

Abdication of British Dominance in China: Political and Ideological Inviolability of Hong-Kong In the Status of Autonomy

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Abstract: This article explores the reasons and foundations for the formation of Hong Kong's autonomy, one of the unique state systems in existence today, and its transition from 155 years of British colonial rule to Communist China. It also analyzes the guarantees given in the Sino-British Joint Declaration signed between the United Kingdom and China in 1984, the rights of Hong Kong's autonomy and the terms of the agreement reached regarding the powers of the People's Republic of China. China-Hong Kong relations based on the principle of "one country, two systems" can be seen to be severely salted by today's communist Beijing's policy of absolute centralization of power in governance. In turn, this current conflict creates new challenges for Hong Kong in maintaining its legal, economic and socio-political identity. By examining recent actions and several researches on the issue of Hong-Kong's sovereignty, this article sheds light on the importance of Hong-Kong's political annexation by China in implementing geopolitical ambitions of the Central Communist Party. This paper argues that the gradual erosion of Hong Kong's autonomy signifies a breach of the 1984 agreement's core commitments, with far-reaching consequences for China's international relations and the viability of regional autonomy within its borders.

Keywords: "One China" policy, Hong Kong SAR (Special Administrative Region), communism, Sino-British Joint Declaration, Closer Economic Partnership Arrangement (CEPA).

Introduction: In the last decade, China's economic growth rates have made it one of the world's leading countries, as well as turning this country into an important political actor in the international arena. The expansion of China's spheres of influence around the world has turned the issue of studying the internal and external political discourse of this country and determining its geopolitical goals into a crucial topic in international relations. Among other things, within the concept of "One China", the process of expanding China's rights and powers in its autonomous regions has begun, and this has created the need to increase research on the fate and future of a sovereign but Chinese-controlled country like Hong Kong. Although

the roots of the Hong Kong issue go back to the 19th century British colonialism, it still has not lost its relevance. Especially today, when not only historical, but also political and legal aspects of China-Hong Kong relations collide, the scientific research of a number of historians, political scientists and legal scholars on this topic is increasing day by day, especially in Western countries and Hong-Kong.

The handover of Hong Kong in 1997 marked the end of over 155 years of British colonial rule, formalized in the "Sino-British Joint Declaration" of 1984. There is a number of scientists devoted their scientific activities to the study of this huge colonial period. In particular, research scholars such as Edward Xiaohui and Dong

Ming have done a great job in revealing the significance of the British colonial period in the formation of today's modern, secular and legal Hong Kong state. They emphasized in their works that Hong Kong is a rare Asian country that has adopted the Anglo-Saxon model of development and living standards. It is because of this model that Hong Kong became the first country in the East to adopt democratic governance.

Early assessments about the Hong Kong's autonomy were abstract, some scholars have seen the threat to the future existence of Hong-Kong as a state, some scholars believed to the implementation of western values in China through Hong-Kong, but more recent literature highlights the gradual erosion of political freedom. In his theses, Neville Maxwell criticizes Thatcher's policy of appeasement to China, expressing his displeasure in the Hong Kong issue because it endangers not only the interests and values of Great Britain, but also the values of the democratic West. According to Yash Ghai, it is natural that the integration of regions with two completely different systems creates ideological and legal problems, but in the case of Hong Kong, this issue is more complicated. Because the governance traditions, legal values and political consciousness in Hong Kong and China were not only different, but literally opposite. Similarly, in their research, Michael Adorjan, Paul Vinod Khatani and Wing Hong Chui argue that the hard autocratic way of political governance and increased control over the masses in China in recent years has created a series of collisions in Hong Kong's political and legal course.

Historical Background and the Asset of British Dominance Period in Hong Kong.

