

LEUNG CHUN-YING

Vice Chairman of the National Committee of the Chinese People's Political Consultative Conference, former Chief Executive of the Hong Kong Special Administrative Region of China

Thierry de Montbrial, Founder and Executive Chairman of Ifri and the WPC

We are going to start our discussion with Mr. Leung Chun-ying. It is the third time Mr. Leung Chun-ying is attending the World Policy Conference. As you will see, he speaks English with an Oxfordian accent, which is quite impressive.

We have half an hour for our conversation. We will speak a little bit about Hong Kong, of course, but I think Mr. Leung would also be pleased to say a few words about China.

Let me start with Hong Kong because you were the Chief Executive of Hong Kong relatively recently.

There were strange declarations in the past few months about Hong Kong. The current Chief Executive of Hong Kong said recently that, I quote, the "exiled dissidents should live in fear". Have you heard?

Chun-ying Leung, Vice Chairman of the National Committee of the Chinese People's Political Consultative Conference, former Chief Executive of the Hong Kong Special Administrative Region of China

No.

Thierry de Montbrial

Even if you do not know these words of the successor of your successor, it seems that, especially in the last four or five years, Hong Kong has changed a lot and probably much faster than anyone abroad expected. Therefore, could you comment on those changes as if the slogan 'one country, two systems' was already finished, left aside? Is there a future in Hong Kong for the concept of one country, two systems?

Chun-ying Leung

Thank you. The first recommendation that I always make to our friends in the international community who care about Hong Kong, China, one country, two systems, is to come and see us. See it for yourself. You can walk the streets in Hong Kong and talk to shopkeepers and taxi drivers and find out your own view on things in Hong Kong.

'One country, two systems' is no longer a broad concept. Ever since 1990, when the basic law was promulgated, we had five years of drafting, since China and the UK signed the joint declaration on the question of the future of Hong Kong. In those five years, I was Secretary General of the Basic Law Consultative Committee, which had 180 members from all walks of life, including British civil servants.

Anyone who is interested in the actual implementation of ‘one country, two systems’, Hong Kong people ruling Hong Kong with a high degree of autonomy and the promise of 50 years of no change, must get a copy of the Basic Law. One could very easily get it with a mobile phone. You can both have the Chinese version and the English version, and read the Basic Law from Article 1 to Article 160.

Whenever foreign governments, including the British government, claim that China is going back on the promise of ‘one country, two systems’, etc., I would openly say, ‘Tell me, which Article do you think the Chinese government and the Hong Kong SAR government are not implementing?’.

I should also mention that the Basic Law, which is the constitution of Hong Kong, is subject to, and has been subject to, judicial review in the Court of Hong Kong – and the Court of Hong Kong have handed down decisions against, in some cases, the Hong Kong government.

Therefore, I do not think it is a question of anyone’s interpretation of these broad words ‘one country, two systems’. It is question of whether the law has been followed, and the law was promulgated 33 years ago.

Thierry de Montbrial

Thank you very much. On this question, ‘one country, two systems’, it used to be mentioned for Hong Kong and for Taiwan. A big issue now in the international scene is Taiwan, and many commentators from outside China consider that the evolution in Hong Kong, the repression of the political movements of the last few years, would be a bad example, from their viewpoint, about the possible evolution of Taiwan. Could you comment a little bit on your own interpretation and own view of Taiwan as compared to Hong Kong?

I suppose you will start by saying that it is a totally different situation. Could you elaborate further on that?

Chun-ying Leung

Yes, I will. Thank you very much for bringing up such an important subject as Taiwan. So far this morning, we have had very insightful discussions on the changing world economic order and on the China-US relations. However, Taiwan has not been mentioned until now.

Taiwan is important because China has been saying that Taiwan is the core of Chinese national interest. That is what the Chinese side said in the Bali accord, which the Chinese Foreign Minister, Mr. Wang Yi, referred to when he met President Biden last week, on October 27th.

No-one who is interested in the current order, the new world order, should ignore Taiwan. It is a crucial issue for China.

The history of Taiwan is different from the history of Hong Kong. Taiwan was ceded under the Treaty of Shimonoseki to the Japanese in 1894. Hong Kong was ceded to the British under the Treaty of Nanjing. China was obliged to pay 7.5 million kilograms, that is 200 million taels, of silver as reparations to Japan.

Taiwan was ceded to Japan and no-one has ever disputed that Taiwan was part of China. Alongside Taiwan, Liaodong Peninsula was also ceded to Japan. Liaodong Peninsula is now part of China, so why is Taiwan not? Liaodong Peninsula is now Liaodong Province of China.



China took Hong Kong back from the British under the Sino-British joint declaration in 1984. Japan lost the Second World War. The Kuomintang Party lost the civil war with the Communists and retreated to Taiwan.

Therefore, there is no question of anyone in China, it is not just the ruling party of China, ever allowing Taiwan to go independent. Much in the same way as Deng Xiaoping said to Margaret Thatcher in 1982, that the people of China will not allow China to agree the ongoing rule of Hong Kong by the British.

