deliberation before taking drastic actions, let alone able to fight against provocateurs and agents from both the Hong Kong and the Beijing governments. That said, one must also recognize that the controversial attempt to break into the legislature was, for the first time in decades, positively received by many in Hong Kong.”²⁵*

At the same time, relying only on the press to counter state propaganda is dangerous. The state can always restrict the freedom of the press. The good will of journalists, editors and their bosses does not last forever. In addition, the systematic use of “social media” to organise represents an overall regression relative to the classic instances of direct participation which are assemblies, committees, autonomous organisations, political groups. As everyone knows, so-called “social networks” are a powerful instrument of police surveillance, totally unsuitable and dangerous in the framework of a serious struggle.

The impasse of violent confrontation combined with an electoral impasse

The state definitely has the upper hand in the confrontations

If, in the space of a few weeks, the movement went beyond its pacifist limits and displayed a certain creativity during confrontations with the police that cannot be enough, and has not been enough to realise its objectives. On the contrary, the escalation in violence which does

²⁴ *“Three months of insurrection - An Anarchist Collective in Hong Kong Appraises the Achievements and Limits of the Revolt”*: <https://crimethinc.com/2019/09/20/three-months-of-insurrection-an-anarchist-collective-in-hong-kong-appraises-the-achievements-and-limits-of-the-revolt>

²⁵ See: <https://jacobinmag.com/2019/06/hong-kong-extradition-bill-protest-movement>

not correspond to an enlargement and deeper rooting of the movement in the productive territories ends up politically benefiting the government. The rebellion is frozen in the spectacularisation of its actions and the illusion of collective strength which have resulted from blindness towards the manoeuvres of the executive power, aimed at regaining control. Manoeuvres which have led to the use of municipal elections... with the active contribution of the partisans of the rebellion.

On a more technical plane, the Hong Kong police has never been undermined. Apart from a few incidents, the number of serious injuries among the protesters remains small given the intensity of the confrontations and the duration of the rebellion. The mobility of groups of activists and their capacity to hit numerous places in the city was a trump card at the beginning of the movement, but the police have adapted rapidly.

In November, the cops went on the offensive by entering the universities, which had served as rear-guard bases for the rebellion, so as to arrest activists. The university occupations which followed only served to isolate the most determined rebels. And the assemblies which took place there did not allow for much discussion about the real objectives of the confrontation.

Clement Lai Ka-chi, security consultant and former superintendent of the Hong Kong police stated in the *South China Morning Post*: *“Honestly, police have been very lenient. They have a lot of options, in terms of tactics and weapons – way more than you can imagine. But they have only used the tip of the iceberg of what is available to them. The force hopes the mob will surrender and avoid mass casualties.”*²⁶

The nightmare of Tiananmen still haunts Hong Kong, but intervention by the army is still far from being the order of the day. Regularly confronted with “mass incidents” on the rest of its territory, the Chinese state has developed capacities and techniques for maintaining order which are much more sophisticated and effective than in 1989. The deployment in force in Shenzhen of the People’s Armed Police²⁷, a corps well-trained in anti-riot interventions, can therefore be seen above all as a means to exercise psychological pressure on the movement and, certainly, to intervene rapidly on the streets of Hong Kong if it is necessary.

The symbolic victory of the bourgeois democrats plays the game of the Chinese state

Local council elections, which typically concern rubbish collection, parking restrictions or projected bus routes, do not usually generate much enthusiasm. The particular circumstances, in which they were held, on 24 November, turned them into an opinion poll on the conduct of the government of Carrie Lam, and even more on that of the Chinese state.

First of all, there was a massive wave of registration to vote, particularly by young voters. The total number registered jumped from 3,121,238 during the local elections in 2015, to 4,132,977 including 386,000 new registrations in 2019. The level of participation also climbed steeply, from 47.01% of those registered, 1,467,229 votes, to 71.23%, making 2,943,842 votes.

The pro-democracy candidates, whether represented by parties, local groups or independent individuals, making a list of around forty, largely won the vote, gaining 17 out of 18 neighbourhood councils, thanks to the “first past the post” system (inherited from Britain). They obtained 388 seats out of a total of 452 (having previously had only 126). In terms of votes, the progression is less dramatic. The pro-democracy candidates obtained 1,673,991, making 57.34% of the total, against 40.20% in 2015. With 41.82% of the votes (against 54.61% previously), the pro-Beijing candidates saw their vote grow by half in absolute numbers, from 788,389 in 2015 to 1,220,999 in 2019, while their pro-democracy equivalents saw theirs more than triple.

