BOOK REVIEW
Ho-fung Hung, *City on the Edge: Hong Kong under Chinese Rule* (Cambridge: Cambridge University Press, 2022).

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In 2019 Hong Kong erupted in protest. Sparked by a law that would give the government new powers to arrest, detain, and extradite, Hong Kong citizens across classes united in opposition and spilled onto the streets, day after day. At one march, over a quarter of the population—nearly two million people—turned out to protest. Draconian police tactics and hired thugs helped turn what started out as peaceful demonstration into violent street battles—escalating at one point in a weeklong siege of Polytechnic University with armored police vehicles and firebombs. Then, on July 1, 2020, the National Security Law (NSL) was implemented, criminalizing anti-government speech and expressions advocating Hong Kong independence. Hundreds have been arrested and now serve sentences for crimes of "incitement against the government" for simply speaking out against the harshness of the law, including newspaper publisher Jimmy Lai.

Reams of newspaper columns and library shelves of analyses have come out in recent years attempting to explain these developments and how a once prosperous and seemingly apolitical people has emerged as a politically militant society.[1] While many of these studies focus on recent events and constrain their inquiry to developments within Hong Kong, Ho-Fung Hung's new book expands the analysis in both local time and regional space. He argues that the immediate circumstances have roots in Hong Kong's economic, political, and social developments in the late twentieth- and early twenty-first centuries. Moreover, he sees China and its imperial aims as integral to the story.

In short, Hung charts the rise of Hong Kong's economic and political elite, which soon became displaced by Chinese capital. This development, he argues, corresponds with the intensifying aims of Beijing to further incorporate Hong Kong into the ideals of Chinese empire, which was then confounded by the rise of a localist consciousness. He divides these aspects into three parts of the book: "Capital," discussing the economic and financial dynamic of Hong Kong, Chinese, and international capital; "Empire," looking at Beijing's imperial ambitions and where Hong Kong fits; and "Resistance," or the radicalization of the democratic movement and Hong Kong identity. Whereas other studies of contemporary Hong Kong offer immediate context and interpretation, Hung claims to provide both structural and eventful analysis in the spirit of Marx's *The Eighteenth Brumaire of Louis Bonaparte.* He argues that a convergence of these three forces (capital, empire, and resistance) culminate in this moment today and will define the future of Hong Kong.

Much of the discussion on contemporary Hong Kong has focused on democracy and calls for universal suffrage. This is often for good reason, as universal suffrage has been the rallying cry of democrats since at least the ratification of the Basic Law in 1990 and increased in pitch over the decades. The 2014 protest movement "Occupy Hong Kong" demanded the open election of the Chief Executive (CE), Hong Kong's highest elected official (equivalent to a president or prime minister). Although the movement had widespread popular support, the government refused to reform the process, opting to keep the candidate nomination at the discretion of Beijing and the election the purview of a few

hundred hand-selected elite. Likewise, in 2019, although protests were sparked by the pending enactment of the National Security Law, at root was an undemocratic legislative process and government controlled by non-democratic interests.

Although he will end up here, Hung begins from an altogether different place: Hong Kong's relation with China. For Hung, Hong Kong has been a "space of refuge and resistance of peoples escaping from repression and turmoil in the core regions" of China (23). The earliest residents of the area, Tanka fishermen, rebelled against the Southern Song (1127-1279) state seeking to monopolize their private salt trade. This became a trend over the centuries as communities in the region fled from upheaval and war in China or mobilized against economic interests. Hakka settlers in the nineteenth century, for example, rose against the Cantonese landed gentry tax farmers. Similarly, in the twentieth century, people fleeing the Communist Revolution settled in Hong Kong, some supporting the KMT on Taiwan and others aligning with the CCP to resist local rule. This history has both positioned and conditioned Hong Kong, Hung argues. "The contradictory combination of long-term political marginality and the recent financial centrality of Hong Kong created a precarious space that enabled the waves of rebellion from the Umbrella Movement in 2014 to the 2019 uprising" (41).

In the second half of the twentieth century, Hong Kong became an important financial center for the PRC. In the Maoist period, the CCP set up trading companies in Hong Kong that enabled it to use foreign exchange holdings to import foreign goods otherwise excluded from China. Hong Kong served as China's gateway to the world through which foreign goods and currency flowed to a PRC otherwise cut off—a trend that has continued up until recently, where Hong Kong was used to skirt international sanctions to import banned technology.

This role evolved and intensified in the reform period, as Hong Kong financial markets were put to work for Chinese companies. Chinese state enterprises went public in the 1990s through Hong Kong, accessing foreign capital markets on the Hong Kong stock exchange (HKEX). In the early twenty-first century, Chinese companies looking to expand internationally used Hong Kong financial markets to raise capital. As a result, the largest listed companies on the HKEX are Chinese run companies, which, in 2019, comprised nearly three quarters of the HKEX capitalization (60). Alibaba and Tencent, for example, are incorporated in Hong Kong and listed on the HKEX but run by Chinese individuals with operations in China.

With so much Chinese money and companies, Hong Kong has experienced what Hung calls the "mainlandization of business." As Chinese companies flush with cash flooded Hong Kong capital markets in the second decade of the twenty-first century they also bought up Hong Kong businesses and took over entire sectors. Security firms, for example, were almost entirely Hong Kong or foreign owned in 2015; by 2019 nearly all of the brokerages had been bought by mainland Chinese (78). Similarly, Chinese companies brought in Chinese talent. In investment banking, Hong Kong natives were mostly employed in 2000 with Chinese taking only 15 percent of the jobs. By 2020, however, Chinese held over 60 percent of the jobs and Hong Kongers only 30 percent (79). Chinese companies have also bought up land and taken over the construction industry. Before 2011 there were no land bids from Chinese companies. That year they entered the market and drove bidding prices up 30-40 percent above asking prices and squeezed out local developers. Likewise, government contracts and infrastructure projects began to be given predominately to Chinese companies.[2]

The Chinese business elite have not remained apolitical. In 2011, they established the Hua Jing Society to organize Chinese professionals in Hong Kong, and proceeded to get their choice of Chief Executive elected in 2012. Hung also shows that they put a number of their members into government positions, including the Central Policy Unit and Education Committee. The Society has further pushed policies that bring Hong Kong into Beijing's fold, such as making Hong Kong a key part of the Belt and Road Initiative and launching a campaign to disqualify pro-independence legislators.

