

# HONK KONG: 15 YEARS LATER



The country is now marking its 15th anniversary since the former UK's colony were delivered to Mainland China. Hong Kong's diversification has been helpful in continuing its growth to a major world financial and center and a tourist destination. Since the handover it has now been transformed to being the world's largest market for initial public offers.

Chinese businesses as well as a majority of international firms prefer Hong Kong to London or New York to run their business even as the economic recession takes place. Its financial activities account for over 15 percent of its gross domestic product. Deposits of Chinese currency (Yuan) grew more than 10 times over a period of 2 financial years to about 600 billion in the year 2011. Its bonds may rise to as high as 1 trillion dollars by the year 2020. The only worry for its inhabitants is that Shanghai is steady on the rise as a major financial hub. Hong Kong's growth is happening in leaps and bounds to the point that its stock exchange wants to acquire the London metal exchange for reported 2.15 billion dollars. This will be of great significance as China evolves to being the world's biggest producer and consumer of metal with its rapidly growing economy. More tourists are visiting the city and in the last 15 years, annual visitor numbers have jumped from 10.4 million to a 41.9 million people. This is a very high figure considering that Hong Kong is home to about seven million people. Its impressive.

With all these developments though, Hong Kong is facing tough times with its population having lost faith in the central government currently in Beijing. Economic problems have contributed to the growing civic frustrations with the minority of the rich people having the sole say in who becomes their chief executive. Other problems are the skyrocketing asset prices since the handover in 1997, the divide between the wealthy and the poor is increasing and is at its peak after a 40 year period, pollution of the environment continues to get worse and its citizen do not yet have the right to choose their leaders. The prices of property in Hong Kong shot up in June past a benchmark that was set in 1997. These prices are shot up by the arrival of wealthy people from the mainland who do their shopping at expensive stores thus helping in rising the costs of doing business as well as increasing rental rates. This is according to Centaline, a price tracking real estate firm. The city has deep seated cultural, economic and political differences with Beijing where the center of power is located.

After 15 years of being under the reign of Beijing, Hong Kong has managed to grow and keep hold of its place as a global economic & travel hub. However, this has come at a great price as many residents are now feeling marginalized by the powers that be.

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