

## Deng Xiaoping on Hong Kong: The Relevance of Contradiction Analysis

Roland Boer (2020)

In order to understand the unique Chinese approach of ‘one country, two systems’ in relation to Hong Kong, as well as Macao and Taiwan island, we need to understand contradiction analysis (*maodun fenxi*).

This approach was first developed by Mao Zedong in 1937, at a time when he was deeply engaged with Soviet Marxist philosophy. After the Long March in Yan’an, Mao and his comrades studied extensively the major works on dialectical materialism from the Soviet Union, as well as texts by early Chinese Marxist philosophers such as Ai Siqi and Li Da. The results – based on extensive notes – were the lectures on dialectical materialism that Mao delivered in 1937 and the two key essays that arose from the lectures, ‘On Contradiction’ and ‘On Practice’. These works would become the foundations of Marxist philosophy in China, and indeed the foundations of Chinese government policy ever since. Mao was particularly interested in and developed much further the following questions: the primary contradiction in any situation, as well as the primary and secondary aspect of that contradiction; the self-movement of a contradiction, in which internal contradictions led to qualitative change; and the category of non-antagonistic contradictions, which are characteristic of a socialist system. This requires the management of contradictions during the construction of socialism so that they do not become antagonistic, as they tend to be under a capitalist system. As a Chinese saying quoted by Mao has it, ‘Things that oppose each other also complement each other [*xiangfan xiangcheng*]’.

However, it fell to Deng Xiaoping to develop contradiction analysis in a range of government policies. Among these was the unique concept of ‘one country, two systems [*yiguo-liangzhi*]’. By this, Deng meant China as one country with its borders, political structure and social structure, and two systems (fully *zhidu*), by which he meant two economic systems. Thus, Hong Kong, Macao and Taiwan would be able to continue their capitalist systems for a time, while the mainland developed its socialist economic system.

This is precisely where former colonisers such as the UK misunderstand ‘one country, two systems’. They see the systems in question as political, in terms of governance, with Hong Kong following a Western bourgeois model, while the mainland follows a system of socialist democracy, or the dictatorship of the proletariat. Clearly, this is a mistake: for Deng Xiaoping and his comrades, the systems (*zhidu*) referred to the economic base, to socialism and capitalism, and not to the superstructural dimension of governance.

## Deng Xiaoping on Hong Kong

Thus, the national security law of 2020 reinforces the ‘one country, two systems’ approach, entailing what many are now calling the ‘second return’ of Hong Kong to the mainland.

A few quotations from Deng Xiaoping are in order, highlighting the ‘one country, two systems’ approach. It was clearly an audacious theoretical and practical breakthrough that had never been tried before now. I have organised the quotations under distinct topics. They mainly come from the long period of negotiations over Hong Kong’s return to China during the 1980s. Throughout, we should remember that Hong Kong was stolen by the British Empire 150 years earlier, and that it was a colony without freedoms or elections for the whole time.

### **Basis in Marxism**

Deng Xiaoping was clear that the concept arose from the Marxist method, which in China – refreshingly – is still known as dialectical materialism as the philosophical system and historical materialism as its concrete application.

If the concept of ‘one country, two systems’ has international significance, that should be attributed to Marxist dialectical materialism and historical materialism or, in the words of Chairman Mao Zedong, to the principle of seeking truth from facts.

Our socialist system is a system with Chinese characteristics. One important characteristic is our way of handling the question of Hong Kong, Macao and Taiwan, or the ‘one country, two systems’ policy. This is something new. It was created not by the United States, Japan, the Soviet Union or any European country, but by China; that is why we call it a Chinese characteristic.

### **Socialist and capitalist systems**

As mentioned earlier, the two systems refer to a socialist system and a capitalist system, which is a rather extraordinary development of contradiction analysis. The systems could work together in one country, and should be managed so as not to become antagonistic.

We are pursuing a policy of ‘one country, two systems’. More specifically, this means that within the People's Republic of China, the mainland with its one billion people will maintain the socialist system, while Hong Kong and Taiwan continue under the capitalist system.

There are also two aspects to the policy of ‘one country, two systems’. One is that the socialist country allows certain special regions to retain the capitalist system – not for just a short period of time, but for decades or even a century. The other is that the main part of the country continues under the socialist system. Otherwise, how could we say there were ‘two systems’? It would only be ‘one system’.

## Deng Xiaoping on Hong Kong

Our policy towards Hong Kong will remain the same for a long time to come, but this will not affect socialism on the mainland. The main part of China must continue under socialism, but a capitalist system will be allowed to exist in certain areas, such as Hong Kong and Taiwan.

