BUCS VIII

BROWN

Background Guide

*The Handover of
Hong Kong 1989-1997*

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Position Papers

Position papers are mandatory for this committee, and only delegates who submit position papers on time will be eligible for awards.

The due date for position papers in order to be considered for awards is **February 28, 2019**. If you wish to receive feedback, you must send them by February 24. Please email them to hongkong@ browncrisis.org in .pdf form. Please limit the paper to one page with double-spaced type in 12-point font.

Please write your name, your university, the name of your character in the subject line. Questions and individual (not delegation) requests for extensions may also be sent to the same email address.

Position papers should actively apply information provided in the background guide to explain your political agenda as well as the way in which you plan to carry them out. The best position papers will also make extensive use of external research. You should treat them as private papers, which means that you should not hesitate to include plans and information that you intend to keep secret to other delegates.

Here is a suggested outline for how to write a crisis position paper for this committee. Position papers will not be penalized for not following this framework (in fact, you are encouraged to write more creative position papers!):

- Character background and formative experiences of political development (1 paragraph)
- Political positions on the topics which you think will be most important in crisis (1-2 paragraphs)
- Actions that you will take during the conference (1-2 paragraphs). Be sure to include:
- What initial actions you might take during the first committee sessions to build up your resources and gain reputation or political power
- How you might use your connections (political party, constituents, civic organizations, contacts abroad, etc.) to advance your political agenda
- Who within the committee (or the other committee) you might want to work with, and who you might want to subvert or backstab
- Conclusion (1 paragraph)

Crisis Philosophy

Below are the expectations we have for delegates. Though we hope that these expectations will guide your committee preparation and performance, by no means is this a strict rubric to follow.

Respect for Others

We expect all delegates to be respectful to one another, the dais, and crisis staff. Although delegates

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 may have to simulate anger in the course of debate as a result of their character, at no point should they harass or otherwise treat others unfairly. This includes not plagiarizing other delegates' work. Dais staff will enforce this expectation firmly and any delegate with concerns should feel free to approach us.

Respect for the Crisis

We expect all delegates to respect the crisis topic and the rules of crisis stipulated by staff and this guide. Most importantly, this means refraining from unnecessarily ahistoric and arbitrary crisis actions (e.g., developing warp travel technology, frequent assassinations). Additionally, crisis notes should be well thought-out and detailed before submission to crisis staff.

Application of Knowledge

Good delegates should be able to apply the knowledge they learn from the background guide and external research to strengthen their arguments in debate and to ground their actions in crisis notes. In crisis, many of you will have to depart from what your character historically argued for or did because of different circumstances in our simulation – but you will have to be able to persuasively explain (either in debate or through crisis notes) why your character would make such decisions in the new context of the crisis by using what you know about them.

Creativity

Good delegates should be able to think outside the box and offer creative solutions that do not simply copy that which was actually proposed or implemented.

Negotiation and Collaboration

Good delegates should be able to use negotiation and collaboration to achieve their goals, and to be able to employ these skills when appropriate and with a clear strategy in mind. We are not encouraging that delegates collaborate all the time – this would in fact be counterintuitive to crisis. However, good delegates will demonstrate a grasp of when and how these skills can be used effectively.

Strategy

Good delegates should be able to develop and demonstrate a strategy appropriate to their character, and to be able to pursue goals through various means and a consistent effort over committee sessions. Good delegates will also know when their strategy is not working or their goals are no longer appropriate, and make appropriate adjustments when this is the case.

Public Speaking and Caucusing

Good delegates should be able to put effort into public speaking and working with other delegates during unmoderated caucus. This includes an active effort to influence the course of debate through moderated caucus and a productive use of time during unmoderated caucuses.

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RULES OF PROCEDURE

Crisis Procedure

Simulation Considerations

This crisis will simulate the Handover of Hong Kong. It includes two committees - the Office of the Unofficial Members of the Executive and Legislative Councils (OMELCO) chaired by the Governor of Hong Kong, and the Hong Kong and Macau Affairs Office and Advisors (HKMAO) chaired by the Minister of Foreign Affairs of the PRC. The start date is May 15, 1989. Both Chairs will not have the ability to vote, even to break ties. The Chair will periodically notify the committee of the passage of time, which will be arbitrary and up to the discretion of the crisis staff.

Moderated Debate

By default, the Handover of Hong Kong will operate in a continuous moderated caucus with a default speaking time of 1 minute. Delegates may move for moderated caucuses with a set topic beyond the continuous moderated caucus; however, speaking time for all moderated caucuses must be at least 30 seconds in length.

Crisis Notes

Crisis notes are the primary way in which delegates communicate private, individual actions to crisis staff. Delegates who are members of the Hong Kong Government will have portfolio powers based on their ministerial roles, which allow them to control certain functions of government. These ministerial roles are noted in 'Delegate Positions,' but specific portfolio powers will be given for delegates in the first committee session. However, all delegates will have the powers that politicians and private citizens ordinarily have (e.g., holding political rallies, hiring private investigators, opening businesses, sending private letters, etc.). It is a good idea to build up resources (e.g., communication networks, business deals, connections with foreign actors, etc.) via crisis notes in the first committee sessions in order to have a set of resources that can be called upon for future crises. Additionally, crisis notes can be used to gather publicly accessible information or spy on other delegates' secret plans.

The dais will stress that crisis notes should be detailed – those written without sufficient detail will be returned with a specific point to improve upon for resubmission. Well-written notes should include (1) the name of the delegate, (2) a clear action with multiple steps if necessary, (3) an addressee who will carry out the action or answer the question, (4) a timeline for implementation if applicable and (5) a rationale for the action. The last component is important because it helps crisis staff understand what your broader goals are and makes it more likely that your actions be successful.