China's interest in Hong Kong is more than just economic. According to Hung it is also territorial, or what he calls imperial. The Hong Kong island and

Kowloon peninsula were ceded to Britain in 1842 and 1860 as part of the spoils of the Opium Wars. The New Territories were later acquired on a ninety-nine-year lease and ruled as a British colony until 1997. The CCP has long seen this arrangement as imperialist and a consequence of unequal treaties meant to humiliate China and the Chinese. The return of Hong Kong to China was thus instrumental to the integrity of the Chinese nation.

Although Hong Kong is meant to be governed by China under an autonomous political system in an arrangement called "one country, two systems," Beijing has moved steadily to limit this autonomy and assert greater political control. Upon handover in 1997 Beijing set up the Liaison Office to coordinate relations between government and shape Hong Kong to Beijing's liking—this is the Party apparatus in Hong Kong. It has coordinated election campaigns for pro-Beijing candidates, and in 2002 pushed to initiate anti-subversion legislation, the infamous Article 23, which set off the most recent protests. (During these protests, the Office commented on events and made statements about how the government should handle matters.) It has further moved to influence the media and editors, as well as school principals and professional associations. It also organizes new migrants into native place organizations and mobilizes them to vote for pro-Beijing candidates.

These activities, Hung argues, are part of an imperial program. "It is unequivocally a vision of an empire, a vision according to which the local elite's self-governance is only a transitory state for the imperial center to ready itself for direct rule and complete assimilation of the local population" (146). Hung gives lengthy discussion to the writings of two influential scholars who served in the Liaison Office, Jiang Shigong and Cao Erbao, both of whom make explicit case for Hong Kong as part of a greater Chinese imperial project. In their analysis, "one country, two systems" is always subordinated to one country, and the central government of Beijing has authority over all interpretations of the locality. Jiang writes of "one country, two systems" as but a transitional arrangement for the transfer of sovereignty from London to Beijing, and once the transition is complete Beijing needs to assert direct control and subordinate local autonomy. To facilitate the process, Jiang argues that Hong Kong citizens need greater patriotic education to re-establish the ties to China that have been broken by generations under British rule.

The Hong Kong people, however, have not welcomed empire and resisted patriotic education. Over two decades of protest have shown Hongkongers to consistently hold a desire to govern themselves and take direct control of their society. Hung traces the democratic movement from the postwar period and shows its slow but increasing radicalization as it has been thwarted, undermined, and betrayed over the years. Although the drafting of the Basic Law in the 1980s included some democratic representation, the weight of the committee rested with the Hong Kong business and financial elite, who Beijing courted in order to gain their support in economic development and political transition. The split between democrats and business elite intensified in the 1990s as democrats pushed for full democratization before 1997 and the business elite pumped the brakes, satisfied with their power and relationship with Beijing.

After handover, two main events galvanized Hong Kong society: the financial crisis and recovery, and the attempt to implement Article 23. The former led to drastic increases in social inequality, whereby the elite prospered while the younger generation, workers and those without property saw their living standards fall. This division continued as Hong Kong became the most expensive city in the world in terms of housing prices and reflected extreme income inequality, consistently in the top ten, alongside third-world and African countries. The attempted implementation of Article 23 and the subsequent resignation of the CE spurred mobilization for greater democracy. Democrats began to push for direct election of the CE in 2007 and the legislature in 2008. Beijing's refusal to acquiesce to these demands drove the democratic movement onwards and helped mobilize the population to their cause. "Each protest created a network of activists, many of whom continued their activism and helped fuel the next movements, drawing in more and younger activists along the way" (171). At the same time, these developments began to construct a localist consciousness, where an increasing number of people identified with Hong Kong and not China. In

2008, the year of the Beijing Olympics, self-identification as China peaked around 40 percent, with less than 20 percent of the Hong Kong population identifying as Hongkonger. This quickly inverted the following year and continued to widen with over 55 percent in 2019 identifying as Hongkonger and just 10 percent as Chinese (185).

Here culminates Hung's analysis. The movement of capital, ideas of Chinese empire, and growing localist resistance has led to the Hong Kong of today: that is, a massive wave of protests that have been abruptly halted with the NSL and draconian crackdown. The increasing deterioration of the rule of law and Beijing's interference in the courts, politics, and civil society is only intensifying, as clearly indicated by the election-cum-appointment of CE John Lee, the former chief of security in charge of the crackdown.[3] Indeed, this moment seems to be the culmination and realization of mainland capital and empire, and the snuffing out of resistance.

What does the future hold? Hung offers a method of divination based on the historical paths taken by territories seeking greater autonomy and even separation from a dominating state. He categorizes the various paths into four quadrants based on whether the dominating state offers constitutional liberty to the territory or partakes in authoritarian coercion, and on whether the international community supports the territory or not (211). If the dominating state is tolerant and offers constitutional rights, and the international community is in support, then the territory has the opportunity to maintain authority (quadrant I). Gibraltar refusing to return to Spain from British control, and Swedish speaking Aland residents rejecting Finland, are two such cases. On the other hand, if there is little support from major powers, then negotiations over greater autonomy will be ongoing but peaceful with the status quo intact (quadrant II). Quebec and Scotland are two examples.

When the dominating state denies constitutional liberties then popular resistance or violence occur. In the context of international support, conflict is largely in the form of non-violent resistance (quadrant IV). Hong Kong since 2003 falls into this quadrant, as does Tibet and East Timor. If international support is lacking then resistance can take the form of extreme violence (quadrant III), often targeting civilians in order to make a point, as in the cases of Chechnya, Northern Ireland before 1998, and Basque country.