²⁶ *SCMP*, 13 July 2019: <https://www.scmp.com/news/hong-kong/law-and-crime/article/3038453/police-respond-deadlier-mob-attacks-bringing-out>

²⁷ See: https://en.wikipedia.org/wiki/People%27s_Armed_Police

The reactionary bloc which supports the government has therefore not gone away, and is even reinforced, although it happens to be a minority. The Chinese government propaganda which talks about a “silent majority” in its favour has been contradicted at the ballot box, but the existence of this compact and numerous minority leaves the door open to eventual direct reactionary action on a completely different scale from a few blows from mafia auxiliaries in white t-shirts.

The massive participation in these elections authorised by the Chinese state plays into its hands perfectly. It is a matter of opening up a democratic channel for the expression of the movement. And this is in perfect harmony with the hardening of repression on the streets and in the universities. This old recipe for domination never goes away: the call for a vote and the repression of rebels march hand in hand.

Reacting to the election results, the Chief Executive, Carrie Lam, said that she would “*listen to the opinions of members of the public humbly and seriously reflect*”²⁸. We should interpret this opening as a desire to reintegrate this conflictual expression of capitalist civil society into the bourgeois democratic institutions of the Hong Kong state and therefore, by extension, into the Chinese state.

The pro-democracy camp can reasonably hope to win a majority of seats on the Legislative Council (LegCo). This unicameral parliament has part of its members elected by local councillors. Despite that, the pro-democracy camp has no chance of influencing the choice of the Chief Executive of Hong Kong, “part of China”. Whatever may be the result of local elections, they are appointed by the Chinese Minister of Foreign Affairs, Wang Yi.

As for the Chinese state, it’s scored a point by leading the great majority of voters to the ballot boxes for a vote devoid of the least institutional interest. Certainly, they would have preferred their candidates to win outright. But the decision to keep the date of the election was certainly not taken on the basis of this hope. Yes, the Chinese state is strengthened by this election, despite the relative success of the pro-Western nationalists. The objective was not simply to demobilise a movement of this level of endurance and scale. To destroy this movement, the state must adopt a complex and measured strategy in its execution. That is what it’s doing.

Economic consequences

The critical support of the Hong Kong capitalists

“*My young friends... You have successfully conveyed your messages... I urge all of you not to let today's fervour turn into tomorrow's regret. I sincerely call on you to return to the side of your families.*” This is what Li Ka-shing, the richest man in Hong Kong, said during the Occupy Central movement in 2014²⁹. Numerous other capitalists also came to the help of the government.

This time, not a single tycoon, not a single capitalist of any significance has come to the help of Carrie Lam, even after the rise in violence. A quarter of the 1,200 members of the committee which appointed her in 2017 represents local capitalists. But while 5 years ago it was a matter of preserving the stability which they considered indispensable to the accumulation of profits, now they are rather afraid that the extradition law could apply to them.

Other segments of the dominant classes, former judges, university principals, religious leaders and even politicians, who support Beijing, refused to take part, daring to criticise the manner in which the legal amendment had been approved. A hundred or so senior civil servants, one in seven, called on Carrie Lam to postpone the passing of the law.

On 22 July, deploring the attack on the China liaison office and the violence at Yuen Long, the Hong Kong Chamber of Commerce for the first time joined those calling for the official withdrawal of the extradition law and the formation of a commission of enquiry into recent events.

²⁸ See: <https://www.bbc.com/news/world-asia-china-50541627>

²⁹ *SCMP*, 15 October 2014

On 28 October, during a seminar at the *London Metal Exchange*, Charles Li, the CEO of the *Hong Kong Stock Exchange*, regretted that the foundations of the relation with China, according to the principle “one country, two systems”, were on shaky ground. It was a way to reprimand the local executive while confirming the relative autonomy of Hong Kong.

The profitability of Hong Kong capitalism is tarnished by the protests ...

Weakened by the trade war between China and the US, economic activity in Hong Kong has seen a marked fall because of the protests, which have disturbed commerce and tourism. After a fall in GDP of 0.4% in the second quarter relative to the first, the third quarter saw a reduction of 3.2% according to official statistics. Over a year, the fall of GDP in the third quarter is 2.9%, exceeding the 1% or less expected by economic analysts. For the first nine months, the decline reached 0.7% over a year, suggesting a reduction over the whole year which was a warning to the government. Exports from Hong Kong fell 7% year on year in September, while imports declined by 10%, as announced by Paul Chan Mo-po, the Financial Secretary of Hong Kong.