Group and Committee Directives

Delegates in either committee can form groups (both within and between committees) in order to build capital and conduct actions as a group. These groups can, but do not necessarily need to, take

 the form of political parties or activist collectives. Each group will have the ability to pass directives that will lead to collective action, including but not limited to holding rallies, setting up offices and services, opening a business, fundraising, disseminating political propaganda or activist literature, and hiring agents to conduct covert or paramilitary operations. To form a group, a directive needs to be submitted to crisis with (a) the name of the new group, (b) a list of members, and (c) signatures of all members. In order to submit a group directive, that directive should be submitted to crisis with the signatures of all active group members. Be sure to indicate that it is a group directive, and which group the directive is for.

Delegates may leave parties at any time by submitting a crisis note indicating so. Delegates may be added to parties via a party directive that authorizes this and that includes the new addition's signature. A delegate may be removed from party membership via a party directive with the signatures of all other members of the party. New parties may be created in the form of a private directive submitted to crisis with (a) the name of the new party, (b) a list of the members of the new party, and (c) signatures of the members. Members may leave a group by sending a note to crisis indicating so, and a member may be ejected from a group through a group directive indicating so with the signatures of all other members of the group. The same principles for detail in crisis notes applies to group directives.

Each committee has the power to pass committee directives relating to the mandate of each committee, as specified under "Delegate Positions" later in this guide. These committee directives need to be seconded by at least three members of the committee.

Legislative Council and Basic Law Drafting/Consultative Committee
There are members of the Legislative Council and the Basic Law Consultative Committee in each committee (OMELCO and HKMAO). In order to facilitate their convening, there will be a set time during each committee session, subject to the discretion of the chairs, for these members to meet in their respective bodies.

The Legislative Council has the mandate of amending existing law within Hong Kong, and amendments to existing law must pass with the support of a simple majority of present members. The Basic Law Drafting/Consultative Committee has the mandate of drafting the Basic Law for the Hong Kong SAR, and must pass a final version of the Basic Law for the approval of the National People's Congress with a two-thirds majority.

HISTORICAL BACKGROUND

Acquisition of Hong Kong

1842 Treaty of Nanking
Hong Kong Island

1860 Treaty of Peking
Southern Kowloon & Stonecutters Island

1898 Second Convention of Peking
Northern Kowloon & New Territories
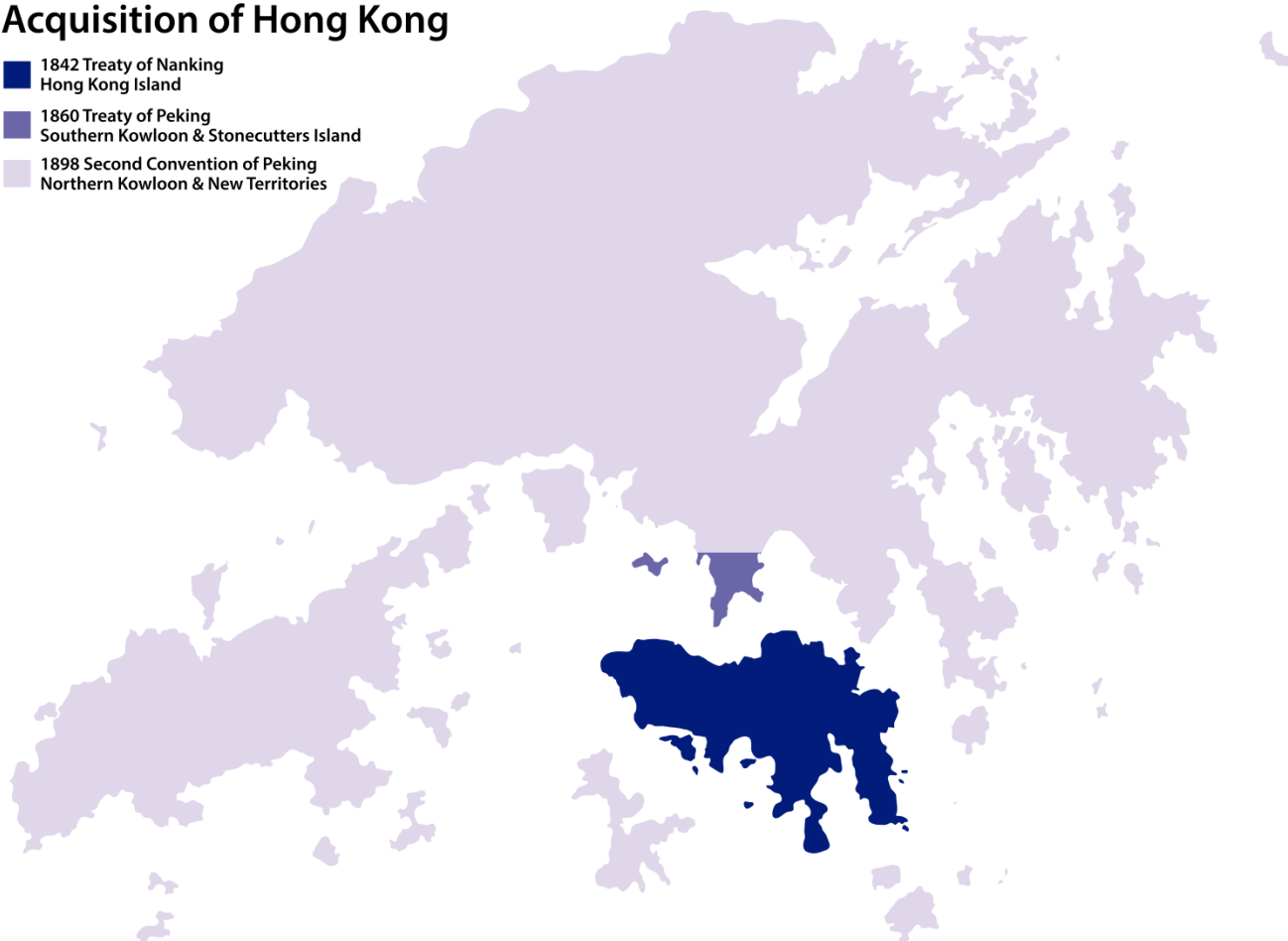
As one of the last major outposts of the British Empire to have survived the wave of decolonization of the 20th century, Hong Kong is a "problem left over from history." It is also home to more than 5.6 million people and is a major international shipping and financial hub. In geographical terms, Hong Kong can be split up into roughly three parts. The first portion is the island of Hong Kong, a mountainous piece of land of roughly 19,400 acres, where the colony of Hong Kong was born. The second portion, the Kowloon peninsula, is the flat plain of land stretching southward from the mountainous range which bisects the entirety of Hong Kong towards the sea. The third portion, the New Territories, represents land beyond Kowloon peninsula and also includes the islands which surround the island of Hong Kong to the south, altogether comprising 235,500 acres of land. At the start of this committee in 1989, the vast majority of Hong Kong residents live on the northern edge of the island of Hong Kong as well as the Kowloon peninsula, with satellite towns in the New Territories growing in size and number as the population expands.