Hung places contemporary Hong Kong in the fourth quadrant—facing authoritarian coercion but resistance backed by international support. The conflict is largely non-violent, or confined to low levels of violence defined by street protests rather than targeted killings. He sees two possibilities for the future here. First, Hong Kong could move into one of the first two quadrants, where the NSL does not stifle resistance and there is enough international pressure and elite Chinese interest to give Hong Kong greater autonomy. It is unlikely the NSL would be revoked but it may not be enforced and the rule of law revived. Conversely, Hong Kong could go the way of the third quadrant and slip down a path of extreme violence. This scenario is likely if major powers give up on Hong Kong and consider it a lost cause, as the US did of South Vietnam in 1975. With no international support, Hong Kong resistance may be left with no other option than violence.

For now, Hong Kong is on simmer. Beijing does not appear ready to ease up and shows no inclination to grant any autonomy—in fact, quite the opposite as it pushes greater integration and subsumption of the courts and law.[4] And yet, in the last word Hung reminds us, "the struggle for the future of Hong Kong did not end in the 2019 unrest and the crackdown afterward. It has just begun" (217).

That being the content, the book does raise questions. This reviewer was kept busy scribbling in the margins, still curious about issues under consideration (e.g. the timing of the Hua Jing Society and its lasting significance in Hong Kong politics), or wanting more information on some events (e.g. the use of Hong Kong by Chinese political elite to hide money—and if this is so wide ranging why would Beijing change the status quo anyway?) and puzzled about the timing of others (e.g. why Chinese capital started flowing in 2011 and the RMB internationalization project stopped in 2015). It may

just be this historian's obsession with sources, but although information is well footnoted, references to news stories are somewhat unsatisfying: they tend to situate the insight in the overall analytical telling rather than a deeper probing of developments.

Before expounding on this critique in greater detail, it should be said that this is an informative book of great analysis; it will serve as a useful primer, especially for those not following events. It provides, in this reader's estimation, the most thorough overview and sound framework for understanding contemporary Hong Kong. For this, it is recommended.

It has also provoked two larger inquiries: the first on the specifics of the developments under consideration, and the second on the impetus of the analysis and the intervention itself. Let us call the first the problem of timing and second the problem of significance.

First, timing. Hung works to explain contemporary developments in Hong Kong, namely, the popular protests and the harsh crackdown by an authoritarian regime. He asks how Hong Kong arrived at this point of upheaval. And why, he continues, was there such widespread support for the protests, including not just students and the younger generation but also white collar professionals, as well as the Hong Kong elite and even some Chinese business elite?[5] His analysis brings together key aspects and ideas of capital, empire, and resistance to illustrate the movement over the past few decades of an increasing hardening of the government and radicalization of local politics and civil society. In his telling, this is a culmination of forces that cannot *not* result in the conflict that it did. An uncharitable reading of this analysis would deem it a teleological organization of developments that necessarily add up to the present moment.[6]

This is not necessarily wrong, but one wonders why events happened when they did. Specifically, why did the Hong Kong government push so hard to implement the NSL when it did? Why was CE Carrie Lam so determined to crush the protests despite their widespread popular appeal? More importantly, why did Beijing act with such force and violence, and why does it continue to do so—wielding the NSL in such draconian fashion?

If I read him correctly, Hung would respond that sides became galvanized in their positions and emboldened over time. Beijing increasingly worked to limit autonomy and develop ideas of empire that scuttled "one country, two systems" and further drew Hong Kong under central government control. Concurrently, Hong Kong elite were overrun by Chinese money and elite, while democrats grew in force and numbers with each perceived betrayed promise of universal suffrage and government encroachment upon local autonomy. The result was an ineluctable clash.

Perhaps. And the story Hung tells is not unconvincing. But the timeline raises questions about why things happened when they did: The "patriotic education" syllabus for Hong Kong schools, provocations against Falun Gong in Hong Kong, the extradition of Hong Kong businessmen to China, the crackdown on booksellers, infiltration and of the Hong Kong media, the decision to force legislators to swear an oath of fealty to the PRC, and even the rise of the Hong Kong independence movement—why are these developments culminating in the last decade? Most curious of all, of course, is why implement the NSL and do so stubbornly? It is not unlikely that events followed each other in a kind of path dependency, where sides locked themselves in a dance and would not extricate, only further twirl round and round on the floor hoping the other side would fall down. But even if that is the case it needs to be explained, not assumed. What also needs to be explained is the coincidence that the ratcheting of tension in Hong Kong happens to correspond with the era of Xi Jinping.[7]

What follows in brief, is an alternative explanation for consideration—an explanation that puts CCP factional politics at the center.[8] In this explanation, the reason for Beijing's increasingly stringent crackdown on Hong Kong and political provocation has less to do with imperial ambition or determinations to stamp out autonomy—although these are a factor—and more to do with the need to assert political control *within* the Party. In this telling, two factions are engaged in a political

struggle for power. This struggle can be summed up in the following way: a previously dominant faction headed by former president and Party secretary Jiang Zemin—the Jiang faction—is attempting to topple the current president and Party Secretary, Xi Jinping, whose faction—the Xi faction—is attempting to purge the Party and state of all Jiang influence and strip the Jiang faction of power and position. It is a political situation that some commentators see as a struggle to the death, guided by the mantra of "you die, I live." And Hong Kong happens to be at the center.[9]

Consider the following. Jiang Zemin presided over the 1997 handover and his faction has asserted control in Hong Kong, both politically and financially. Most immediately, the Jiang faction has members posted to prominent government and Party positions in and pertaining to Hong Kong. Since 1997, for example, three out of four heads of the central coordinating group—the key group overseeing Beijing's Hong Kong policy—have been appointed from the Jiang faction. Similarly, up until 2019 all Liaison Office directors belonged to the Jiang faction. Even more significant is that intelligence networks and the underground Party in Hong Kong are under the control of the Jiang faction. According to some analysts, this network reports to Jiang, or at least keeps important information within the faction. In addition, the Jiang faction maintains extensive financial links to corporations and investments in Hong Kong, enabling members to hide money and keep it out of reach of the government.[10]

