

Deng's disciple

Robert Lawrence Kuhn says the third plenum should lay to rest speculation about whether Xi Jinping is a reformer; he is clearly a pragmatist, as was Deng Xiaoping

For the past year, ever since Xi Jinping (习近平) was confirmed as general secretary of the Chinese Communist Party, the big question has been: Is Xi a reformer? Now, after the third plenary session of the 18th Central Committee, we have our answer. It is neither "yes" nor "no".

Without doubt, the third plenum institutes systemic reforms that seek to transform China's economy and society. Specifics will come later and implementation will take years, but major reform is finally policy, not rhetoric. It is Xi's unambiguous commitment that the market must drive the economy, government retreat to regulation and oversight, farmers and migrant workers have equal rights and opportunities, and judicial system reform "deepen".

All and more are paragons of reform. That some reforms were not enacted, particularly breaking the monopolies of state-owned enterprises, should be viewed with the lens of political expediency.

In addition, early in his first year, Xi seemed to articulate a liberal agenda: curbing official extravagances, praising China's rights-protecting (but largely irrelevant) constitution, and suggesting some form of judicial independence. More recently, Xi backed Premier Li Keqiang (李克强) in establishing the Shanghai free-trade zone.

Intriguingly, Xi called for the party, which maintains atheism as an article of faith and requirement for membership, to be more tolerant of China's "traditional cultures" or religions. Though he did so to halt moral decay and fill the spiritual vacuum created by market-driven materialism. This was no hard-core Marxist at work. (Xi's father, former vice-premier Xi Zhongxun (习近平) was respected as a far-sighted visionary on ethnic and religious affairs.)

But initial hope and optimism among liberals gave way to growing dismay and pessimism as China tightened media controls, policed social media, detained liberal activists and forbade discussion of "universal values" such as civil society, judicial independence and press freedoms. In internal speeches, Xi used the collapse of the Soviet Union and the overthrow of the Soviet Communist Party as a case study of what the party must never permit. For sure, Xi will not be "China's Gorbachev".

Most worrying, perhaps, Xi seemed to embrace Mao Zedong (毛泽东): visiting Mao's shrines, adapting Mao's party "rectification" and "mass line" campaigns, defending Mao's leadership ("not being negative about the 30 years before Deng Xiaoping's (邓小平) economic reform"),



and resisting "historical nihilism" (restricting condemnation of Mao's egregious delusions, particularly the mass political campaigns that terrorised millions).

How then to harmonise this "reform-resisting Xi" with the "reformer Xi" we saw at the third plenum? I put this question to an intellectual minister who worked with Xi. Xi is neither a reformer nor a non-reformer, the minister told me. "Xi, like Deng Xiaoping, is a pragmatist," he said.

This rings true. Xi's first trip outside Beijing as China's leader was to Shenzhen, where he seemed to track Deng's famous



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southern tour in 1992 that triggered the recrudescence of reform, following its stagnation in the wake of the Tiananmen tragedy in June 1989.

For those disquieted by Xi's good words for Mao, recall that even here Xi follows Deng. According to Deng, Mao was "70 per cent right and 30 per cent wrong", and his "contributions are primary and his errors secondary". Even though Deng had been purged by Mao three times, he still opposed those who would have assessed Mao more harshly. Deng, who was a realist, preserved Mao not to uphold Mao, but

to preserve the party, which, at the very beginning of reform, Deng believed deeply was essential for China's development.

In 1981, at the sixth plenary session of the 11th Central Committee, a "Resolution on Certain Questions in the History of Our Party" was passed as judgment of Mao's historical role and thought in light of the still-fresh Cultural Revolution.

The resolution called Mao "a great Marxist and a great proletarian revolutionary, strategist and theorist". It admitted he "made gross mistakes during the 'cultural revolution', but, if we judge his activities as a whole, his contributions to the Chinese revolution far outweigh his mistakes".