This fall is explained by the important role of tourism and retail trade in the local economy. In August and September, the number of tourists fell 39% compared to 2018, returning to the level of 2003 when tourism was hit by the SARS epidemic. Consequently, the occupancy rates for hotels have fallen by a third relative to the previous year, according to the ratings agency Standard & Poor’s, leading to the halving of their revenues. One shop in ten in Causeway Bay, the most expensive retail zone, has been closed. Conference centres, numerous in Hong Kong, have also been affected, along with Hong Kong Disneyland (which saw \$US135 million loss of earnings in the second quarter of 2019), and have increased promotions to counteract the strong falls in visitor numbers. The airline Qantas estimates \$US17 million loss of earnings. Swire Pacific, its owner, expects the profits of Cathay Pacific for 2019 to be down relative to last year. In September, traffic entering Hong Kong fell by 38% per year. The profits of the conglomerate Swire were also affected by the fall in turnover of the shopping centres which it owns.

Retail commerce has suffered the full force of the consequences of unrest, as well as the Sino-American trade conflict. After a fall of 22.9% year on year in August, retail sales still went down by 18.3% in September. There was a fall of 19.5% in the third quarter, equivalent to that of the third quarter in 1998, at the height of the Asian financial crisis.

The case of Jardine Matheson

The consequences of the agitation are visible in the results for the big capitalist groups of Hong Kong. Created in 1832 and moving to Hong Kong in 1842, Jardine Matheson originally made its fortune in the opium trade but later expanded into numerous other important businesses, becoming one of the biggest capitalist enterprises in the colony. Jardine moved its headquarters to Bermuda when HK was handed over to China and was from then on listed on the Stock Exchange in Singapore. That does not stop it from investing in China.

An immense owner of property, the group has hotels, shopping centres, a Mercedes concession, and franchises like 7-Eleven. A third of its turnover (\$US42.5 billion in 2018, with 460,000 staff) comes from its activities in HK.

Dairy Farm, 78% owned by Jardine, which notably controls the restaurant and fast-food chain Maxim’s, has experienced a fall in its share prices of more than 20% since the start of the protests. Maxim’s attracted the anger of protesters after its founder’s daughter expressed support for Beijing and the police, calling protesters “rioters”.

Hong Kong Land, the property subsidiary of Jardine, owns 450,000m² of properties in Hong Kong and contributed 27% of the profits of the group during the first quarter of 2019. The group has had to reduce the rents on its shops and its shopping centres following the strong fall in sales caused by the protests. Its activities in hotels have also been affected. The rate of room occupation at its Mandarin Oriental fell over the last year from 71 to 49%. And to maintain this rate it had to reduce its prices and offer breakfast included.

“The big family conglomerates, including Jardine’s, are all under pressure with no end of the agitation in sight”, notes David Blennerhassett of Ballingal Investment Advisors.

... but Hong Kong remains solid as a financial centre

Hong Kong banks were the most profitable in the world. In 2018, their profitability per employee was above that of banks in other international financial centres and doubles the figure for the US, according to Citigroup. Under the combined effect of the cyclical crisis, the fall in interest rates (the Hong Kong dollar – HKD – is indexed to the US dollar) and competition from online banks, this period of “extra-profits” ended, according to Ronit Ghose of Citigroup³⁰, even if half the profits of HSBC were still being made in Hong Kong at the beginning of the year.

However, according to the chief executive of the Monetary Authority, Eddie Yu, there is no massive flight of capital and the exchange rates of the Hong Kong dollar (protected by large foreign exchange reserves) remain stable.

Confidence in Hong Kong as a first rank financial centre was reinforced by the decision of Alibaba (the Chinese competitor to Amazon which, like the American firm, is present in numerous sectors) to sell 500 million of its shares on the Hong Kong Stock Exchange. This secondary offering could raise \$US 13.9 billion, being one of the biggest ever carried out in the world. Daniel Zhang, the executive director of Alibaba, stated on 15 November that “*we continue to believe in the shining future of Hong Kong*”, which will be “*one of the most important financial centres*”. It’s a decision which could not have been made without the agreement of the Chinese state: Jack Ma, the founder of Alibaba, is a loyal member of the CCP. This operation corresponds to the desire on the part of the stock market authorities to introduce into China big Chinese companies which are presently listed in New York or London.

Only the class struggle can create the necessary conditions for the anti-capitalist practice of individual and collective freedoms

Something which has to be put forward is the question of the social composition of the movement – a social composition which overturns, at least temporarily, social relations which are particularly fossilised. Despite a civil society of capital strongly policed where order and authority remain central values, the surge of school and college youth and young workers to the forefront of the political scene shows, once again, that it is possible to fight and that establishing a favourable balance of forces can get concessions from the state. In a society which is very patriarchal, where the oppression of women is particularly harsh relative to other developed capitalist countries, the large participation of women, around 46%, in a bourgeois democratic movement is an encouraging element³¹.