HISTORICAL BACKGROUND

Before the First Opium War (1839-1842), Hong Kong was an outpost of the Qing Empire (China), under the jurisdiction of Sun On county. Originally a conglomeration of long-standing villages and settlements primarily organized around agricultural and fishing activities (with several market centers and temples in places of congregation), the island of Hong Kong dramatically changed when it fell under British hands in 1840.[1] The island, conquered during Britain's war against China to force the Qing Empire to open its ports to British trade, diplomacy, and opium, was formally ceded to the British in the Treaty of Nanking, signed in 1842 to end the First Opium War. Ruled by a Governor who represented the British Crown and was supported by a Secretariat, an Executive Council, and a Legislative Council (all appointed by the Governor), the newfound colony soon became a vital asset to the British Empire. The natural harbor from the strait between Hong Kong Island and the Kowloon peninsula allowed the British to maintain a strong naval presence in the Pacific and exert its hegemony over China and the China trade.[2]

The founding of British Hong Kong initially attracted migrants from neighbouring regions of China, giving the new colony a "boomtown" feeling, but the initial two decades of Hong Kong's existence were plagued with disease and struggles with trade.[3] After the Second Opium War (1856-1860) forced Qing Empire to cede the Kowloon peninsula and

a series of rebellions (chief of all the Taiping Rebellion of 1850-1864) and economic crises induced by the new British trade hegemony led to widespread devastation within China, the population of Hong Kong boomed with Chinese immigrants. The influx of Chinese immigrants brought the transoceanic trade between merchants in China and merchants in Chinese overseas communities in Southeast Asia and North America to Hong Kong, transforming the colony from a mere outpost of the British empire to a thriving center of overseas trade.[4] The late 19th century flow of Chinese migrants to the Americas in search of gold and jobs working in plantations, mines, and railroad construction primarily moved through Hong Kong, making the colony a gateway between China and the broader world.[5] Furthermore, non-Chinese Asians arriving in Hong Kong because of British colonialists (such as the Nepalese Gurkha regiments and Indian policemen) or in hopes of making a fortune through trade (such as the Parsee traders) also added to the diverse population of early Hong Kong.[6] In 1899, the territory of the colony of Hong Kong expanded as the British, under the Convention of Peking signed the previous year, acquired the New Territories on a 99-year loan that would expire in 1997.[7]

However, in tandem with the economic success and popularity of the colony among itinerant Chinese populations, Hong Kong was

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1   Carroll 10.
2   Carroll 12-13.
3   Carroll 20-21.

4   Carroll 30.
5   Elizabeth Sinn, *Pacific Crossing: California Gold, Chinese Migration, and the Making of Hong Kong* (Hong Kong: Hong Kong University Press, 2013)
6   Carroll 45-46.
7   Carroll 67-70.

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also a highly segregated city, with the British occupying prime real estate and the Chinese mostly living in low value areas, and had few opportunities for Chinese to advance in government due to racial discrimination. The administration of justice was often harsh, riddled with inconsistencies and biased against Chinese defendants, for whom flogging, branding, and deportation were common sentences. European residents of Hong Kong (as well as some of the Chinese elite themselves) actively resisted the efforts of a few more benevolent governors to reform the penal system and increase Chinese representation in the colonial administration, out of fear that such reforms would eliminate the privileges of the European community in the colony and place them on equal legal footing with colonized peoples they deemed morally inferior.[8] The several Chinese who were lucky enough to be made Unofficial Members (meaning "representatives of the common people") of the Executive or Legislative Councils were often elite merchants and other wealthy businessmen whose participation in the colonial government meant increased social and political status for themselves and their businesses, as well as a base of pro-British support among the colonized. This proved to be useful for the British in quelling unrest from the disgruntled Chinese population, such as during the 1912-13 tram boycotts.[9]