Equally, today, as ever, the 1.4 billion people in China will never allow the ruling party, the Chinese government, to let go of Taiwan. This is an important issue for the international community to understand, and Taiwan should not be encouraged in any way to ever think about independence. That is a very important part of any equation in the world order involving China.

I have not answered the question about 'one country, two systems'. I say the same thing to our friends in Taiwan. Take out a copy of the Hong Kong Basic Law and go from Article 1 to Article 160. Let us go through these articles one by one and listen to the Taiwanese people on which articles are not acceptable and which articles are acceptable.

For example, Hong Kong is allowed to remain as a member of WHO, which Taiwan wants to be. Hong Kong is allowed by Beijing to be a member of WTO, which Taiwan wants to be. Would they object to these clauses? Probably not.

Hong Kong, under the Basic Law, has its own passport. We have our own currency, which is freely convertible with the Hong Kong Dollar. Would the Taiwanese disagree with this? I do not think so.

Therefore, let us find out what articles there are in the Hong Kong Basic Law that the Taiwanese find unacceptable and let us talk about them.

Thierry de Montbrial

Let us stay on Taiwan a few more minutes. Do you not think that everything would be much simpler if the population of Taiwan was massively in favor of a quick reunification with mainland China? However, this is not the case. How do you explain that?

How do you, in China, see the legal principle of self-determination? Because, after all, from a classical democratic standpoint, if the population in a certain territory wants to become independent, it is up to the population to make up its mind, to decide. Obviously this is not the point of view of China, so what is your argument about that?

Chun-ying Leung

To your last point, my experience is that that point has not been allowed to the people in Northern Ireland; nor, indeed, Scottish devolution process. Therefore, it is not just the people in one part of a country saying, "We have voted. There is a referendum or opinion poll. We want to be independent and bye bye". I do not think it ever works like that.

I have been reading two Taiwanese daily newspapers for 30-something years. It is important for the two sides to communicate and for the Taiwanese people, the 26 million people who live on the island, to understand the mainland's position, the Chinese government's position and real life on the mainland.

I think we could use a lot more people-to-people dialogue between the two sides, which is something that I have been facilitating myself. People need to see for themselves what

political and socioeconomic life is about on the mainland. That is something that we are not doing enough of.

Thierry de Montbrial

If we stay one minute on the example of Scotland, in that case there was a referendum a few years ago that was authorized by London, and the Independent Party lost the referendum. However, there never was any action from London to suppress opposition to independence in Scotland.

Whereas, in the case of Hong Kong, our understanding is that it is extremely difficult today in Hong Kong to demonstrate or to develop an opposition party. Please correct us if we are wrong.

Chun-ying Leung

As you said, the referendum in Scotland was authorized by London. Beijing is not authorizing a referendum on Taiwan. Secondly, Scotland has a very different history compared to Taiwan. The United Kingdom is called the 'united kingdom' for a good reason, for historical reasons. Therefore, I do not think we should make a direct comparison between the two. I think the world agrees that Taiwan is part of China.

Interestingly, or revealingly, the official airline of Taiwan is called China Airlines. There is no question of independence. There is no question of self-determination and I think the Taiwanese people should know, as well as the international community, the determination of China to keep Taiwan as part of China.

Thierry de Montbrial

You know very well that it is an extremely important issue not only for China but also for the future of international relations. In our understanding, from an outside point of view, President Xi Jinping, in various declarations over time, has given the impression that he would like the issue to be resolved sooner rather than later and perhaps at the latest in 2049, that is on the 100th anniversary of Mao's victory.

2049 is tomorrow, politically speaking. It is 25 years from now. Should we understand that there is a time limit for the ultimate solution of the problem; or could we interpret the situation as possibly lasting for another 50 years or so?

Chun-ying Leung

The ruling party in Taiwan may not have the patience. Inclination to declare independence has become more and more obvious.

Saying that Taiwan is part of China and, at the same time, dragging one's feet, trying to maintain the status quo for another decade, for another two decades, more or less forever, is basically committing a contradiction in terms. Therefore, the two sides must come together.

To answer your earlier question, the central government of China has always paid a great deal of attention to public opinion on Taiwan, much in the same way as they paid attention to public opinion in Hong Kong when we drafted the Hong Kong Basic Law. It took five years. There was a big committee of 180 with a secretariat of around 30 people who worked on it for five years.

I think these are the processes that will probably take place. However, China has never given up the option of using force to reunify the country, if necessary.

Thierry de Montbrial

The WPC, which now you know a little bit about, is a place where we can discuss friendly issues which are complicated; and where it is not always easy to agree.

Therefore, in that spirit, I would like to ask you the following question: the regime in China has become more and more authoritarian since President Xi Jinping came into power, and he seems now to concentrate all powers in an unprecedented way since Mao Zedong, and perhaps even more successfully than Mao because Mao was in serious domestic difficulties during part of his term.