Jiang factional influence in Hong Kong poses a threat to Xi Jinping. The danger is more than simply that a faction hostile to Xi's leadership, but more so, that Hong Kong will be used as a base to disrupt and sabotage Xi's government. Over the past decade developments within Hong Kong point to internal provocation. This includes anti-Japanese demonstrations over the Senkaku Islands, the use of Hong Kong ships to create international tension over contested territorial waters, and even the recent escalation of the protests and street-level violence by hired thugs. While these acts are often attributed to Beijing or aggressive pro-Beijing groups, they have also been seen as attempts by the Jiang faction to create disturbance and push Xi into an unwelcome corner: Xi would prefer to have a status quo in Hong Kong but is forced to act with a heavy hand. The Jiang-faction logic is that if Xi makes a mistake internationally or domestically, it will leave him open to criticism and weaken his hold. Although no one incident is going to bring down Xi Jinping, or even necessarily damage him, a culmination of little blows from all sides will cause domestic discontent and international opposition or isolation leading to internal Party dissatisfaction with Xi's handling of affairs. Strategically, this would pave the way for his ouster and the downfall of his faction.

The overbearing response of the Beijing government—not just towards the protests but also in the assertion of greater political control—is a consequence. Xi has moved to put his people in place while at the same time creating extra-legal organizations in the form of a national security apparatus that gives him control. This national security apparatus includes the NSL and enables Xi to operate beyond judicial and state scrutiny with no constraints in action or budget. In short, Xi's interest in flushing out a rival Party faction has led him to create a supra-authority organization in the form of a national security apparatus that is wielded to stifle dissent, both external and internal.

The foregoing is but a preliminary analysis of a situation obscured by an opaque political system and its decision-making. It is meant, however, to offer a starting point to begin to push beyond the idea of a Beijing monolith with a singular motive of empire and domination. Hung has written an illuminating account of some key tendencies, to be sure; someone ought to write a book about this one.

The second provocation of this review is an inquiry about Hong Kong, or the problem of significance. Hung has done a fine job analyzing contemporary developments, and he has given the reader a solid framework of the existing dynamic. He has put events in context of late twentieth- and early twenty-first-century history and even provided a method of prognostication. Is this the extent of Hung's ambition in this book, to merely explain and analyze the 2019

uprising and response? As mentioned above, he sets up the book as an inquiry into the puzzle of the 2019 protests and their widespread support across classes (7), and although he succeeds in answering, one wonders if Hung has something more to say. He cites Marx's *Eighteenth Brumaire* as his methodological inspiration, which points to social theory and greater historical analysis (16). What I mean is that Marx did not simply analyze political upheaval in nineteenth-century France and explain the coup of Louis Bonaparte: He traced the trends and historical fissures of the modern world and theorized the emergence of the modern state as it pried itself from the influence of the bourgeoisie. This is why we read *The Eighteenth Brumaire* today, not because we are historians of nineteenth-century French politics but because it tells us something about the development of our social world.

A rephrasing of the question: Does the current moment in the history of Hong Kong and China have a larger significance beyond the moment itself? Does it tell us anything more than the alignment of particular forces, which results in a particular event in a particular time and place?

I would like to hear Hung's thoughts on this matter, but will first offer my own. As I see it, there are at least two possible universals, one of a global perspective and one of a historical perspective.

First, the global. For the past two decades, countries the world over have seen both a growing number of protests and democratic backsliding.[11] Since 2009, the number of protests globally have increased on average around 11.5 percent per year—in 2019 alone at least 114 countries around the world experienced mass protests, and many on a scale that transcends those of other eras, even the 1960s and 70s. The largest protests in US history occurred during the Trump presidency, for example, drawing a total of 11.5 million people to the streets from 2017 to 2020. Likewise, marches in Santiago, Chile have brought out nearly a quarter of the city's population. These national and global actions have led to the downfall of heads of government in Lebanon, Iraq, Bolivia, Algeria, Sudan, and Malta, while other regimes, such as Chile and Iran, have deployed military and police violence to repress protesters and maintain the existing political order.

At the same time, reactionary, anti-democratic practices and authoritarianism are on the rise. Studies show democracy worldwide is at an all-time low and under increasing censorship accompanied by an acute curtailing of civil liberties. Popular discontent has led to authoritarian tendencies, where public anger towards socioeconomic inequality and deprivation is manipulated to support dictator-like leaders from Viktor Orban in Hungary to Donald Trump in the US. These autocrats have formed international support networks to share strategies, offer instruction and tactics, and provide economic and technical assistance.[12] One of their strategies is to make use democratic-like institutions to establish and maintain power: elections may be regularly held, as in Russia, but incumbents abuse state resources and can deny opposition candidates media coverage, or simply harass and jail opposition politicians. Further actions include suppression of civil society and independent media, accompanied by judicial manipulations, military politicization, and constitution revisions. Democracy remains in name, but fundamental practices are whittled away until only a hollow shell remains.

From this vantage point, Hong Kong is not so unique, but appears as part of the larger global situation. The mass protests and creeping authoritarianism in Hong Kong mirror what is happening elsewhere from Latin America to Eastern Europe.[13] The real significance thus becomes less about Hong Kong—although Hong Kong itself is still important, to be sure—and more about the global moment within which we find ourselves.

This brings me to the second point of greater significance: the historical moment of late twentieth- and early twentieth-century capitalism. In the postwar period, free-market advocates and politicians began to advance ideas and implement policies that both empowered capital and mobilized government in service of capital. In the late 1970s and 1980s this led to a dismantling of social programs and protections. At the same time, government powers were mobilized to construct an environment within which global capital could thrive: guaranteeing property rights, opening markets, and protecting capital from democracy. Through military, legal, and political means a certain

set of ideas about markets, property rights, and individualism were implemented around the world, blurring of the division between state and capital. In this emergent form, the government works on the behalf of capital to extenuate an economic system that favors global capital over labor, private corporations over society and social welfare, and financial concentration over economic democracy. It is a system that is perpetuated by the attenuation of politics and capital, whereby the rich purchase beneficial economic policies that further insulate their position and wealth. Through political influence they obtain lower taxes, larger deductions, fewer regulations, and corporate protections, among other things. The shorthand for this development is neoliberalism.