Meanwhile, the majority of the politically active Chinese formed their own distinct society and social institutions, and became primarily concerned with the politics of Chi-

nese nationalism. Before and after the 1911 Xinhai revolution which ended the Qing and launched the Republic of China, Hong Kong Chinese participated in boycotts, fundraising drives and publicity campaigns that contributed to national revolutionary efforts.[10] Some historians, however, argue that the nationalism of the Hong Kong Chinese elite was much more conservative than that of the revolutionaries in China. Still, Hong Kong's status as a colony between the West and East played a major role in inspiring the actions of pro-modernization nationalists in China.[11] Sun Yat-sen, the leader of the Chinese Nationalists, remarked that his encounter with the parliamentary ideas taught in Hong Kong and the colony's peace and order (notwithstanding racial discrimination), compared to the war-ravaged homeland, was a crucial spark for his revolutionary activism.[12]

In 1941, the image of the British as imperial hegemon of the ports and sea was brought to a shattering end when the Japanese imperial army captured Hong Kong on Christmas Day in a stunning and brutal campaign. The surrender of Japan in 1945 saw the return of British rule to the colony, but it and the Chinese Civil War of 1945-49 also brought three significant changes. First, the fall of British colonies throughout Asia to Japan, coupled with the financial collapse of the British empire brought about by the long war against Nazi Germany, emboldened the motivations of anti-colonialists in all of Britain's reclaimed

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8   Carroll 46-53.
9   Carroll 83-84.

10   Steve Tsang, "Modern Hong Kong" in *Oxford Research Encyclopedia of Asian History* (February 27, 2017), https://doi.org/10.1093/acrefore/9780190277727.013.280.
11   Carroll 80-81.
12   Carroll 79.

colonies and dramatically decreased the capacity of the British to protect their colonies against internal and external actors.[13] Second, the brutal civil war and the land reforms instituted by the triumphant Chinese Communist government precipitated a massive influx of Chinese refugees into Hong Kong, with over one million immigrants settling in Hong Kong over the period 1945-1955. This created a humanitarian crisis as these migrants found shelter in sprawling, multiplying shantytowns throughout the colony and put a heavy strain on Hong Kong's food and freshwater systems.[14] Third, the nearly complete victory of the Chinese Communists meant that the colony faced a unified, though still weak, China at its northern doorstep for the first time in its history. Previously relatively undisturbed by Qing and Republican regimes which faced nearly constant domestic strife and division, the Hong Kong colonial government now needed to tread carefully lest China be provoked to retake a colony that the Empire was in a poor position to defend in its dilapidating state.[15]

The massive influx of refugees, as well as industrialists fleeing land and capital appropriation from the Chinese Communists, transformed Hong Kong's economy from one primarily based on entrepôt trade into a manufacturing capital of Asia. Hundreds of thousands of workers began to stream into factories large and small throughout industrial lands and shantytowns, producing cheap products for the global market. Many also took part in cottage industries, producing decorative items such as plastic flowers at home on contract from factories.[16] The increasing economic opportunity allowed families to settle, and the resulting baby boom, coupled with the influx of refugee children, dramatically decreased the overall age of the population. However, life was still precarious for most Hong Kong residents. There was a lack of suitable housing, evidenced by the hazardous conditions and rampant fires that menaced tenement and squatter housing, as well as widespread poverty, poor employer-labor relations and fluctuating unemployment. Rampant corruption among the police and government bureaucracy cultivated distrust of government institutions among the public and allowed petty crime and triad activity to become a significant, quotidian problem.[17]

Initially, a swathe of slum fires, which prompted the Chinese Communist government to send aid missions for the victims, compelled the colonial government to build the first units of what was to become one of the most elaborate public housing schemes in the world. But the government was reluctant to set up other forms of welfare and public services, such as universal education and public healthcare.[18] Mostly unchanged from the pre-

13   Osterhammel & Jansen, *Decolonization: a Short History,* 68-69.
14   Chi-Kwan Mark, "The 'Problem of People': British Colonials, Cold War Powers, and the Chinese Refugees in Hong Kong, 1949-62", *Modern Asian Studies* 41, no. 6 (2007): 1145–81.
15   Alan Smart, *The Shek Kip Mei Myth: Squatters, Fires and Colonial Rule in Hong Kong, 1950-1963,* (Hong Kong: Hong Kong University Press, 2005).

16   Siu-Lun Wong, *Emigrant Entrepreneurs: Shanghai Industrialists in Hong Kong* (Oxford: Oxford University Press, 1988)
17   Carroll 149
18   Mark, "The 'Problem of People'"; Smart, *The Shek Kip Mei Myth.*

war years in terms of its hostile attitude towards popular representation or consultation, the colonial administration did not anticipate the potential backlash generated by the lack of political representation and stability of livelihood in the colony. Sparked by the Cultural Revolution (1966-1976) in the mainland and encouraged both directly and indirectly by Chinese Communists in Guangdong and Beijing, industrial strikes in May 1967 turned into a full-fledged riot, including large-scale demonstrations, looting, and bombings. The riots and the ensuing police counteroffensive killed over 50 people, including children.