Hong Kong's unique historical path, which strongly connected with British monarchy, dates back to the 19th century, when global powers, including the British Empire, were expanding their influence in the whole around the world, especially in Asia. Britain's dominance over the Hong Kong began as a consequence of the First Opium War (1839–1842), which eventually led China to become forcefully more open to the world trade and prioritize British interests in the Qing Empire. The Treaty of Nanking in 1842 marked a turning point, as it resulted in legitimization of making any part of China colony of the British Empire. This was followed by further expansions, including the Kowloon Peninsula in 1860 after the Second Opium War and the lease of the New Territories in 1898 for 99 years. Despite the humiliating nature of these treaties, China had to accept all terms of agreements as in that time China had no power and international influence because of its long-term closed policy. All these events emerged Hong Kong as a strategic checkpoint of Britain in the East Asia.

Under the British rule, Hong Kong quickly evolved from a small fishing village into a flourishing commercial hub. Britain's contributions to Hong Kong during this period were significant, particularly in establishing it as a global trading post. In his last address to the people of Hong Kong, last British governor Christopher Patten counted four of the major British contributions to the Hong Kong's success: "...the rule of law, the civil service, economic freedom, democratization... can be a useful starting point to articulate the true British legacy from a Hong Kong perspective". By taking into consideration that notion which was loudly asserted by Christopher Patten was arguable and there were several casualties given for achieving this kind of democratic "civil society", but British authorities invested in developing the city's infrastructure, creating an efficient port system and promoting free trade policies as the Hong Kong's strategic location on the South China Sea made it an ideal center for maritime trade, facilitating connections between the West and the Chinese mainland. This laid the foundation for Hong Kong's rise as a financial center, as British banks and trading firms dominated the economy.

The administrative reforms with the British regime shaped the way in which Hong Kong had been governed, their legal system being one of the most distinctive operated under the British colonial rule: English common law was introduced into this system. The rule of law and relatively independent judiciary would form one of Hong Kong's most lasting legacies. Moreover, international business favored Hong Kong due to its protection of private property rights and strict adherence to contract law.

Another deep legacy of British dominance in Hong Kong was the educative and cultural effect. The British established schools and universities, above all, the University of Hong Kong in 1911 promoted Western-style education and governance. English-language education also helped this tiny territory emerge as a global city and one of the major interfaces between the East and West. Besides Cantonese, English is another official language of Hong Kong which can be seen as a testament to the residual cultural effects of British colonialism.

Transition from Imperial Colony to the Communist Autonomy.

Throughout the whole history, it was the unprecedented event that Hong Kong which was the territory under the British officialdom more than one and half century, smoothly shifted to the statute of Special Administrative Region (SAR) of Communist China in 1997. On the one hand this practice showed how can be achieved to the bilateral compromise

through the way of negotiations in the international arena, however it was the risky decision that without being ensured about the future development of one part of the whole British Commonwealth give to the control of Communist government. Also, the lives of people who carried British Overseas Citizenship was put in front of dilemma.

The legal basis of this handover lied in the 99 year lease that Britain signed in 1898 for the New Territories, a vast area of land north of Hong Kong Island. This lease was set to expire in 1997, raising the question of Hong Kong's future well before the deadline. By the late 1970s and early 1980s, with China emerging from the turmoil of the Cultural Revolution and beginning its process of reform under Deng Xiaoping, the Chinese government made it clear that it would not renew the lease, and sought the return of the entirety of Hong Kong. The British, led by Prime Minister Margaret Thatcher, initially believed they could negotiate some form of continued British administration, arguing that Hong Kong Island and Kowloon, which had been ceded to Britain "in perpetuity," could remain under British control.

However, China's firm stance underlined the necessity for a compromise. Margaret Thatcher, the prime-minister who owned the title of "Iron Lady" among the vast audience, had to obey and accept the geopolitical reality. Some of the reasons for this recognition were the Falklands War (1982) which led to increasing of Thatcher's reputation among the British people, but at the same time created the division within the government and parliament about this issue; also, it was the first years of Thatcher's economic plan which was believed by many as a useless and ineffective, showed some positive changes in economy and labor market of the country. So, there was no need to create new challenge for Thatcher's government.