The resolution praised "Mao Zedong Thought" for socialist construction; ideological, political and cultural work; party building; seeking truth from facts; the "mass line"; national independence and self-reliance.

Sound familiar? Xi, vintage 2013? Remember this comes directly from the 1981 resolution on Mao, for which Deng was wholly responsible. That's why when Xi said, early this year, "to completely negate Mao Zedong would lead to the demise of the Chinese Communist Party and to great chaos in China", he was channeling Deng, not Mao.

Xi is convinced that continuity of party rule is essential for China to achieve its historic goals, and because he believes that if Mao is brought down, the foundations of the party would crack and perhaps crumble, that for the good of China, he must secure Mao's legacy. Society allows no perfect alignment between success and truth and Xi is choosing his priorities with vision and commitment.

So is Xi "signalling left while turning

right", as the aphorism attributed to Deng goes? Conventional wisdom, to which I had subscribed, says the jury is still out. I've changed my mind. I think we can know today, following the third plenum, who Xi really is and what he really believes. Just take what he says at face value; then harmonise what seem to be contradictory positions within his higher-order political philosophy, which Xi has labelled, famously, the "Chinese dream".

Xi is goal-oriented, not ideologically constrained. He seeks to enhance the overall well-being of the Chinese people and to build the overall vitality of the Chinese nation. To accomplish these grand and complex goals—delivering the greatest good to the greatest many—Xi believes, as do many, that the party must continue to be the ruling party and that no measures can be excluded in assuring its control.

So, is Xi a reformer? Here's what we know. Xi is "not a reformer" and "not a not-a-reformer". He is a pragmatist. His role model is Deng. He is progressive on economic and social issues and conservative on political and party matters.

Here's what we do not know. If during Xi's decade of leadership, it becomes clear that tight political control is no longer optimal for China's development, what would Xi do? I return to my earlier forecast, though now for more nuanced reasons: to find out, we will have to wait, perhaps until the middle of Xi's second term, following the 19th party congress in 2017.

Robert Lawrence Kuhn has long-term relationships with China's leaders and the Chinese government. He is strategic adviser to multinational corporations and the author of *How China's Leaders Think*

Inclusive living

Wilson Lau says small houses could still be built if village enclaves were part of the country parks – as long as they don't harm the environment

A legislative subcommittee this week rejected an amendment law intended to redraw boundaries of the Sai Kung East Country Park to include the village of Tai Long Sai Wan and its acclaimed beaches.

The motion will now be put to a vote at the full Legislative Council next month. If it passes, the decision will sadly overwrite plans to protect the beauty and recreational value of the area.

Many of us remember Tai Long Sai Wan as the watershed moment in 2010 when the collective voice of the public won over that of private interests. At the time, private construction at the site that defaced a popular beach roused the public and persuaded the government to review all 77 such country park enclaves.

These enclaves, many of which contain private land, are either surrounded by or right next to country parks. Hence, many are ecologically important. Some are used by the public for recreation or simply enjoyed for their natural beauty. The Sai Wan enclave, for example, attracts many hikers who trek along the MacLehose trail. It therefore makes sense for these enclaves to be seen as natural extensions of the country parks, to be similarly conserved.

The government agrees and proposed to amend the law to protect some of these enclaves.

Yet the proposal has ruffled the feathers of the Heung Yee Kuk, and its leader Lau Wong-fat tabled the motion to reject the plan. He cites concerns about protecting villagers' rights and suggests private property rights should be paramount in a capitalist society. Other legislators in support of the motion also raise worries that village life would be further affected, pointing out that some villages do not even have access to municipal water services.

On the assertion that indigenous rights may be compromised, it should not be forgotten that small house permits have been sought—and granted—in the past on private land found within country parks. Therefore, Sai Wan villagers may still apply for such permits after the law change. The difference is that the applications will be reviewed by the Country and Marine Parks Board, which would take into consideration the impact on the environment, rather than the Town Planning Board currently.