The 1967 riots were a watershed moment for the colony, for it sparked two new trends. Firstly, many point to the riots as the spark for the development of a 'Hong Kong' local attachment or identity among the people. Already distrustful of the influence of the Chinese Communists because of their experiences before fleeing mainland China, many Hong Kongers were shocked by the seemingly indiscriminate bombing of innocent victims and children, and found themselves supporting the very police force they found corrupt. After months of violence, even newspapers and leaders of the Chinese Communists were beginning to openly criticize left wing agitators for their indiscriminate bloodshed.[19] Secondly, the Hong Kong colonial government realized that it needed to change its strategy and begin expanding both public welfare as well as popular participation in the government. It also sought to cultivate a local, Hong Kong identity through public education and cultural activities in order to direct society away from Nationalist-Communist concerns.[20]

Governors David Trench and Murray MacLehose, particularly the latter, launched a series of reforms which brought Hong Kong into a so-called "golden age". A ten-year housing plan radically expanded the government's involvement in the housing market and gave modern homes to hundreds of thousands of low income Hong Kongers. A new Independent Commission Against Corruption began cracking down on graft within the police and other government bureaucracies, eventually transforming the colonial government's reputation into one of clean governance. Public education was now both mandatory and provided for free by the government, while a new Mass Transit Railway greatly enhanced the mobility of Hong Kongers and allowed for the development and expansion of "New Towns" in the New Territories away from the crowded city areas. Perhaps the most significant change during this period, however, was the District Administration Scheme implemented in 1981, which assigned district-level officials to serve as advocates for the local people within the system and created additional elected positions in District Boards (on top of the existing elected Urban Councillors) to add public participation for issues of local governance.[21]

Time, however, was running out for the colony. With the arrival of Hong Kong's "golden age" in the 1980s came a reminder of the

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19   Carroll 155-156.

20   Clement Tong, "The Hong Kong Week of 1967 and the Emergence of Hong Kong Identity through Contradistinction", *Journal of the Hong Kong Branch of the Royal Asiatic Society* 56 (2016).

21   Carroll 161-162.

impending deadline of the 99-year lease on the New Territories. Originally, there were some in the British government who advocated retaining the Kowloon peninsula and the island of Hong Kong after the lease of the New Territories expired in 1997.[22] However, by the 1980s the British government was mostly tired of maintaining the few colonies and dependent territories that remained as vestiges of former imperial glory. In a move that left many Hong Kongers feeling snubbed and worried about reduced options in the future, the British Parliament passed the British Nationality (Hong Kong) Act of 1981 which removed the right of Hong Kong residents to carry British passports or reside in the United Kingdom.[23] Furthermore, throughout the 20th century, the colony as a whole became heavily dependent on imported water and food from the neighboring Chinese province of Guangdong, which was sold to Hong Kong at a discount by mainland authorities. The few freshwater reservoirs and agricultural lands that the colony has are now concentrated in the leased New Territories. Were Britain to retain Kowloon and the island past 1997, it would somehow have to maintain the colony without key domestic supplies of freshwater or access to Chinese freshwater and food.[24]

From 1982 to 1984, a series of extensive negotiations between China and the United Kingdom took place to decide the fate of the colony and terms of the handover. Though significant stakeholders in the outcome of these discussions, Hong Kong by itself was not represented in these talks, as the Hong Kong colonial government was represented by the United Kingdom and China took the mantle as the legitimate representative of Hong Kong people who were deemed Chinese compatriots. The outcome of these negotiations, the 1984 Sino-British Joint Declaration, was a compromise deal between the British and the Chinese over the preservation of the Hong Kong system. It was agreed that, for a period of 50 years, Hong Kong would be allowed to preserve an autonomous government over civil affairs and maintain the capitalist system and the basic freedoms of speech, assembly and religion. China would be in charge of the protection of the Special Administrative Region of Hong Kong, as well as its representation in foreign relations (with the exception of some multilateral trade organizations, where Hong Kong would be an independent member). The Joint Declaration also called for the adoption of a Basic Law under the Chinese National People's Congress which would form the constitutional backbone of the post-handover Hong Kong.[25]

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22   Carroll 179.
23   Carroll 180.
24   Siu-Keung Cheung, "Reunification through Water and Food: The Other Battle for Lives and Bodies in China's Hong Kong Policy", *The China Quarterly 220* (December 2014): 1012–32, https://doi.org/10.1017/S0305741014001106.

25   Carroll 185.

Hong Kong and Vicinity

Organization of governments

This section provides a brief overview of the structure of the Hong Kong government and relevant bureaus within the PRC in 1990.

Hong Kong Government

British Hong Kong is administered by a governor appointed by the British Crown, with the assistance of a lieutenant governor, a colonial secretary, a Legislative Council, and an Executive Council.

The current Governor of Hong Kong, who also serves as the Commander-in-Chief and president of the Executive Council, is Sir David Wilson, a Scottish career diplomat. For the purposes of this committee, we focus on the Legislative Council and Executive Council

below.

Legislative Council

The Legislative Council (LegCo) is a key authority in the lawmaking process. As described under Article 73 of the Basic Law, the body is chiefly responsible for debating, amending, and approving government proposals.

Legco includes 57 members, of which 31 are 'Official Members', or appointed civil servants. 12 of the remaining 'Unofficial Members' are elected by the District Boards and Municipal Council, and the rest are elected by functional constituencies representing 'the economic and professional sectors of Hong Kong society,' including trade unions, financial institutions, lawyers, and medical doctors.[1] It is worth noting that many Unofficial Members have previously served as either elected members of LegCo or civil servants on other government boards, and may not be significantly different from Official Members aside from representing a small constituency of voters.[2]

Executive Council

The Executive Council (ExCo) serves as an advisory body, and is often described as the governor's cabinet.[3] According to the Basic Law, the body is composed of principle officials, Legco members, and 'public figures,' including barristers, business executives, and prominent physicians.[4] The legal capacity of Exco is ambiguous. While it is not strictly a policy-making cabinet, bills drafted by the Secretariat must be approved by Exco before being introduced to Legco for debate.[5]