Another reality is Hong Kong, geographically and economically, was intricately linked to China. Its water, food, and trade routes all depended on cooperation with the mainland. Moreover, since China has become a recognized and legitimate member of UN, its growing power in the global arena made it clear that any attempt to save British dominance beyond 1997 would be futile. In 1984, after intense negotiations, the Sino-British Joint Declaration was signed. This agreement established that Hong Kong would be returned to China in 1997 but would retain a high degree of autonomy under the format of "One Country, Two Systems" for 50 years, until 2047. This agreement emerged new precedent in law by acknowledging both China's sovereignty and Hong Kong's unique status as a capitalist economy within a communist state.

The handover ceremony on June 30, 1997, marked the official end of over 150 years of British colonial rule. Prince Charles and the last British governor, Chris Patten, were present at the handover, a symbolic moment as the Union Jack was lowered and the Chinese flag was raised over Hong Kong. The Chinese government promised that Hong Kong would maintain its capitalist system, legal structure, and way of life for the next 50 years, under the Basic Law, which serves as Hong Kong's mini-constitution. This arrangement ensured that Hong Kong could continue to enjoy with a high level of political and economic independence, despite being part of the People's Republic of China.

Actually, in the initial period of the handover, many aspects of life in Hong Kong remained unchanged. The city continued to be a global financial hub, retaining its free-market economy, independent judiciary, and vibrant civil society. It must be mentioned that, it was totally impossible to cut off Hong Kong's international financial links around the world, because of the fact that this island is treated as a separate territory for the purpose of multilateral agreements such as the General Agreements on Tariffs and Trade (GATT) and the United Nations Conference on Trade and Development (UNCTAD). Additionally, the legal system which was based on English common law, persisted, and the press remained relatively free compared to mainland China.

However, initially there was certain doubts about the Chinese non-interference to the internal affairs of the Hong Kong, and there have witnessed a gradual erosion of some of the freedoms and autonomy that had been guaranteed under the "One Country, Two Systems" framework. Beijing increasingly asserted its influence over Hong Kong, often in subtle ways at first, through political appointments, pressure on media outlets, and behind-the-scenes influence over elections. Over time, this influence became more overt, particularly as Beijing began to tighten its grip on Hong Kong's political sphere.

Preservation of Ideological Inviolability and Identity.

The early concerns about the Hong Kong were on the national identity and saving local values which was shaped during British administration. Some scientists argued that till National People's Congress of China is ruled by one-party – Chinese Communist Party, there is no warranties about political inviolability or even statute of Hong Kong as a Special Administrative Region is non-reliable. The main argument for this is that the Basic Law which is considered the constitution of Hong Kong is in the hands of PRC's National People's Congress and they can any time make an amendment or totally rewrite the whole text of this law. Also, the right of National People's Congress to block any

decisions of administrative regions and the right to change the statutes of the impartial regions of China gives the absolute power over the Hong Kong.

The introduction of the National Security Law in 2020 marked a significant escalation in Beijing's efforts to impose its authority over Hong Kong. This law, which criminalizes acts of secession, subversion, terrorism, and collusion with foreign forces, has been used to suppress dissent and eliminate opposition to the CCP. It has been used to arrest many leaders and activists of the pro-democracy movement, as well as journalists; some have already been sentenced to long prison sentences. The law has also considerably suppressed freedom of speech and assembly, twin cornerstones of Hong Kong's identity as a bastion of civil liberties in the region. The sweeping nature of the law casts a chilling effect over political discourse, leading to widespread self-censorship among media outlets and the public.

Economically, Hong Kong's capitalist nature remains intact, but under mounting pressure. The island's status as a global financial hub is largely tied to its independent legal system and its openness to international business. While these features have not been entirely dismantled, the growing influence of mainland Chinese interests in the business and financial sectors has raised concerns. Chinese state-owned enterprises have increased their presence in Hong Kong, and some fear that the blending of mainland practices with Hong Kong's open markets could dilute the city's economic distinctiveness.

To resist these pressures, Hong Kong's legal institutions and civil society organizations have sought to use the courts and international attention to defend their rights. While the judiciary remains largely independent, its ability to push back against Beijing's influence has been constrained by the political climate.