The specific East Asian case of Hong Kong is a manifestation of these trends.[14] Although the history of Hong Kong is often told as a one of laissez faire and free market success ever since the Union Jack flew, the truth is that the political economy has largely mirrored global practices: The postwar years saw Hong Kong invest in welfare programs and social development, and the 1970s witnessed a strong push in public housing, health, and education. [15] Beginning in the 1980s, financial interests emerged as the dominate economic and political force, leading to rapid deindustrialization and the gross concentration of economic power into the hands of a small economic elite. Even more so, government policy and administration have been put in the hands of business tycoons who have leveraged it to expand their reach; state power has been mobilized to preserve a well-functioning legal apparatus to uphold property rights, enforce contracts, protect business investment, and generally facilitate markets on the behalf of capital.

While orthodox economists like to point to these features as the realization of free markets, the social consequences have been disastrous: Inequality is some of the highest in the world and continuing to rise, wages are declining and working hours increasing, overall economic opportunity is dwindling, and housing is so unaffordable that office workers sleep in McDonalds. [16] Indeed, the implementation of this economic practice has led to great prosperity for a very select few and wide-spread disenfranchisement for the many. A handful of conglomerates have not only been able to carve out monopolies but also orchestrate a complete takeover of all economic life. This is neoliberalism on steroids and could be a future that awaits us all.

These two views of greater significance—the global and the historical—are, in fact, part of the same story: developments in the late twentieth-century political economy have led directly to illiberal tendencies and the entrenched collusion between political power and capital. Reflected in the case of Hong Kong, this plays out in different contexts the world over. Given the economic and social developments over the past forty years, is it any wonder that populations are outraged and existing political powers scramble to keep it contained? From this perspective, our eighteenth brumaire might be the uprisings of the 1960s and 1970s, and Hong Kong is the bellwether of what is to become of contemporary society. Marx's paraphrase of Hegel should haunt us all the more: "All great world-historic facts and personages appear, so to speak, twice…the first time as tragedy, the second time as farce."[17]

[1] The literature and extent of recent writings is critically overviewed in Macabe Keliher, "Mass Protests and the Structure of Power in Contemporary Hong Kong," *China Review International* 26, no. 1 (2019): 1–37. Other works published since that essay include Mark L Clifford, *Today Hong Kong, Tomorrow the World What China's Crackdown Reveals about Its Plans to End Freedom Everywhere* (New York: St. Martin's Press, 2022); Michael C. Davis, *Making Hong Kong China: The Rollback of Human Rights and the Rule of Law* (Ann Arbor: Association for Asian Studies, 2020); Ching Kwan Lee, *Hong Kong: Global China's Restive Frontier* (Cambridge University Press, 2022); Louisa Lim, *Indelible City: Dispossession and Defiance in Hong Kong* (New York: Riverhead, 2022); Ngok Ma and

Edmund W. Cheng, eds., *The Umbrella Movement: Civil Resistance and Contentious Space in Hong Kong* (Amsterdam: University Press, 2019); Tim Summers, *China's Hong Kong: The Politics of a Global City* (Newcastle upon Tyne: Agenda Publishing, 2021).

[2] Between 2008-2018, 35 percent of road projects went to Chinese companies. In 2018, over 60 percent did (82).

[3] On the deterioration of the rule of law see Davis, *Making Hong Kong China*.

[4] For a discussion of the dilemma of Hong Kong politics in context of the impossibility of democracy see Keliher, "Mass Protests and the Structure of Power in Contemporary Hong Kong," 29–31.

[5] The extent of how widespread this support actually was is questionable. Hung gives a few high-profile examples but these are more anecdote than representation.

[6] I use teleology rather loosely here and refer to a teleology of developments rather than structures or events, or what Sewell calls (and critiques as) "teleological temporality." To be sure, Hung's approach is more in line with what Sewell advocates as an "eventful temporality," accounting for contingencies. William Sewell, *Logics of History: Social Theory and Social Transformation* (Chicago: University of Chicago Press, 2005), 81-123.

[7] A detailed discussion of the correspondence of key developments in Hong Kong after 2012 is found in "The Hong Kong Extradition Law and the CCP Factional Struggle," *SinoInsider*, June 11, 2019.

[8] Although an analysis from CCP factional politics is not unfamiliar, especially in Taiwan, I have yet to see it systematically developed. The most lucid discussions are at *SinoInsider* and online video commentary by their senior researcher Ming Chu-Cheng. *Asia Sentinel* has also framed events from this perspective. The following account draws from these and other miscellaneous sources but awaits further research. On the importance of factional politics in interpreting domestic developments see Srijan Shukla, "The Rise of the Xi Gang: Factional Politics in the Chinese Communist Party," *ORF Ocassional Paper*, no. 300 (February 2021), 3-27.

[9] Especially see "A Black Swan Leading Indicator Surfaces at the Two Sessions," *SinoInsider*, March 9, 2019; "How the CCP Factional Struggle Could Trigger a Tiananmen-like Event in Hong Kong," *SinoInsider*, June 12, 2019; "Xi Sees Domestic Enemies Behind Hong Kong Protests," *Asia Sentinel*, May 1, 2020; "'Shanghai Gang' Seeks Xi's Ouster," *Asia Sentinel*, October 2, 2021.

[10] Commending the detailed work Hung has done on the Hua Jing Society, one might ask how the factional alliance of these people break down. For example, former Hua Jing chairman Chen Shuang belongs to the Jiang faction and is now under official investigation by the central government for corruption during his tenure as CEO of Everbright, a Chinese state run company listed on the HKEX. Edward White, "Xi Jinping's Graft Crackdown Targets Technology Minister," *Financial Times*, July 28, 2022.

[11] The following discussion was developed in Macabe Keliher, "Hong Kong's Political Economy and the Crisis of Democracy," in *Essays on China and U.S. Policy*, ed. Lucas Myers (Washington D.C.: Wilson Center, 2022), 226–60.