The Legislative and Executive Councils together constitute OMELCO (Office of Members of the Executive and Legislative Councils). While they possess no legal status, 16 OMELCO panels exist to monitor government policy in different areas. Meetings are often utilized by senior members to build consensus before formal council sessions are held.[6]

PRC

The Hong Kong and Macau Affairs Office, a bureau-level organ established in 1978 under the Ministry of Foreign Affairs, is the main administrative agency responsible for managing Hong Kong policy and working with relevant foreign governments to ensure a smooth handover.[7] It is organized into the following:

- *First Bureau:* Responsible for overall investigations and research.
- *Second Bureau:* Responsible for political, legal, cultural, educational, and scientific and technological matters.
- *Third Bureau:* Responsible for economic

1   Ma, Ngok. *Political Development in Hong Kong: State, Political Society, and Civil Society.* Hong Kong University Press, 2007, 101.
2   Miners, Norman. "The Transformation of the Hong Kong Legislative Council 1970-1994: From Consensus to Confrontation." *Asian Journal of Public Administration*, vol. 16, no. 2, 1994, pp. 224–248., doi:10.1080/02598272.1994.10800295.
3   Carroll, John Mark. A Concise History of Hong Kong. Rowman & Littlefield, 2007, 46.

4   Ma, 62.
5   Miners, 226.
6   Ma, 103.
7   Burns, John P. "The Structure of Communist Party Control in Hong Kong." *Asian Survey,* vol. 30, no. 8, 1990, pp. 748–765., doi:10.2307/2644496.

matters and for Macau.

- *Administration and Secretary-General's Bureau:* Responsible for organizational work and the work of the secretary-general.
- *Hong Kong and Macau Research Institute:* Responsible for carrying out investigations and research on the politics, economy, culture, and society of Hong Kong and Macau.

We note that the Office has either executive or coordinating authority in virtually all areas of Hong Kong policy.[8]

The Work Committee in Hong Kong, which sits under The Hong Kong Central Branch Bureau, is the main CCP organ operating in Hong Kong. Its members are appointed by the Central Committee and include both Central Committee members and heads of Hong Kong branches of state-owned enterprises.[9] The Committee's functions include managing news and propaganda content of Chinese publications in Hong Kong, maintaining relationships with local social and occupational groups, and engaging in outreach programs with local organizations. While the vertical structure is somewhat ambiguous, the Committee reports to the Hong Kong and Macau Affairs Office on routine matters.

The Basic Law

The Basic Law—written by people from the PRC and Hong Kong that were assembled by the National People's Congress—built upon

the 1985 Joint Declaration between China and Britain, granting Hong Kong a significant amount of control over its affairs, declaring the preservation of capitalism in the region for half a century, ensuring the protection of people's basic freedoms and rights, addressing the economy and societal life, and framing the structure of government in Hong Kong.[10] The Central People's Government, however, was given ultimate jurisdiction over the Special Administrative Region's government, defense, and foreign affairs,[11] and the China's Standing Committee became the final judge in the legality of any future Hong Kong laws.[12]

The proposed Basic Law and the decision to hold off further reforms in the region until 1991 sparked outrage and disapproval from members of the Basic Law Consultative Committee, comprising of individuals from Hong Kong, across the political spectrum.[13] Some Hong Kongers believed that the the proposed Basic Law would not lead to universal suffrage and served instead to appease and empower mainland China.[14] The British government and many Hong Kong inhabitants—about 70 percent in 1988—requested democracy, representation, and independence, whereas China adamantly opposed changes that would push Hong Kong society in this direction, leading to disagreement over the interpretation of the Basic Law.[15] Britain encouraged development in the area, but, suspicious of the nation's

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8   A comprehensive list of responsibilities of the Office can be found in Burns, 756-757.

9   Burns, 752.

10   "The Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China."

11   Ibid.

12   Carroll 187

13   "Hong Kong: The Facts"

14   Carroll 185-187

15   Carroll 186, 190

post-1997 intentions, China sought to prevent Hong Kong from undergoing any major political transformations in the years leading up to the 1997 handover.[16] Consequently, the law underwent multiple rewrites in the next few years.[17]

During the drafting period, four structures were proposed for the Basic Law: the T.S. Low model, 4:4:2 compromise, Omelco Consensus, and Louis Cha's model, the last of which was adopted.[18] Conservative business members suggested what became the most popular among the people of Hong Kong--the 4:4:2 model, which would be the ratio of members elected directly, constituencies, and those elected through the electoral college.[19] This solution came about because of persistent resistance to direct elections that the Omelco Consensus emphasized, calling for half of the seats to be chosen through elections by 1995.[20] On the flip side, T.S. Low, an executive member of the Basic Law Consultative Committee, promoted his own idea of having a 1:2:1 ratio between those directly elected, the constituencies, and the electoral college and dividing members into two chambers, but less than three percent of the public preferred this version in 1989.[21] Later, Louis Cha of Hong Kong suggested his "mainstream" model that established a gradual increased in directly elected members up to 2012, the year a final agreement on the full implementation of

these elections would be reached.[22]

Pro-democracy movements in Hong Kong

Before the 1980s, political parties were a foreign concept in British Hong Kong. The largest, most influential political groups in the region were the Chinese Communist Party (CCP) and the Kuomintang (KMT), though neither galvanized their supporters to engage with domestic policy.[23] Smaller local parties that pushed for democratic reform, such as the Reform Club and the Civic Association, failed to make a dent on the political establishment dominated by British bureaucrats and businessmen.[24]

A rise of student movements organized by a new generation of Hong Kong born, well-educated youth in the 1970s is regarded as the harbinger of political mobilization.[25] These protests focused mainly on urban issues, like housing development and public health matters, placing significant pressure on the colonial government to adopt social reforms. While they seldom challenged Hong Kong's colonial structure, the movements are often cited as providing the foundation for democratization and cultivating a group of future political leaders.