While the movement was able to very rapidly surpass a certain number of the limits encountered in 2014, the most important ones have not been confronted and its present evolution continues on a base of liberal democracy, racism and reactionary pro-Western nationalism.

The movement cannot be “saved” by an intensification of violence, nor by a return to pacifism, the ballot box, or all three together. Despite the honest wishes of a very small minority of revolutionary militants, no organisational bridge has been put in place to reach the proletarians of mainland China. On the contrary, the rebellion has set up barriers which hardly existed in 2014. The conditions of exploitation are pretty similar on both sides of the border: a long working week and low wages. But the movement has not been based on the proletarian condition.

On the contrary, the petty-nationalist distinction and hostility, even xenophobia, towards the mainland Chinese next door can only pollute for a long time the struggle of the Hongkongers and transform it into one element, one instrument amongst others, in global imperialist competition. The search for an international alliance with other capitalist states against the Chinese capitalist state in

³⁰ See: “*Hong Kong Banks, Long Fat and Happy, Confront Leaner Times*”, *Wall Street Journal*, 27 October 2019: <https://www.wsj.com/articles/hong-kong-banks-long-fat-and-happy-confront-leaner-times-11572174000>

³¹ See the *SCMP*, 31 August 2019:

<https://www.scmp.com/week-asia/politics/article/3025146/protesttoo-women-forefront-hong-kongs-anti-government-movement>

the hope of breaking the isolation of Hong Kong is only an abstract fantasy which ignores the interests and geopolitical imperatives of the states involved. How did the supposed international community react during Tiananmen? How did it react to the suppression of Tibet³²? How is it presently reacting to the mass internment of Uyghurs? Who can seriously believe that the US could go to war with China to preserve the formal independence, limited to 2047, of Hong Kong? Even if it wasn't just a matter of changing masters and not of fighting to free ourselves from all rulers...

Only the development of the fight on the terrain of class struggle, that is to say the organisation of strikes and other forms of direct action for the defence of the interests of the exploited, can open up a different perspective³³. Only the establishment of an organic class link with the proletarians of China, against exploitation and against the oppression by the Chinese state, can break the political isolation of Hong Kong and avoid the rebellion being transformed into its opposite: a confrontation which ends up reinforcing the domination of capital, whether it's from China or somewhere else.

It will then no longer be a question of begging for bourgeois freedoms from some state (Hong Kong, Chinese, British or American) but of opening up spaces of freedom independent from capital and its states, spaces favourable to the expression of workers' power. This programme can only be realised in concert with the proletarians of mainland China. And, first of all, with those of Shenzhen and Dongguan who make up, just a few kilometres from Hong Kong, the divisions of the exploited class which are the most numerous and concentrated in the world.

MC/KPK, 16 December 2019

³² See Letter no. 28, "*Tibet: lutte contre le colonialisme chinois*", May 2008:
<http://mouvement-communiste.com/documents/MC/Letters/LTMC0828.pdf>

³³ To understand strikes in China, mostly as they happened in the first decade of this century, see "*China on Strike*" by Hao Ren, Zhongjin Li and Eli Friedman. Haymarket Books, 2016. It was originally written in Chinese, and there is also a German edition and now a French edition (published by Editions Acratie).

DOCUMENTARY APPENDICES***The economy of Hong Kong is integrated into Chinese capitalism and, for the moment, is indispensable to its development***

During the second half of the twentieth century, Hong Kong was one of the “Asian Dragons” with an accelerated development based on exports. The situation changed as Hong Kong’s industrial production relocated to neighbouring Guangdong, in particular Shenzhen and Dongguan. Today³⁴, as the table below shows, the weight of primary and secondary sectors is declining relative to services (even over just the last five years).

Economic Activity	2014	2015	2016	2017	2018
Agriculture, fishing, mines and quarries	0.1	0.1	0.1	0.1	0.1
Manufacturing	1.3	1.1	1.1	1.1	1
Electricity, gas and water supply, waste management	1.6	1.5	1.4	1.4	1.3
Construction	4.4	4.6	5.2	5.1	4.5
Services	92.7	92.7	92.2	92.4	93.1
Import/export, wholesale and retail trades	24.1	22.7	21.7	21.5	21.4
Accommodation and food services	3.6	3.4	3.3	3.3	3.4
Transport, storage, postal and courier services	6.2	6.5	6.2	6	5.9
Information and communications	3.5	3.5	3.5	3.4	3.4
Finance and insurance	16.7	17.6	17.7	18.8	19.7
Real estate, professional and business services	10.9	10.9	11	10.8	10.4
Public administration, social and personal services	17.2	17.5	18.1	18.2	18.4
Ownership of premises	10.5	10.6	10.7	10.4	10.5
GDP	100	100	100	100	100

However, Hong Kong is essential for the accumulation of capital in China and more generally for the region.