[12] As one scholar put it, "The thought of academic-style conferences to discuss best practices in electoral manipulation and lessons learned in stacking judicial systems might be amusing, but elected autocrats from Venezuela to Turkey to Hungary really have borrowed from one another, sometimes even sharing advisors and exporting ideas in repression and election-rigging." Ryan C. Berg and Christopher Sabatini, "Autocrats Have a Playbook—Now Democrats Need One Too," *Foreign Policy*, February 10, 2021. Also see Anne Applebaum, "The Bad Guys Are Winning," *The Atlantic*, November 15, 2021.

[13] The list of Hong Kong's creeping autocracy could be applied to any of the backsliding countries. It includes the use of elections to prop up the existing regime, the arrest of opposition candidates, the issuing of "patriot" qualifications and oaths for political office, the arrest of independent publishers and seizure of independent media assets, subtle judicial interventions, and penetrations into civil society, among other practices.

[14] This idea was initially developed in Macabe Keliher, "Neoliberal Hong Kong Is Our Future, Too," *Boston Review*, September 9, 2020.

[15] See Manuel Castells, Lee Goh, and R. Yin-Wang Kwok, *The Shek Kip Mei Syndrome: Economic Development and Public Housing in Hong Kong and Singapore* (London: Pion, 1990); Fujio Mizuoka, *Contrived Laissez-Faireism: The Politico-Economic Structure of British Colonialism in Hong Kong*

(London: Springer, 2018); Ray Yep and Tai-Lok Lui, "Revisiting the Golden Era of MacLehose and the Dynamics of Social Reforms," *China Information* 24, no. 3 (November 1, 2010): 249–72; A. J. Youngson, *Hong Kong, Economic Growth and Policy* (Hong Kong ; Oxford University Press, 1982).

[16] Shirley Zhao, "Number of people sleeping in Hong Kong McDonald's branches skyrockets, as residents battle high rents and substandard housing," *South China Morning Post,* August 5, 2018.

[17] Karl Marx, *The Eighteenth Brumaire of Louis Bonaparte* (New York: International Publishers, 1963), 15.

Response

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First, I have to thank Macabe Keliher for his detailed recapitulation of the main arguments of *City on the Edge* and his praises of it. I am more thankful for the two main questions he asks. The first is about the timing of Beijing's tightening of repression in Hong Kong. Keliher asks whether it is inevitable. He suggests that given the escalation of repression seems to start around the same time Xi Jinping took power, the crackdown may be traceable to Xi's personal proclivity. The fate of Hong Kong would have been very different if what Keliher called the "Jiang faction," supposedly more liberal and global-oriented, had prevailed. Keliher's second question is how the protest and crisis in Hong Kong are connected to protests and crises around the world in the 2010s.

Though the answers to those questions have been embedded or hinted at in the book, the questions in his review offer me a chance here to discuss these important issues directly and thematically. These issues are not only about Hong Kong; they also involve the dynamics of China's political economy and China's foreign policy, as well as the current crisis of global capitalism at large.

The "Liberals-Hardliners" Frame vs. China's "Grand Strategy"

China watchers have long seen the CCP elite composed of a more open-minded, liberal, global-oriented faction and a more nationalist, conservative, hardliner faction. Much ink has been spilled trying to explain the shift in China's domestic and foreign policy – from the recent statist shift in economic policy to the "wolf warrior" turn of foreign policy – through this lens. It is also through this lens that Keliher claims the CCP elite are not "monolithic" over Hong Kong. He hypothesizes that the tightening of repression and the ultimate crackdown through the National Security Law in 2020 resulted from the prevalence of the hardliner faction led by Xi over the more liberal "Jiang faction."

This "liberals vs. hardliners" frame in the interpretation of Beijing's policy is more recently challenged by the view that the CCP elite, despite internal differences on policy nuances, are highly unified in a consistent long-term grand strategy. The grand strategy is to maintain the absolute dominance and legitimacy of the party-state internally and to rebuild China as a dominant global power, displacing US leadership in Asia and the world.[1] According to this new perspective, at the time when the CCP elite judged that China was not powerful enough to challenge the US and the status quo of the international order head-on, they hid their intention by playing nice. They eroded the influence of the US and its allies inadvertently, in order to buy time to develop China's capacity while not alarming China's rivals. That is the impetus of Deng's lying low policy in international affairs. Western observers misunderstood what Deng meant by "taoguang yanghui." It never meant that China will lie low forever. Lying low is to store energy and wait for the right moment later to strike. One author even suggests that the belief in a liberal-hardliner divide within the CCP among Western China observers was deliberately cultivated by the CCP as a deception tactic to conceal the CCP elite's collective intention to subvert the established international order.[2]

Under this perspective, China's more aggressive disposition toward Hong Kong, Taiwan, the South China Sea, and other international affairs in the Xi era did not stem from Xi and his faction's inclination. It is a consequence of the party-state elite's collective judgment that the West has entered its terminal decline and that it is the time for China to assert its global dominance in the wake of the 2008 global financial crisis, as well as China's successful stimulus in 2009-10. This collective judgment was reinforced with Brexit and Trump's electoral victory

in 2016, which the Chinese elite see as clear signs confirming Western decline.