My question is simple. You deal a lot with economic issues yourself in the Hong Kong area and beyond. It seems to somebody like me that part of the economic success of China has been related to the relatively liberal approach of President Xi's predecessors. The regime is now more and more authoritarian. This authoritarianism is also expressed vis-à-vis businesspeople.

It is very difficult if you are a businessman, especially if you run big companies, to be constantly under political pressure with the possibility of someday just disappearing and reappearing after six months, or never reappearing at all. Therefore, our perception is that it may create some serious difficulties for the future of Chinese capitalism.

Do you believe, or some people believe, even the good loyal communist members of the Communist Party, that excessive political pressure on the business community could be detrimental to the future of economic growth? If such is the case, in the competition between China and the United States, and more generally with the West, this tendency could slow down the pace of economic development in China with some very serious consequences?

Chun-ying Leung

I have been reading reports and commentaries that are very similar to what you just mentioned in Western media and in Japanese media. However, that is not my experience.

In the past six years, since I left the position of Chief Executive of the Hong Kong SAR government, I spent more time on the mainland of China, not just the provinces, but also outlying regions, provinces such as Zhejiang, Heilongjiang, Ningxia, and so on. I spent more time on the mainland than in Hong Kong, and that is not what I experience. That is not what I see and that is not what I hear.

I am one of the Vice Chairmen of the National Committee of the Chinese People's Political Consultative Conference (CPPCC) which is one of the four organs in the Chinese political structure. You have the Communist Party, the government, the National People's Congress, which is the legislature, and the CPPCC.

The composition of the Chinese political structure in this way is very different from what you can find in the world, in other governments. As one of the Vice Chairmen of CPPCC's National Committee, I do not feel that the last 10 years have been more authoritarian.

I just came down from Beijing, arriving early in the morning today, in Abu Dhabi and, in Beijing, we had two and a half days of very full and very intensive discussion on green development. Government people were there. They were asked questions. We had 300 people at the plenary sessions. Then we had nine subgroup discussions. I do not think it is a manifestation of authoritarianism at all.

In terms of business investments, we are still seeing a thriving private sector. The private sector now accounts for more than half of the country's GDP. You have big state-owned enterprises that have been partially privatized by listing on the Shanghai Exchange, the Central Exchange, and the Hong Kong Stock Exchange.

You also see a lot of Hong Kong money going into mainland China, particularly the Greater Bay area, which covers nine cities in the Guangdong province Hong Kong-Macao.

Thierry de Montbrial

Thank you very much. Last question: what lessons does China take from the Ukraine war? My question is related to the strategic thinking about Taiwan.

Chun-ying Leung

China is not Russia. Taiwan is not Ukraine. China's position on this conflict has been clearly spelled out. I do not even think the ruling party in Taiwan, which is pro-independence, would themselves compare the cross-strait relations and the probability of an armed conflict, if it happens, to the situation in Europe between Russia and Ukraine. I do not think they would ever think of it in those terms themselves.

Thierry de Montbrial

Would someone like to ask one concise question? I take the question from an expert of the region, Mr. Cabestan.

Jean-Pierre Cabestan, Senior Researcher Emeritus at the French National Centre for Scientific Research (CNRS) attached to the French Research Institute on East Asia (IFRAE) of the National Institute of Oriental Languages and Civilisations, Professor Emeritus at Hong Kong Baptist University

Good morning, Mr. Leung. I may be the only one in the room who shares with you the fact that I am a permanent resident of Hong Kong. I have been in Hong Kong for 25 years.

I have a very simple question. After the protest movement of 2019, do you not think that the Hong Kong government has not made enough effort to foster reconciliation within the society? I feel that the Hong Kong community is very divided today. Do you think the Hong Kong government could have done more to foster reconciliation among the various segments of the Hong Kong society?

Leung Chun-ying

There were protests, but there were very serious riots as well, inflicting bodily harm on fellow civilian citizens and policemen. These people were apprehended. They were brought to justice and they were sentenced by the law courts.

There was no question of the administration saying that we could turn a blind eye to people who broke the law under those circumstances. As we could all see on TV footage, they were very serious offences such as maiming, killing, and destruction of properties.

Renaud Girard, Senior Reporter and International Columnist at *Le Figaro*

My question is why China, who is so willing to preserve the international order and the international institutions like the UN, WTO and all the international institutions, does not recognize the authority of the permanent arbitral tribunal of The Hague, which is, as you know,



older than the UN? It is from the 19th Century, which discussed the separation of the islands in the South China Sea between China and the Philippines. How is it a government who wants to protect the international order and international institutions does not recognize the ruling of the permanent arbitral tribunal of The Hague?

Leung Chun-ying

China did not take part in the arbitration.

Thierry de Montbrial

That was a long question and a short answer. Thank you very much, Mr. Leung. I think the conclusion of this relatively short discussion is that, next year or so, we should take a six-hour discussion to cover all the facets of that most important issue for the future of the world. Thank you very much.

Leung Chun-ying

Thank you.