

# Placid Hong Kong has head in the sand

by Sydney Liu and Maynard Parker

HONG KONG—To the nearly one million tourists who flock here every year, Hong Kong has always been a jewel among cities—with its colorful junks, its shop windows jammed with duty-free Japanese pearls and cameras, its eager citizenry adept at turning out everything from first-class suits in 24 hours to some of the best food East of Suez.

Of course, there has always been something Dickensian about Hong Kong, too—an awareness that amid great wealth lies stifling poverty. But one of the characteristics of Hong Kong has been that no one seemed to object to the poverty. The Chinese refugees, who comprise 99 per cent of the British colony's 4 million persons, have always been too busy surviving to complain.

These days, though, the once placid face of Hong Kong is fast becoming angry. The legions of poor Chinese no longer take for granted exploitation at the hands of

British colonists and wealthy Chinese merchants.

During the past year the crime rate has soared. There have been demonstrations about everything from inflation to rising apartment rents, demands that the Chinese language be made co-official with English and that the Chinese majority be given a greater say in its own government.

Hong Kong is hardly about to explode in some form of proletarian revolution. But in recent months, discontent has become so rampant and so militant that the British establishment is growing increasingly uneasy about what one observer calls "the rather trenchant question as to whether Hong Kong isn't just a rich man's racket."

Curiously enough, the discontent coincides with—and, in fact, stems from—the greatest period of prosperity in Hong Kong's history.

Back in 1967, Maoist riots nearly brought the colony to its knees. Marauding bands of Red Guards—inspired and



Hong Kong's low cost housing projects, built within the last 25 years, have deteriorated into vicious slums.

equipped from mainland China—tried to bring the Cultural Revolution to Hong Kong and in the process severely shook the staunchly capitalist economy.

But Hong Kong survived and from survival came a renewed confidence that resulted in an economic boom. "Before the riots," one businessman recalls, "there was always a question as to

whether Hong Kong could stand firm against an internal Communist threat. When we proved that we could handle anything the local Communist apparatus could throw against us, we came out with increased business confidence."

No one knows exactly how rich a city Hong Kong is, but a few unofficial estimates from international bankers paint a picture of extraordinary

wealth. The Hong Kong government, for instance, currently has investments and reserves in Great Britain totalling more than \$1.1 billion, as well as another \$600 million in reserve to back the Colony's own dollar.

It is precisely these reserves that infuriate Hong Kong's poorer Chinese citizens. They feel that instead of hoarding capital, the Hong Kong government should spend some of its wealth to improve the quality of life in the colony.

Indeed, there is substantial evidence that, despite all its wealth, the Hong Kong government has done precious little to improve the quality of life in the crowded city. For example:

—In education, the government claims there is a free seat in primary school for every child. On paper that may be true. But in fact, while there are empty places in schools far from densely populated areas, in the inner city the schools are overcrowded, ill-equipped, inadequately staffed and maladministered. The secondary-school situation is far worse.

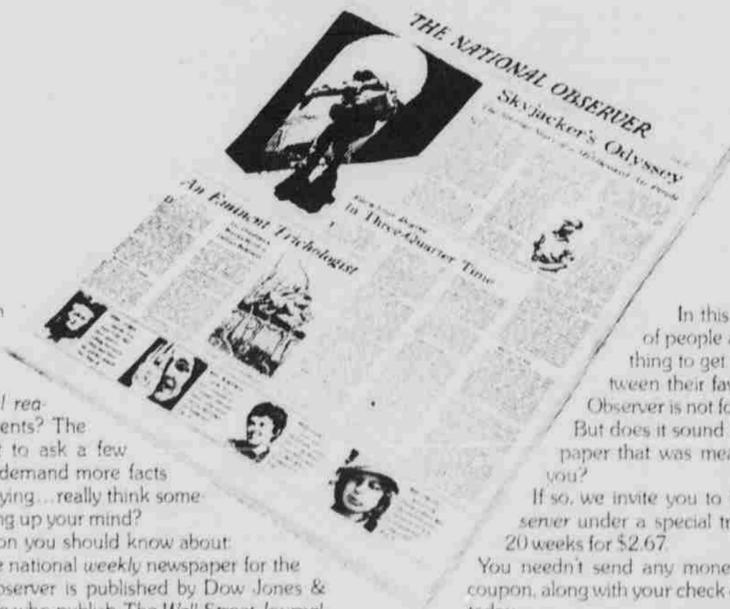
—In housing, the government crows about the fact that in the last 25 years it has built enough low cost housing to accommodate a quarter of the city's people. True. But through the years, the low-cost projects have been allowed to deteriorate into vicious slums. In some projects, the per-person space allotment is 35 square feet with the result that many Hong Kong families of five live in one-room flats no bigger than a medium-size American bedroom.

—In social welfare, the city spent only \$3 million for public assistance in 1970 despite a budget surplus of \$100 million. In all, says an official government report, the Social Welfare Department's expenditure for staff salaries in 1970 was nearly twice the amount spent on all forms of actual aid to the needy.

As one foreign diplomat says, "Hong Kong is a delightful place if you are rich but a real hell if you are poor." Newsweek Feature Service

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