The Sino-British Joint Declaration of 1984

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16   Carroll 185
17   Carroll 187
18   Chan and David 15
19   Chan and David 22-23
20   Chan and David 25
21   Chan and David 23

22   Chan and David 13-14
23   Ma, 136.
24   Ibid.
25   Ma, Ngok. "Civil Society and Democratization in Hong Kong: Paradox and Duality." *Taiwan Journal of Democracy*, vol. 4, no. 2, Dec. 2008, pp. 155–176.

kickstarted a formal process of democratization and decolonization. Both Britain and China were keen on maintaining an executive-led government and restricting democratization to the legislative branch, resulting in what is commonly referred to as a period of 'partial democratization' in the late 1980s.[26] Partial elections, including in district boards, professional organizations, and the Legislative Council, drove activists to form political groups to run for office.[27]

While these elections initiated the genesis of many groups, including the Hong Kong Affairs Society, the Association for Democracy and People's Livelihood, and the Hong Kong Forum, it should be noted that these organizations constituted only nascent political parties. They often lacked crucial resources, had few distinguishing features, and did not succeed in gaining influence in the establishment.[28] The colonial government also took active steps to curb the power of these organizations. Beijing, for instance, created a network of pro-mainland groups to balance against liberal civil society organizations. It also ensured that societal elites had unhindered access to local legislators, diminishing their need to seek representation and support new political parties.[29]

Nevertheless, a series of significant socio-political movements emerged in the late 1980s.

After the Chernobyl disaster in 1986, for instance, more than 100 civil groups banded together to object to the construction of the Daya Bay Nuclear Plant near Shenzhen through the Joint Conference for the Shelving of the Daya Bay Nuclear Plant.[30]

The strongest public response, however, is occurring at the present time in response to pro-democracy demonstrations in mainland China.

Pro-democracy movements in the PRC

Back on the mainland, democratic sentiments stirred in Chinese youth, prompting protests in Beijing.[31] While these strikes revitalized the people of Hong Kong, they infuriated the PRC.[32] Reformist feelings had been escalating in China throughout the 1980s, but the death of the Communist Party's previous General Secretary Hu Yaobang, who had upheld democratic change, galvanized student protestors to take to the streets.[33]

Social and Economic Pressures of the Handover

The signing of the Sino-British Joint Declaration in 1984 and the associated certainty of the colony's return to China spurred a series of social and economic changes in Hong Kong

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26   Lau, Siu-Kai, and Hsin-Chi Kuan. "Partial Democratization, 'Foundation Moment' and Political Parties in Hong Kong." *The China Quarterly*, vol. 163, 2000, p. 705., doi:10.1017/s0305741000014624.

27   Ma, 137.

28   Ibid.

29   Lau & Kuan, 707.

30   Chiu, Stephen Wing Kai, and Tai Lok. Lui. *The Dynamics of Social Movements in Hong Kong.* Hong Kong University Press, 2000.

31   Carroll 190-191

32   Ibid.

33   Editors of Encyclopaedia Britannica

in the late 1980s.

economic growth by up to 45 percent before the 1997 handover.[37]

Immigration Exodus

Skepticism surrounding the viability of the 'one country, two systems' principle grew during the years following 1984 as Beijing extended its communist influence and Great Britain prioritized Sino-British relations over upholding the Hong Kong people's freedom of political participation. Worried about the transition, the people of Hong Kong voted with their feet: a massive rise in immigration from Hong Kong abroad, in particular to the United States and Commonwealth countries, was observed. Immigration from Hong Kong to Canada, for instance, increased from fewer than 8,000 people annually between 1980 to 1986 to over 30,000 people in 1989, while total outflow exceeded one percent of the colony's population for the first time in the same year.[34] The composition of immigrants also shifted from majority 'family-class' (consisting of individuals with lower levels of education and less work experience) to majority 'economic-class' (consisting of business professionals and academics), increasing labor shortages in Hong Kong's growing services industry.[35] In addition, capital flowed out of the colony; the middle class possessed significant amounts of capital that were transferred abroad, most notably to Vancouver and Singapore.[36] In fact, the loss of labor and capital was so severe that Price Waterhouse, a leading consultancy in Hong Kong at the time, estimated that emigration alone could slow

Unemployment

While Hong Kong struggled to retain highly educated workers as middle-class emigration grew increasingly widespread, another sector of the population faced the opposite problem: the rise in unemployment of skilled workers, primarily in the manufacturing sector, became severe.

In 1980, China opened its economy to foreign investment as part of its series of market-oriented reforms. This lead to a large relocation of production facilities and manufacturing processes by Hong Kong businesses to southern China.[38] Shenzhen and Dongguan were especially attractive options, as the cities were both geographically close to Hong Kong and supplied a large population of cheap labor. As a result, the percentage of the workforce employed in the manufacturing sector in Hong Kong declined from 41 percent in 1981 to less than 30 percent in 1989.[39] During the same period the tertiary sector expanded as Hong Kong repositioned itself as one of Asia's largest financial hubs: the number of professional jobs doubled from 1980 to 1989.[40] The colony rapidly transitioned into a service economy,

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34   Li 14
35   Skeldon 501
36   Kleinman 231

37   *The Impact of Emigration on the Economy of Hong Kong* a report prepared for Honour Hong Kong by Price Waterhouse Management Consultants, Hong Kong, December 1989.
38   Hsieh, Chang-Tai, and Keong T Woo. "The Impact of Outsourcing to China on Hong Kong's Labor Market." *American Economic Review*, vol. 95, no. 5, 2005, pp. 1673–1687.
39   Hong Kong Government, *Hong Kong* 1968.
40   Chan 274

undergoing one of the fastest periods of deindustrialization in history.