Economic Impact and Integration with Mainland China.

Among the all spheres which can be put opposite in the contrast of systems in China and Hong Kong, economic policy is the only field in which both sides can come to the same goals. After economic reforms of Deng Xiaoping, China has started to run towards "socialist" market economy which opened the capitalistic ways of doing business based on the competition. At the same time, this policy made the China more attractive to the international trade and business relations. Actually, there was no differences between China and Hong Kong in their economic policy.

Before 1997, Hong Kong's economy was characterized by free trade and high rates of economic growth based on the robust services sector. In the years leading up to the handover, Hong Kong's GDP growth was

impressive, with the World Bank reporting annual growth rates of around 5-6% in the early 1990s. The city's per capita income, which stood at approximately \$27,000 (USD) in 1997, was significantly higher than that of mainland China. At that time, China's economy was still transitioning from a centrally planned system to a market-oriented one, and its per capita income was just over \$800 (USD).

After the handover, Hong Kong's economy became increasingly intertwined with that of mainland China. The Closer Economic Partnership Arrangement (CEPA) signed in 2003 further solidified this connection, allowing Hong Kong businesses preferential access to mainland markets. Hong Kong's role as a conduit for foreign direct investment (FDI) into China has been crucial. According to the International Monetary Fund (IMF), over 60% of the FDI flowing into China in the early 2000s passed through Hong Kong. The city's well-established legal system, regulatory environment, and financial infrastructure made it a favored destination for companies looking to invest in or do business with China.

China has, in many ways, benefitted from Hong Kong's global connectivity. Hong Kong's advanced financial sector, stock market, and currency convertibility have allowed Chinese firms to raise capital more easily in international markets. As China's own economic reforms deepened in the 2000s, the country utilized Hong Kong as a gateway to enter European and other global markets. The city's strategic location and status as a free port made it easier for Chinese companies to access European Union markets without the regulatory challenges they might face operating directly from the mainland. In this sense, Hong Kong has indeed served as an economic tool for China's global ambitions, particularly in trade and finance.

However, this increasing integration has raised concerns in Hong Kong about over-reliance on mainland China. While Hong Kong's GDP growth averaged 4.7% in the decade after the handover, it began to slow in the 2010s. According to the World Bank, growth has hovered around 2–3% annually in recent years, compared to China's much faster growth, which exceeded 6% in the same period. This divergence reflects, in part, the different stages of economic development, but also the changing role of Hong Kong in China's broader economic strategy. With cities like Shanghai and Shenzhen rapidly developing into financial and tech hubs, Hong Kong faces competition for its status as China's financial gateway.

The economic challenges Hong Kong has faced since 1997 include a shifting global environment and internal pressures from mainland influence. While the city

remains an important financial center, its economic independence is increasingly at risk. The National Security Law imposed by China in 2020 has raised concerns among international investors about Hong Kong's future as a free and open economy. Some multinational companies have considered relocating parts of their operations to other financial hubs, like Singapore, due to concerns about legal and political stability.

CONCLUSION

Hong Kong has adopted a long-standing Anglo-Saxon legal and social system, which was complicated by its handover to China in 1997. In turn, the People's Republic of China, under the influence of its domestic policy based on increasing authoritarian pressure, is intensifying the interference to the internal issues of Hong Kong Special Administrative Region. This contributes to the threat of impinging on the independence of the judicial system in Hong Kong, decreasing the level of trust in the domestic government in the country, the destruction of the democratic environment, and the risk of the loss of national identity. In contrast to existing risks, Hong Kong's economy is growing directly in the shadow of China's economy. The fact that this region has not yet lost its reputation as one of the world's financial centers clearly proves this. If we take into account that the "One country, two systems" agreement will expire by 2047, and at the same time, if we analyze the fact that China is increasingly centralizing in domestic and foreign policy, how will the decision be made regarding Hong Kong in the near future and the issue of Hong Kong's ability to decide its own destiny remains abstract.

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