As I argue elsewhere, the global financial crisis of 2008 and its aftermath not only changed Beijing's perception of China's capacity vis-à-vis the West. It also changed China's political economy in the global capitalist system. China's mega stimulus in 2009-10 in response to the crisis, though successful, exacerbated the indebtedness and overcapacity of Chinese enterprises. They urged Beijing to support them to aggressively take away market share of Western enterprises in China and the world. It turned US-China intercapitalist integration into intercapitalist competition. It also underlined the redoubled expansion of Chinese capital in Hong Kong vis-à-vis foreign and local Hong Kong capital in the city. It fomented accelerated mainlandization and the resistance against it, making Beijing become more impatient in asserting direct control of Hong Kong in the 2010s, as I discuss in the book.[3]

If we recount the pathway of Xi's rise and the policy shift of the CCP since his assumption of power, we could find this "grand strategy" and "structural change" interpretation more convincing than the "liberals vs. hardliners" frame. When Xi was about to assume power, he was challenged by Bo Xilai, who used his Chongqing base to revive some of the revolutionary rhetoric of the Cultural Revolution and employed relentless repression to root out political rivals and dissidents under his jurisdiction. At the time, Bo was portrayed as a hardliner. Given his record in the globalized Southeastern regions of Fujian, Zhejiang and Shanghai and his father's credentials as a steadfast supporter of market reform, Xi was seen as the liberal counterweight to Bo in the eyes of many Western China watchers.[4] In his early years in power, he did show some tendency to pursue liberalizing economic policy. But very soon, he shifted to an internally statist and externally aggressive policy. Some structural force is at work to press him to shift.[5]

City of the Edge verifies the "grand strategy" perspective from the vantage point of Beijing's policy over Hong Kong. One of my key findings is that Beijing has never "muddled through" in its approach to Hong Kong. As Chapter 5 " 'One Country, Two Systems' before Hong Kong" shows, CCP leaders explicitly mentioned 1950s Tibet when they explained the "One Country, Two Systems" concept to the UK and the Hong Kong people in the early 1980s. In retrospect, Beijing's Seventeen Point Agreement with the Dalai Lama government in 1951 was never meant to maintain Tibet's autonomy. It was a ploy to buy time for the CCP to be ready for direct rule in the Tibetan Plateaus. This strategy of absorbing newly acquired minority regions through initial temporary indirect rule before aggressive assimilation and direct administrative control dates back to the Ming-Qing times. The bloody crackdown in Tibet in 1959 as an envisioned endgame for Hong Kong was written on the wall in the beginning. One puzzle is that when Deng Xiaoping, Li Xiannian's, and many other CCP elite mentioned 1950s Tibet when they talked about Hong Kong's future in the early 1980s, why did it not raise any alarm in Hong Kong and in the international community? It is a puzzle awaiting historians to solve

And as I detailed in Chapter 6, after Beijing tried to impose a draconian Article 23 anti-subversion law as early as 2003 that faced stiff resistance, it launched systematic efforts to devise a more coordinated pathway to tighten the control of Hong Kong and assimilate the Hong Kong population by erasing the local Hong Kong identity. These efforts were represented by the works of influential scholar-official Jiang Shigong detailed in the chapter. The creeping assimilation and direct control of Hong Kong after 2003 was a step-by-step enaction of the script that was devised by Beijing and articulated explicitly in Jiang's works. That included imposing patriotic education in school to engineer a Chinese national identity in support of the CCP, increasing Beijing's direct intervention into and micro-management of Hong Kong affairs through the Liaison office, and dismantling Hong Kong's judicial independence through Basic Law reinterpretations. This tightening of repression started well before Xi came to power. Each round of tightening invoked more fierce resistance, inviting more aggressive intervention and repression. The uprising and repression in 2019-2020 is a culmination of this cycle. It did not start suddenly under Xi.

So yes, Beijing's progressive tightening of repression of Hong Kong was inevitable. It was pre-

determined even before the handover. What is not inevitable and not predetermined is how far and how fast Beijing could complete this imperial project in Hong Kong. Had the draconian version of Article 23 been enacted in 2003 as planned, Beijing's complete control of Hong Kong would have come earlier. But strong, unexpected resistance from Hong Kong's civil society and the international community back then, coupled with Beijing's assessment that the CCP regime was not yet strong enough to confront such strong resistance head-on yet, pressed it to back down. From 2003 on, every other attempt of Beijing to tighten the screws was met with strong resistance. Some might reverse the causal sequence and blame the resistance in Hong Kong for Beijing's ever-more hardline policy, just as they blame the 2019 protest for the 2020 National Security Law. But Macau's minuscule and timid opposition did not prevent an even more thorough and an earlier crackdown on the civil society there. Macau's National Security Law was enacted in 2009, ten years after its sovereignty handover in 1999. This territorial integration – temporary autonomy – direct rule/full assimilation is a scripted, predestined process of imperial absorption. The pace and extent of such an absorption process have been shaped by the strength of resistance.

Even after the 2020 crackdown through the National Security Law, the extent of Beijing's ability to control Hong Kong is not yet settled, as I indicate towards the end of the book. It is true that nearly all oppositional organizations and critical media have been wiped out, with activists, politicians, and journalists either in exile or in jail after 2020. But what happened after *City on the Edge* entered production shows that Hong Kong was far from fully under Beijing's control. Beijing seems to be still indecisive about whether to push for Article 23 anti-subversion legislation – which will take a step further to crack down on opinion and information flow not yet fully subjugated by the National Security Law. Also, in early 2021, Beijing beat the war drum of extending the anti-foreign sanction law to Hong Kong to outlaw any companies' adherence to international sanctions on Hong Kong and Chinese officials. But Beijing suddenly shelved the application of the law to Hong Kong after strong financial sector's lobbying in the summer of 2021. For another instance, Beijing officials and Hong Kong's Beijing loyalists advocated Hong Kong had to follow the mainland zero covid policy through universal testing and city-wide lockdown in the face of the omicron surge in spring 2022. But as Shanghai entered an eight-week lockdown, Beijing allowed the Hong Kong government to relax the quarantine requirement for incoming travelers and forfeited a city-wide lockdown plan. Besides these two examples, there are plenty of cases showing inter-elite conflict through scandal exposure – which even involves the police head in the newly-founded National Security Department in Hong Kong – are intensifying after the enaction of the National Security Law. [6] This subtle manifestation of instability, plus the intensification of international pressure on China that the Hong Kong crackdown contributed to, warrants that the dynamics of repression and resistance in Hong Kong are far from over. Again, how far and how fast Hong Kong could be fully homogenized into mainland China is far from pre-determined.

Understanding Global China through the Hong Kong Window

To respond to Keliher's second question, Hong Kong's contentious interaction with Beijing surely manifests its unique dynamics. But it is also a specific case of more general processes in the global capitalist system. One is the revival of non-Western empires in rivalry to the US hegemony and the established multilateral international system.