The effects of this deindustrialization, which affected almost a million skilled workers, were substantial. Demoralized and distressed, a significant proportion of female manufacturing workers withdrew from the labor force to become homemakers.[41] The majority of male workers who became unemployed, on the other hand, were forced to retrain and join the tertiary sector.[42] Though Hong Kong's economy as a whole flourished, this change in economic structure created a disenfranchised group that provided a source of instability and social discontent.

Housing Market

With the rise in the service industry and the downfall of manufacturing came a sharp increase per capita wages as well as the emergence of a new middle class.[43] Linked to this phenomenon was the rise of social aspirations, in particular that of homeownership. In an attempt to retain the middle-class and slow emigration, the colonial government pushed forward with a series of public housing programs that provided subsidized homeownership, tying residents (and their capital) to Hong Kong.[44]

Before the 1950s, housing in Hong Kong was provided exclusively by the private sector. The Chinese Communist Revolution of 1949 and

its associated refugee crisis brought about the provision of public rental housing.[45] From the 1970s onwards, the government began to provide assisted home-ownership and ensure that the island's housing needs are met.[46]

Two housing programs played a significant role in the early 1980s. The first is the Home Ownership Scheme (HOS). Initially established in 1976, the HOS subsidizes homes for lower middle-class residents. Families that qualified were able to purchase public build-for-sale units at below-market prices. The subsidy was substantial in some cases - some flats were sold at up to a 40 percent discount in 1985.[47] The second is the Private Sector Participation Scheme (PSPS), which engaged private developers to construct HOS flats.

While the Hong Kong people embraced the introduction of public housing and home-ownership subsidies, a series of demonstrations broke out in the late 1980s protesting rent hikes and the Housing Authority's allegedly inequitable system of allocating subsidies.[48]

41   Lee 115
42   Ibid.
43   Kleinman, 228
44   Ibid.

45   La Grange and Pretorius 1565
46   Ibid.
47   Ibid.
48   Yeh 447

DELEGATE POSITIONS

The below characters represent the positions on both committees in this crisis. **Further information about each character will be provided to delegates of this crisis closer to the date of the conference.** However, the crisis staff strongly encourages all delegates to proceed with background research on their respective characters in advance of this.

OMELCO (Office of the Members of the Executive and Legislative Councils)

OMELCO has the mandates of (1) making new laws for the colony of Hong Kong and (2) creating policy for the government of Hong Kong that does not require the creation of laws (e.g., allocation of funds and appropriations, emergency procedures, infrastructure development, etc.)

1. Andrew Wong Wang-fat, President of the Legislative Council

2. Ng Ming-yam, member of the Regional Council and Legislative Council

3. Martin Lee, member of the Legislative Council

4. Szeto Wah, member of the Legislative Council

5. Leung Wai-tung, member of the Legislative Council

6. Hui Yin-fat, member of the Legislative Council and Director of the Hong Kong Council of Social Services

7. Emily Lau, member of the Legislative and Chair of the Hong Kong Journalists Association

8. Lau Chin-shek, member of the Legislative Council and labor activist

9. Financial Secretary, Donald Tsang

10. Attorney General, Jeremy Matthews

11. Secretary for Economic Services, Anson Chan

12. Secretary for Constitutional Affairs, Michael Sze

13. Director of Immigration - Laurence Leung Ming-yin

14. Secretary for Security - Geoffrey Barnes

15. Secretary for Home Affairs - Donald Liao

16. Director of the Housing Authority – David Akers-Jones

BUCS VIII

DELEGATE POSITIONS

HKMAO (Hong Kong and Macau Affairs Office and advisors)

HKMAO has the mandate of implementing all policy related to the actions of the Chinese Government and the Communist Party of China with respect to and within Hong Kong.

1. Lu Ping, Head of the Hong Kong and Macau Affairs Office

2. Xu Jiatun, Director of the New China News Agency, Hong Kong

3. Zhou Nan, Vice Minister of the Ministry of Foreign Affairs

4. Lo Tak-shing, Deputy Director of the Basic Law Consultative Committee

5. Li Ka-shing, business tycoon

6. Henry Fok, business tycoon, President of the Chinese General Chamber of Commerce in Hong Kong

7. T K Ann, member of the Hong Kong General Chamber of Commerce

8. Tsang Yok Sing, member of the Basic Law Consultative Committee

9. Ambrose Lau, chairman of the Central and Western District Board

10. Chung Sze-yuen, former Executive Council member

11. Leung Chun-ying, Secretary-General of the Basic Law Consultative Committee

12. Lau Wong Fat, Chairman of the Heung Yee Kuk (Rural Council) and member of the Legislative Council

13. Tam Yiu Ching, Vice Chairman of the Federation of Trade Unions and member of the Legislative Council

14. Louis Cha, founder of the daily newspaper Ming Pao

15. David Li, Chief Executive of the Bank of East Asia and member of the Legislative Council

16. Vincent Lo, founder of the Progressive Hong Kong Society and member of the Legislative Council

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BUCS VIII

Brown University Crisis Simulation

Puerto Rican Debt Crisis

Brazilian Coup 1964

Ad Hoc

The Gay Agenda

Hawaiian Sugar Strike 1946

Handover of Hong Kong

March 1st-3rd, 2019

BUCS VIII