In the course of the first nine months of 2019, two thirds of the \$US100 billion of foreign investment destined for China transited through Hong Kong - up by 8.1%. These investments confirm the role of Hong Kong as the principal port of entry to China. Over the last 20 years, company share flotations on the Hong Kong Stock Exchange have raised more capital than those on Wall Street and the Stock Exchanges of mainland China over the same period³⁵.

China buys more than half the exports of Hong Kong and provides more than half its imports. This integration into the economy of its big neighbour is also visible in the area of tourism, where Chinese people represent more than three quarters of the 65 million tourists who visited Hong Kong in 2018, and in finance, where Chinese companies represent half the firms listed on the Hong Kong Stock Exchange and two thirds of its capitalisation.

Hong Kong therefore still offers advantages. Seventy-five of the most important banks in the world are active there, and its position in global finance is third, behind New York and

³⁴ See: *Census and Statistics Department*: <https://www.censtatd.gov.hk/hkstat/sub/sp250.jsp?tableID=036&ID=0&productType=8>

³⁵ See: <https://www.project-syndicate.org/commentary/how-to-end-violence-protests-hong-kong-by-andrew-sheng-and-xiao-geng-2019-11>

London. Five universities in the city are ranked amongst the top 100 in the world. Around 75 million passengers pass through the airport, which is expanding to receive more than 100 million. Above all, Hong Kong is an open financial centre, where there is no exchange control, the markets in Yuan are liberalised and information circulates freely. A unique case in China.

Nevertheless, we cannot exclude the possibility that, in the long term, the central place occupied by Hong Kong could be under threat following more than six months of struggle for liberal democracy. With its GDP of \$US366 billion, Shenzhen has already caught up with and maybe surpassed Hong Kong. The CCP has clearly signalled its intention to make Shenzhen the principal financial centre of the Pearl River. With its population of 70 million, its GDP of \$US1,500 billion, the Pearl River Delta is comparable economically to Greater Tokyo or to the New York metropolitan area. Hong Kong, Macao, Guangzhou, Dongguan, Shenzhen, Foshan, Zhuhai, Jiangmen and Zhongshan are the nine towns around which the development project elaborated by the Chinese state must be concretised. As far as it is concerned, the realisation of this massive investment plan (the “Greater Bay Area”), from now until 2035, will be able to compete with *Silicon Valley* in high technology and finance.

To succeed, however, the experts think that it will be necessary for the whole of the province, and not only Hong Kong, to enjoy a relatively low level of taxation, free convertibility of local currency, numerous additional high quality services, accountants, lawyers... and, above all, the independence of the judiciary proper to the “rule of law”. A judicial system subject to political influence is in effect a source of insecurity for holders of capital who are also subjected to a high level of corruption. In Shenzhen as in Shanghai, the great Chinese financial centres are strictly controlled by the CCP, a problem which inhibits the flow of capital from abroad³⁶.

Wages too low, long working week, housing too expensive, cost of living too high

The other side of the coin of capitalist success in Hong Kong, are the working and living conditions of local proletarians. Inequalities there are particularly high despite a low level of taxes. Hong Kong is the developed country with the highest Gini coefficient (measure of wealth inequality), 0.54 against 0.41 in the USA. Some 20% of the population live below the official poverty line, despite unemployment being below 3%. The income gap between the richest and poorest is the highest for 50 years. The hourly minimum wage is \$US4.82. It was increased in May, but the commission appointed by the government to deal with the question intends to freeze it because of problems created in some sectors by the present agitation. Unsurprisingly, Hong Kong's economy was considered to be one of the most competitive in the last study by the *World Economic Forum*, which, however, also added a black mark for the protection of workers, who are subjected to one of the longest working weeks in the world³⁷. Yet the GDP per inhabitant, calculated in purchasing power parity, was, in 2017, \$US61,500 less than Switzerland but ahead of the USA.

With 7.5 million inhabitants for just less than 1,000 km², of which less than 5% is agricultural land, Hong Kong has a population density seven times greater than the Île de France. Rents are higher in Hong Kong than in New York, London or San Francisco for apartments half the size. Wages have not kept up with rents, which have increased by a quarter in six years. The average price of a place to live in 2018 represented 20.9 times the average net income of a household, according to *Annual Demographia International Housing*. The average monthly wage is HKD19,100 for a man and HKD14,700 for a woman. This has to be compared with an average monthly rent of HKD16,551 in the city centre. No less than 210,000 inhabitants live in

³⁶ *World Economic Forum* du 22 February 2019, in:

<https://www.weforum.org/agenda/2019/02/this-is-china-s-plan-to-eclipse-silicon-valley/>

³⁷ “*The Global Competitiveness Report*”, Klaus Schwab, *World Economic Forum* 2019, in:

http://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf

subdivided apartments, although it is illegal. Around 45% of the population live in social housing³⁸, and 250,000 are on the waiting list for it, a number limited by the fact that the maximum income to be on the list is only HKD12,000 per year.