On the second point, we note that many rural areas that were designated as part of a country park were subsequently linked up to water mains, and had drainage and sewerage facilities installed. Unlike other types of rural land, country park areas are managed by the Agriculture, Fisheries and Conservation Department. Hence, contrary to fears, the provision of basic services to villages might in fact improve if they are incorporated into country parks.

In a paper on the small house policy published earlier this year, Civic Exchange argued that rural planning policies, as well as comprehensive zoning plans for the whole of the New Territories, are critical to equitably balance the interest of indigenous villagers and the wider community.

While we wait for this to happen, incorporating such enclaves into country parks may help exert some much-needed planning controls. Given the unfettered manner in which small houses have been and are being built across the countryside, such a step should be encouraged.

Wilson Lau is a research and project officer at Civic Exchange

Legislators must reject funding for RTHK's extravagant new headquarters

Christopher Chung Shukun, the foul-mouthed legislator and member of the pro-establishment Democratic Alliance for the Betterment and Progress of Hong Kong, exposed his crassness on Tuesday at a Legislative Council session to discuss the construction costs of the new RTHK headquarters.

When Chung realised the project would cost up to HK\$6.1 billion, he immediately used the occasion to mock Ricky Wong Wai-kay, founder of Hong Kong Television Network (HKTv), for seeking to launch a television station with a personal net worth of "mere tens of billions". Chung used extremely rude words to ridicule Wong for overestimating his financial capacity.

Chung's outburst was not really surprising and did not divert attention from the important issue at hand—the overspending of the government-run broadcaster.

The planned cost of the infrastructure alone has shot up from the estimated HK\$1.6 billion four years ago to the present HK\$6.1 billion. And this is just the hardware and does not include the software such as human resources and operational expenses.

Public entities are often not as well run as private enterprises, but no matter how you look at the possible cost of building a new RTHK headquarters, which is supposed to provide radio and television services, the HK\$6.1 billion price tag is totally unreasonable.

One of the excuses provided by RTHK was that when it projected the cost at HK\$1.6

Albert Cheng says added services and inflation cannot possibly account for the nearly quadrupling of the estimated construction costs



billion in 2009, it didn't include provisions for digital broadcasting, three new television channels and a media asset management service.

But if you look at the set-up of digital broadcaster DBC, which has seven digital channels, its basic infrastructural investment only amounted to HK\$100 million, while the planned costs of HKTv's television city was only HK\$600 million.

The planned RTHK headquarters will yield approximately 300,000 sq ft of space. Even if we assume construction spending will be extravagant, at HK\$3,000 per sq ft, it shouldn't exceed HK\$1 billion.

Even though the proposal will include a data centre, the adjusted cost is still excessive.

The planned data centre of Google in Tseung Kwan O is expected to cost about HK\$2.4 billion. So if you add up the costs

of a data centre, and offices for television and digital services, the total cost should come to somewhere about HK\$4 billion.

Let's look at the costs of other television stations. In the early 2000s when TVB set up a new headquarters in Tseung Kwan O, with five free channels, the cost came to HK\$1.6 billion. Adding the digital facilities, the bill came to HK\$2.2 billion. Phoenix TV's Beijing headquarters, which handles all national production work on the mainland, cost less than HK\$1 billion. It all goes to show that no matter how we calculate the cost, it shouldn't come to HK\$6.1 billion.

On top of this, there is still the annual operating costs of around HK\$600 million, the cost of a news centre, and digital broadcasting, as well as the additional manpower to cope with all these needs.

Both the pan-democrats and the pro-government camps questioned the astronomical construction costs, but so far no one has objected to the project outright. The reason is obvious—no one wants to make enemies of the government media, plus the money will come from the public coffers. It's nothing but a show.