In the second section of the book "empire," I characterize China as an "empire pretending to be a nation-state". [7] Since its inception in 1949, the exclusively Han CCP elite strived to restore the territory of the multi-ethnic Qing empire to its pre-1840 largest extent. It established direct rule in non-Han regions not governed by its predecessor KMT regime, such as Tibet and Xinjiang, and aspired to absorb majority Han entities that developed their own political identities and polities, like Hong Kong and Taiwan. After c. 2010, the CCP elite were more confident of their assessment about Western decline and China's rise. One manifestation of their elevated confidence and assertiveness was Beijing's attempt to speed up its authoritarian control of the supposedly autonomous Hong Kong, its redoubled efforts to

project its influence into Taiwan, and its aggravated "United Front" work, information campaign, and economic coercion around the world. [8] Jiang Shigong, the master theoretician of China's imperial project, did not shy away from advocating that Beijing should learn the "arts and techniques of empire" from the British, as I emphasize in the book. He also asserts that Hong Kong, with the liberal institutions left by the British, was an ideal experimental ground for Beijing to learn to ride on and reshape those institutions. In other words, Hong Kong is Beijing's weapon test site for its transnational authoritarianism project.[9] In the recent words of sociologist Ching-kwan Lee, Hong Kong is a "restive frontier of global China."[10]

Hong Kong has also been a frontier of neoliberal globalization. As many economists realize now, what we regard as the social impact of neoliberal globalization was more accurately the social impact of the "China shock."[11] The China shock was an epochal event in the 1990s and 2000s when millions of high-quality, low-cost Chinese rural labor without the protection of independent unions were released by the CCP party-state to the global market to compete with workers around the world. The other side of the coin was the recycling of China's mammoth current account surplus generated by its export engine into the global financial market.[12] This China shock contributed significantly to job insecurity, wage stagnation, and asset inflation worldwide. The subsequent demise of traditional working class, exploding income inequality, and disenfranchisement of unpropertied youth became global universal conditions. [13] These universal conditions, combined with specific historical conjunctures in different places, created different forms of political contentions. These contentions include the rise of far right and far left politics in North America and Europe, the pink tides and youth revolts in Latin America, and the convergence of anti-corruption, anti-inequality, and anti-China politics in Malaysia (the historic victory of the opposition in the 2018 election), Sri Lanka (the recent toppling of the Rajapaksas regime), Taiwan (the Sun Flower movement in 2014 and the DPP electoral victory), and, of course, radicalization of Hong Kong protests detailed in my book.

To end with a metaphor that I use in *City on the Edge*, Hong Kong has been sitting on a fault line between tectonic plates. Global forces created by tectonic movements sometimes created catastrophic volcanic eruptions and earthquakes that lasted for seconds. The study of such instantaneous seismic events is not only about explaining how such events occurred and predicting the likelihood of future events. It is also a window through which we could better understand the large, slow geological forces and processes underlying the events. Drawing from Lenin, Louis Althusser points out that many Marxian texts including the *Eighteenth Brumaire* show the power of "concrete analysis of concrete situations." Such concrete analysis is not to be carried away by infinite details of events. It is to understand global, universal processes through their concrete articulations in the making of the specific social formations and crisis in question. [14] As such, to study the concrete is to understand the global. My historical investigation of the Hong Kong crisis of 2019-2020 under the themes of capital, empire, and resistance – which constitutes the three parts of the book – is a window to understand global capitalism's peril, inter-imperial rivalry, and the possibilities of liberation in the early twenty-first-century aftermath of the China boom.

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[1] Rush Doshi, *The Long Game: China's Grand Strategy to Displace American Order* (Oxford: Oxford University Press, 2021). See also Michael Pillsbury, *The Hundred-Year Marathon: China's Secret Strategy to Replace America as the Global Superpower* (Henry Holt and Co., 2015).

[2] Pillsbury, *The Hundred-Year Marathon*, Ch. 4

[3] Ho-fung Hung, *Clash of Empires: From "Chimerica" to the "New Cold War"* (Cambridge, UK: Cambridge University Press, 2022).

[4] Nicholas Kristof, "Looking for a Jump-Start in China," *New York Times*. January 5, 2013.

[5] See the relevant discussion in Ho-fung Hung, *Clash of Empires*. Ch. 3 .

[6] "Hong Kong police national security director caught in massage parlour raid cleared of illegal or immoral conduct but force reveals sex services provided on premises" *South China Morning Post*. May 18, 2021.

[7] This is a phrase borrowed from Dan Blumenthal, *The China Nightmare: The Grand Ambitions of a*

Decaying State (Washington D.C.: American Enterprise Institute, 2020).

[8] Clive Hamilton and Mareike Ohlberg, *Hidden Hand: Exposing How the Chinese Communist Party is Reshaping the World* (London: Oneworld publications, 2020).

[9] For a discussion of transnational authoritarianism as a global phenomenon, see Gerasimos Tsourapas, "Global Autocracies: Strategies of Transnational Repression, Legitimation, and Co-Optation in World Politics," *International Studies Review*, 2021 23: 3 616–644.

[10] Ching-kwan Lee, *Hong Kong: Global China's Restive Frontier*, (Cambridge, UK: Cambridge University Press, 2022).

[11] David H. Autor, David Dorn, Gordon H. Hanson, "The China Shock: Learning from Labor-Market Adjustment to Large Changes in Trade" *Annual Review of Economics* 2016 8:1: 205-240. See also Niall Ferguson and Moritz Schularick, "'Chimerica' and the Global Asset Market Boom" *International Finance* 2007 10:3: 215-239

[12] Ho-fung Hung, *The China Boom: Why China Will Not Rule the World* (New York: Columbia University Press, 2015): Ch. 3 and 5.

[13] Ho-fung Hung, "Recent Trends in Global Economic Inequality," *Annual Review of Sociology* 2021 47:1: 349-367.

[14] Louis Althusser, "Contradiction and Overdetermination," in Louis Althusser, *For Marx* (London: Penguin 1969 [1965]).