Women in the labour market

While the rate of employment of women increased from 45.1%, in 1997 to 50.8% today, it is significantly lower than that in most modern countries. Important factors in this are the lack of places in crèches and the high price of child care, without forgetting the long working day. But sexist traditions also play a big role. Almost 80% of married women work if they don't have children, but it is considered normal that they stop work when they have a child. Companies are also in the habit of sacking women when they become pregnant.

“Many young people see there is little way out economically and politically, and it is the background of their desperation and anger at the status quo”, says Ho-fung Hung, a professor of political economy at Johns Hopkins University³⁹.

The difficulties in finding housing, the price of housing and rising rents, are where the pro-Chinese political parties have intervened to offer solutions: renovation of old social housing, the obligation to sell land not built on by its owners. One think tank proposes interest-free loans for first-time buyers and the privatisation of social housing. These measures would supposedly reduce the wealth gap in Hong Kong. However, many young people are hardly enthusiastic about the idea of being in debt for 40 years and spending their lives paying back property developers.

The official press, whether in Hong Kong or the PRC, repeats that the housing question is the basis of the tense situation in Hong Kong. Official sources in Beijing have not hesitated to point to Li Ka-Shing, and his family, holders of the biggest private fortune in Hong Kong, as being responsible for the escalation of rents and apartment prices due to property speculation. On 13 September, the state press agency Xinhua, the *People's Daily* controlled by the CCP and the Global Times tabloid concertedly denounced unaffordable housing as being the origin of discontent and demonstrations in Hong Kong.

Graffiti on a wall of the Wong Tai Si residential block in Kowloon summarises the situation: “7K [HKD, around \$US900] for a house like a cell, and you really think we out here scared of jail?” Graffiti in Central: “12K for 120 sq. ft. and you think that's OK?” Prices of apartments are soaring, 60m² in South Horizons is rented out for HKD 3,355 per month, well beyond the average wage of HKD 2,425⁴⁰.

According to *SCMP*⁴¹, the reasons for the movement are lack of benefits for the poorest, the low quality of healthcare, a gruelling education system, the number of visitors from China, the difficulties in climbing the social ladder and a growing feeling of the dangers which threaten the freedoms of Hong Kong. Some young people also denounce inequality of income, limitations on the right to protest, the poor infrastructure. All also stress the lack of democracy in elections where you can only stand with the approval of Beijing.

³⁸ See: “How Hong Kong's public housing system works: costs, waiting times and sales”, *SCMP*, 19 Jan 2019.

³⁹ “Tiny Apartments and Punishing Work Hours: The Economic Roots of Hong Kong's Protests”, *New York Times*, 22 July 2019: <https://www.nytimes.com/interactive/2019/07/22/world/asia/hong-kong-housing-inequality.html>

⁴⁰ Enquiry by the *SCMP*, 25 September 2019.

⁴¹ *Ibidem*.

The “Hongkonger” identity and the apparent nostalgia for British domination

As spectacular as it is disconcerting, the appearance of British Colonial Hong Kong flags⁴² is nothing new. They have been brandished over the years to the great displeasure of the Chinese authorities, and not only by the “localists” (advocates of HK independence with a quasi-racist attitude to mainland Chinese tourists). When HK was formally restored to Chinese rule in 1997, it was very clear what the phrase “one country, two systems” would mean in practice. It implied the continuation of the complete system of governance developed by British colonialism in HK. All the institutions remained the same – the police, the courts, the school system, along with the Legislative Council (LegCo) and the Executive Council (ExCo), both originally created in 1843⁴³. Almost the only structural difference is that the Governor is now called the Chief Executive and is recruited locally. The Chief Secretary (second in command) is still the Chief Secretary, having lost the title Colonial Secretary in 1972.

What we are seeing is not so much identification with British colonialism but an expression of a Hong Kong proto-national identity which *began* under British rule. Almost nobody is really going to identify with British rule as it was before World War II, a system based on racial discrimination, sweatshop production and a system of policing which assumes all “natives” are criminals (even the rich ones). Like other forms of national identity, the HK variety came into existence relatively recently and in opposition to a rival national identity – in this case, the variety of Chinese nationalism promoted by the Chinese Communist Party.