HKTv sought to invest billions to run 30 channels. All production work would have been done locally. Yet, the promising television project still failed to get government approval. Government-run

RTHK, with only seven radio channels, digital broadcasting that still has no independent production, and television programmes that are not run round the clock, has the temerity to ask for HK\$6.1 billion merely for the building of its headquarters and has seemingly already got the green light from the administration. All this points to one fact—the station will almost certainly turn into a media tool used by the government.

As public representatives, lawmakers should act as gatekeepers and reject the funding request. It's simple: the project isn't good value and it's a waste of public funds.

The scandal-plagued station has to figure out its role and position in the market as it struggles on with low staff morale, an unfair pay structure, disorganised management and a low standard of programming. With all these problems, the station has no right to demand public support for its operation in such an extravagant manner.

As I have always advocated, the only way forward for RTHK is for it to become a genuine public broadcaster to lend a voice to the public, especially the underprivileged.

And, first and foremost, Legco members must not support the RTHK expansion.

Albert Cheng King-hon is a political commentator and a co-founder of DBC. taipan@albertcheng.hk

Hong Kong trade could do with more 'envoys' abroad

Bernard Chan suggests tapping our global network of citizens and friends

We all know that, under "one country, two systems", Hong Kong enjoys a high degree of autonomy. This allows us to have our own currency, tax and trade regimes, legal system and even membership of international bodies.

We do not conduct top-level diplomacy, which, along with defence, are the responsibilities of Beijing. As a result, we do not need a global network of embassies and consulates. One of their key functions is to provide services to citizens overseas and Hong Kong citizens are free to use Chinese consulates for these purposes.

Another important job for overseas representatives is economic promotion and related activities.

This is clearly a responsibility for Hong Kong, which is why we have Economic and Trade Offices around the world.

Outside China, we have such offices in 11 cities. This might sound like a lot, but it cannot compare to—for example—Singapore's dozens of missions. Many of our trade offices cover very large regions. For example, the Singapore one is responsible for the whole of Southeast Asia and the Brussels one covers most of western and southern Europe. Growing markets in Latin America and Africa get relatively little attention.

The trade offices house InvestHK's overseas investment promotion work and co-ordinate overseas visits by senior Hong Kong officials. They also monitor overseas media and keep the local media informed

about what is happening in Hong Kong. I hear a lot of good things about the trade offices' achievements, but with an average of just a dozen or so personnel per office, we need to ask whether Hong Kong should have more faces in more cities.

It is quite possible that Hong Kong is losing potential business because of a lack of more comprehensive overseas representation. This is not simply about attracting inward investment, but, more



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importantly, finding and developing new markets for our own investors and our high-value services exports.

For example, some overseas businesses and officials do not realise Hong Kong is distinct and separate from the mainland with regard to its legal system, intellectual property protection and other areas. If this is so, we are probably underselling ourselves as a business location and supplier of high-value services.

Should we expand our network of trade offices? This might sound like one way forward, but it poses practical

problems. Cultivating media contacts, talking at business lunches and being available to answer questions about Hong Kong is not necessarily a full-time job for someone in a single city or smaller country.

It wouldn't be cost-effective to post large numbers of civil servants around the world. And the job should ideally be done by someone with those particular skills and with extensive local, as well as Hong Kong, exposure.

Perhaps we could borrow an idea that our overseas friends already use here in Hong Kong: honorary representatives. These individuals vary in their background. But the concept would be simple. Appoint expatriate Hong Kong people or old friends of the city living overseas and deputise them to represent us—possibly with trade office oversight and help—in promoting and speaking up for Hong Kong in a non-political capacity.

Thanks to our role as a global trading centre and hub for international skills, the world is full of Hongkongers based overseas and former expatriate residents who have returned home. Many are well established, respected and probably already known as Hong Kong experts.

With global competition growing, and our rivals working harder to get their own messages across, we should give them some formal recognition and encourage them to spread the word.

Bernard Chan is a member of the Executive Council