

《Debunking China Myths: Is Hong Kong losing its mojo?》

By CGTN 's Wang Yue

Hong Kong seems to be the victim of its glory days, and many are questioning whether the city's heyday is over.

Experts say Hong Kong is just experiencing the pains of its new development status, and is not “in trouble.” They also advise Hong Kong to enhance engagement with the Chinese mainland and reap the benefits of its fast growth.



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Hong Kong's pressing challenges

The Chinese mainland has emerged as a global center for innovation and entrepreneurship leveraging on the ubiquity of technology. It now has the world's second-largest number of unicorns – start-up companies with a valuation of over one billion US dollars, following the US.

While the Chinese mainland is growing fast, Hong Kong has been left in the dust. Its gross domestic product (GDP) represented 18 percent of China's GDP in 1997. But now, it is about three percent.

Hong Kong used to be associated with the entrepreneurial spirit – now criticism targets its stifling regulations and rigid mindset. Meanwhile, sky-high housing prices and lack of upward mobility of its young people are confusing the city.



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Hong Kong's private home prices rose 1.2 percent in May from April, according to an index compiled by the Rating and Valuation Department. They soared more than 20 percent from May 2016. The monthly index has been rising for 14 consecutive months, breaking historic records every month since November last year.

The housing price was high in 1970s as well, but mobility seems to be different from past to present. Young people “now feel the mobility is slowing down or stopping,” according to Eden Woon, Vice President of the institutional advancement at the Hong Kong University of Science and Technology.

Even The New York Times commented that “Hong Kong is in trouble.”

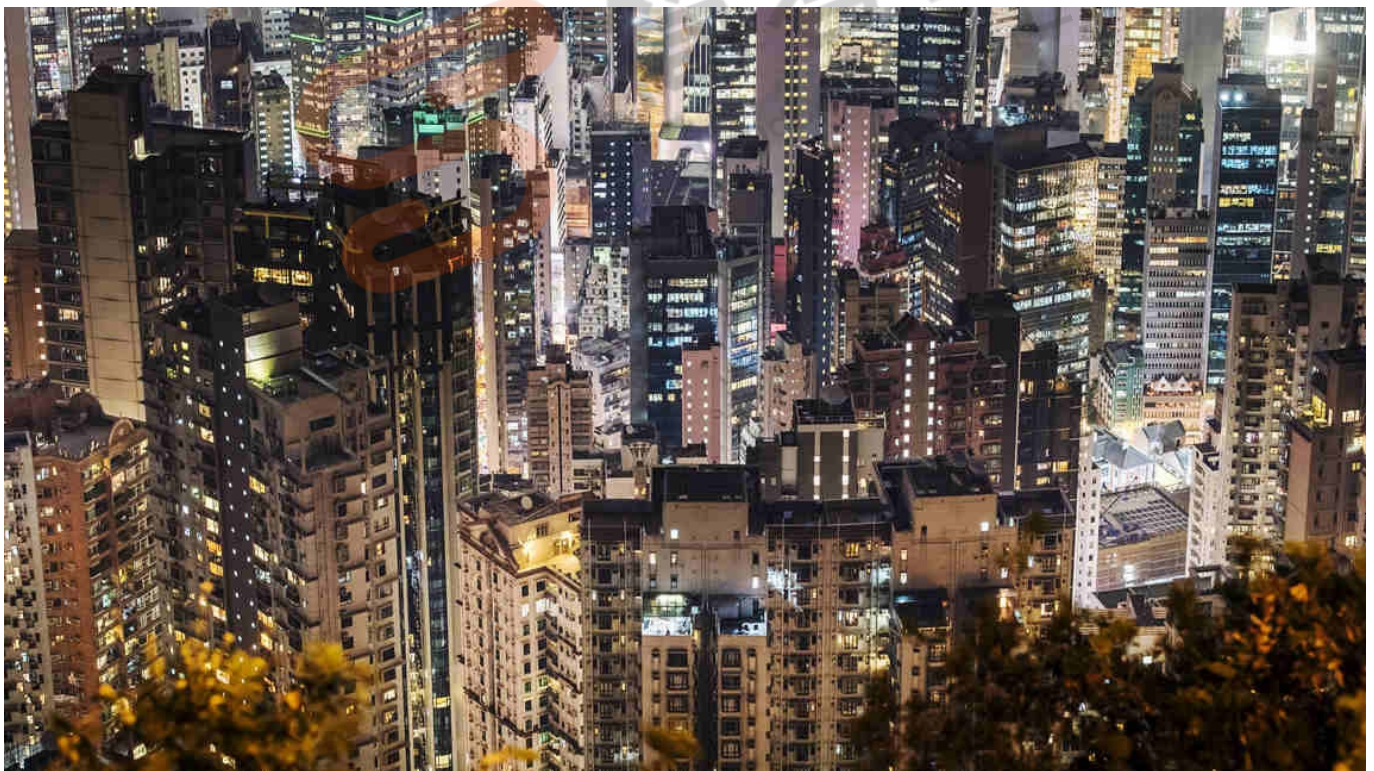
Hong Kong not in trouble



Stanley Hui, Deputy Chief of NWS Holdings – a leading player in facilities' management, transport and strategic investment, said such issues were the essential difficulties of the city's development.

“During the different statuses of development, you may have issues. Of course in Hong Kong, we have to solve the housing issues, have to do more work with the young generation. Indeed, in the 20 years of Hong Kong's return, (it) has actually done extremely well. If you look at the GDP and capital, they are growing,” Hui explained.

Woon agreed with Hui's point by saying that “Hong Kong is still in excellency. It still is an international hub. And it still has a lot of advantages over mainland cities.”



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As to the criticism of the loss of entrepreneurial spirit, Woon stressed that the entrepreneurial spirit is still in Hong

Kong, supporting the city to connect with both the outside world and Chinese mainland.

“I think it is not true that the [Hong Kong's] universities are not producing people who are innovative,” Woon said.

Hong Kong's future



Recent years, Shenzhen, Shanghai, Singapore and South Korea have slowly passed or caught up with Hong Kong. Many worry that Hong Kong would be “stagnant” if it fails to seek emergency treatment.

In fact, the most efficient medicine already exists – “One Country, Two Systems” principle.

“The system itself has helped Hong Kong continue to play its very important role that it used to play – the frequent harbor city,” Hui said.

Woon thought the administration should first clarify “where Hong Kong is going in the future,” then pursue more efforts on critical issues, such as housing issues.



Residential and commercial buildings stand illuminated at night in Hong Kong, China. /VCG Photo

"I have a lot of hopes for young people in Hong Kong. We just have to make sure the young people here get rid of some stereotypes, get rid of some myths and find out that you can maintain your way of life here, you can take advantage of fast growing mainland, and you have to maintain the international character of Hong Kong," Woon said.



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Chinese President Xi Jinping stressed the significance of development, as he expressed hope that Hong Kong can maintain its status as a global financial, trading and shipping center and obtain opportunities from cooperation with the mainland like under the framework of the Belt and Road Initiative.

"The cake continues to grow bigger, and we will benefit from that process," Hui said with confidence.