Until the Chinese “Revolution” of 1949, the border between mainland China and HK was completely porous⁴⁴. The population of Hong Kong was established by waves of migration from mainland China, generally in response to civil war and other political upheaval. The only time there was a significant flow of people in the opposite direction was during the Japanese occupation during World War II. Nevertheless, individual Chinese did not feel a need to settle permanently in HK and it was quite normal to return to the mainland, perhaps after retiring or making enough money to live comfortably there, or because the situation had stabilised. This changed dramatically in 1949. In 1950 the British authorities imposed permanent immigration restrictions for the first time, and the PRC government enforced its own border control (mostly to keep people in). But this didn’t stop around 1 million people coming to HK from China between 1946 and the mid-1950s. This was a huge number – the population at the end of 1950 was only 2 million. By 1955 it was 2.5 million. However, later on, movement between the two geographical entities almost ceased. At the same time, the British authorities were starting to invest more in the reproduction of labour power – providing a certain amount of housing (rather than allowing tens of thousands of recent immigrants to live in shanty towns with no water or electricity) and improved education. A specific “Hongkonger” identity started to emerge, but it was given a massive boost by Maoist led disturbances in 1967 – described officially as the “Leftist Riots” or the “Confrontation”.

It needs to be stressed here that the strikes and other confrontations – marches, fights with the police, bombs being planted – had almost no connection with the actual level of worker militancy. They were almost entirely an outgrowth of the Cultural Revolution in China (which reached its highest and most chaotic point in 1967). The Cultural Revolution didn’t just cause disruption and untold horrors in the everyday lives of workers, peasants and the educated middle classes, it also paralysed the functioning of the state itself⁴⁵. During most of 1967 China simply

⁴² The flag has a very recognisable design – Union Jack in the top left-hand corner and a coat of arms featuring a lion and a dragon (of course!). It was only adopted as the flag of Hong Kong in 1959.

⁴³ See: *A Concise History of Hong Kong*, John M. Carroll, Rowman & Littlefield, 2007.

⁴⁴ See: Chapter 13 of *A Modern History of Hong Kong*, Steve Tsang, I.B. Tauris, New York, 2007.

⁴⁵ See: *The Cultural Revolution – a People’s History, 1962-1976*, Frank Dikötter, Bloomsbury Press, 2017.

did not have a coherent foreign policy, and “radical” elements inside China pushed for an invasion of Hong Kong, however irrational this was from an economic point of view. According to the economic section of the US Embassy in Hong Kong at the time, Chinese-run companies were providing Beijing with \$US500 million in hard currency every year – approximately \$US4 billion at today’s prices, a considerable sum for a poor country like China in the 1960s. The HK Dollar’s status as a global currency (pegged originally to the British Pound then to the US Dollar after 1972) and HK’s lightly regulated currency markets made it easy to transfer the funds needed for China’s foreign trade⁴⁶.

The pro-Beijing Federation of Trade Unions (FTU) – still in existence today – was never “militant” between 1950 and 1967, reflecting a Chinese policy of not disrupting Hong Kong’s economy. The FTU was in a continuous state of rivalry with the pro-Taiwan Trade Union Council (TUC)⁴⁷. The level of strikes was low and the “propensity to strike” (days on strike per 1,000 workers) had been declining⁴⁸. The last great proletarian political cycle, from roughly the late 1960s to late ‘70s, affected HK, but not in the sphere of worker struggle. Contrary to most industrialised countries, there was no upturn in struggle in HK, where the cycle didn’t express itself much beyond counterculture and libertarian left activism⁴⁹. The Maoist demonstrations and riots were certainly *not* some kind of “Hong Kong May ‘68”.

The disturbances began with real, albeit very limited, workers’ struggles in early May. Workers at the Hong Kong Artificial Flower Works in San Po Kong (Kowloon) opposed new conditions imposed by management leading to a strike and lockout. Almost simultaneously, there was a dispute at the Green Island Cement Company⁵⁰. As was customary, there were street protests by the workers and some confrontation with the cops, leading to some arrests. But this was not to be a “normal” dispute – some of the men arrested at San Po Kong waved copies of Mao’s Little Red Book and shouted CCP slogans. “Big character” posters started to appear, denouncing the British authorities. The pro-Beijing newspapers in HK (most of which were allowed to function by the British authorities throughout the disturbances) expressed support for the strikers, and over the next few days violent protests took place, across Kowloon and then on Hong Kong Island.

The FTU established an organisation to coordinate the “struggle”. Twelve “leftist” groups met on 12 May to create the All Trades Struggle Committee, followed by the All Circles Struggle Committee, which claimed to create 126 local “struggle committees”. All the while the real power to call strikes and demonstrations lay with the Xinhua (New China) News Agency and the Bank of China. The actions of the Maoists were at times absurdly theatrical... Loudspeakers on the roof of the Bank of China blasted out Maoists slogans and denunciations of the British governor. In response, the British authorities set up loudspeakers playing Cantonese Opera, jazz and the Beatles. Maoist rioters sometimes came equipped with bandages stained with red ink, to be put on as soon as the riot police tried to clear them from the streets.

There was a “joint strike” to shut down local administration and restrict food supplies which failed – and later a “General Strike”. The Xinhua News Agency claimed that 500,000 workers were on strike, but this was a wild exaggeration. By the end of June, the strikes were running out of steam. The last large-scale effort launched by the Struggle Committees was a four-

⁴⁶ See: *Hong Kong on the Brink*, Syd Goldsmith, 2017, Blacksmith Books, Hong Kong. This is an account of the disturbances from the point of view of an American diplomat stationed in HK.

⁴⁷ See the paper: *A Social History of Industrial Strikes and the Labour Movement in Hong Kong, 1946-1989*, Benjamin Leung and Stephen Chiu, Social Sciences Research Centre, University of Hong Kong, 1991.

⁴⁸ Ibid.

⁴⁹ See libcom for the activities of the anarcho-communist group “Minus” in the 1970s: <https://libcom.org/history/some-editions-minus-magazine-hong-kong-1970s-0>

⁵⁰ *Hong Kong on the Brink*, and *A Social History of Industrial Strikes...*

day “trade suspension” beginning on 29 June, but this also lacked the necessary support. Two main characteristics of these “strikes” need to be stressed: complete absence of workers’ self-activity (hence the ease with which the bosses could intimidate workers back to work); there were no economic demands during the “general strike”!

But the Cultural Revolution still had one card left to play: indiscriminate violence. On 8 July, some 300 “protesters” stormed the police border post at the small fishing village of Sha Tau Kok. A machine gun was fired from across the border, killing five policemen on the British side. The incident re-enthused the Maoist activists, but a curfew was imposed, and the police started raiding suspected centres of Maoist activity. Maoists retaliated with a spate of bomb attacks on police stations and government buildings. By the end of July, thousands of bombs, many of which were fakes, had been planted in public places. One was wrapped like a gift, killing two children. The “public”, including most workers, turned decisively against the Maoists, and began to support the colonial authorities in restoring order. No doubt Maoist propaganda was rendered even less effective by the appearance of executed corpses floating into Hong Kong waters from the Pearl River. The Maoist regime was not only obviously brutal; it was also a regime that around *half* the local population had fled from. The “struggle” was called off at the end of 1967 when Beijing changed its line as Zhou Enlai regained control of foreign policy. Once again Beijing was happy for HK to remain British.

The authorities realised the need to speed up social reform. Even if the workers had not shown the least bit of autonomous initiative, they had shown themselves to be too vulnerable to agitation, an agitation linked to miserable social conditions. In the British Parliament the Labour Party government proposed “urgent action in the field of social and labour reform”. This meant strengthening the Labour Department of the HK government and passing laws improving protection for workers, leading over the next few years to statutory maternity leave, paid holidays, sickness benefits, redundancy pay... Then there was compulsory free primary school education in 1971, and the same for secondary education in 1978. In addition, there was an expansion of social welfare, transport and public housing. The process of reform particularly accelerated under the new Governor MacLehose (appointed in November 1971). By 1983, more than 40% of HK’s population lived in government housing, mainly big complexes of high-rise blocks. New Towns, on the British model, also began to be built in the New Territories. There was also a serious (and very successful) drive against corruption in the civil service and the police⁵¹.

The figures for social welfare expenditure speak for themselves. In the 1970-71 it was HKD40 million; more than HKD2.5 billion in 1986-87 and over HKD15 billion in 1996-97⁵². In addition, a “third force” emerged in the trade unions... Christian-led trade unionism analogous to the Catholic Worker tradition in Europe (except that it was mostly Protestant)⁵³. The governance of Hong Kong had entered a new era – essentially social democratic – which continued until the handover to China, and beyond. Hong Kong was never a real welfare state in the European sense but, significantly, it was more of one than mainland China. And social democracy has been crucial in the creation of modern national identities and even not-quite-national identities, as in Hong Kong.

⁵¹ The laughably corrupt nature of the police in the 1960s is described in some detail in Chapter 3 of *Hong Kong Police: inside the lines*, Chris Emmett, Earnshaw Books Ltd. (Hong Kong), 2018

⁵² See: Chapter 6 of *A Concise History of Hong Kong*

⁵³ *A Social History of Industrial Strikes and the Labour Movement in Hong Kong, 1946-1989*