Note here that Deng nearly always included Taiwan island and Macao when speaking of one country, two systems. At times, he spoke of Taiwan island – ‘which the United States regards as its unsinkable aircraft carrier’ – more directly:

There are many disputes in the world, and we must find ways to solve them. Over the years I have been considering how those disputes could be solved by peaceful means, rather than by war. The plan we have proposed for reunifying the mainland with Taiwan is fair and reasonable. After reunification, Taiwan can go on practising capitalism while the mainland maintains socialism, all within the same unified China. One China, two systems. The same approach will be applied to the Hong Kong question – one China, two systems.

Indeed, the ‘idea of “one country, two systems” had first been suggested not in connection with Hong Kong but in connection with Taiwan’.

At the same time, Deng was realistic about how Taiwan island would be normalised within China:

Recently a foreigner asked me whether we would adopt a policy for the settlement of the Taiwan question similar to our policy for the resolution of the Hong Kong question. I said that in the case of Taiwan our policy would be even more flexible. By more flexible I mean that in addition to the policies used to settle the Hong Kong question, we shall allow Taiwan to maintain its own armed forces. While we shall persevere in our efforts to solve the Taiwan question by peaceful means, we have never ruled out the possibility of using non-peaceful means. We cannot make a commitment like that. What should we do if the Taiwan authorities refuse to negotiate with us forever? Can we give up on the reunification of our country? Of course, there can be no question of using force rashly, because we have to devote our energies to economic development, and if the question of reunification is postponed, that will do no harm to the overall situation. But we cannot rule out the use of force – that is something we must bear in mind, and so must the next generation. This is a strategic consideration.

### **Sovereignty**

China shares with other former colonies and semi-colonies of European powers a new approach to sovereignty: it is an anti-colonial sovereignty predicated on the non-interference by other countries within one’s own. This position is expressed in the United Nations’ ‘Declaration on the Granting of Independence to Colonial Countries and Peoples’ from 1960, which was initially sponsored by the Soviet Union and supported by all

formerly colonised countries in Asia and Africa. In this declaration, sovereignty is understood as a fundamental right.

In regard to Hong Kong, Deng Xiaoping observes:

On the question of sovereignty, China has no room for manoeuvre. To be frank, the question is not open to discussion. The time is ripe for making it unequivocally clear that China will recover Hong Kong in 1997. That is to say, China will recover not only the New Territories but also Hong Kong Island and Kowloon.

Later, Deng points out in relation to the unequal treaties forced on China in the nineteenth century and which the People's Republic does not recognise:

When Mrs. Thatcher came to hold talks with us two years ago, she insisted that according to international law a treaty once signed remains valid and that Britain would continue its administration of Hong Kong after 1997. I told her that sovereignty was not negotiable and that China would recover the whole of Hong Kong in 1997.

## Governance

What about the question of governance in Hong Kong. Not only is Deng Xiaoping fully aware that Hong Kong never had a Western style bourgeois democracy, but that such a parliamentary approach, which arose in the specific conditions of Europe, does not transfer well to other parts of the world. In hindsight, we can now see that the efforts to impose bourgeois democracy on former colonies has either failed or led to another form that may be called 'colonial democracy'. More of that elsewhere, but here is Deng Xiaoping on the form of governance for Hong Kong:

Now I should like to say something more about the drafting of the basic law. I have said the law should not be weighed down with too much detail. Furthermore, Hong Kong's system of government should not be completely Westernised; no Western system can be copied *in toto*. For a century and a half Hong Kong has been operating under a system different from those of Great Britain and the United States. I am afraid it would not be appropriate for its system to be a total copy of theirs with, for example, the separation of the three powers and a British or American parliamentary system. Nor would it be appropriate for people to judge whether Hong Kong's system is democratic on the basis of whether it has those features.

Would it be good for Hong Kong to hold general elections? I don't think so. For example, as I have said before, Hong Kong's affairs will naturally be administered by Hong Kong people, but will it do for the administrators to be elected by a general ballot? We say that Hong Kong's administrators should be people of Hong Kong who love the motherland and Hong Kong, but will a general election necessarily

## Deng Xiaoping on Hong Kong

bring out people like that? Not long ago the Governor of Hong Kong, Sir David Wilson, said that things should be done gradually, a view that I think is realistic. Even if a general election were to be held, there would have to be a transition period – it would have to be a gradual process.

In the course of their work we shall have the opportunity to identify professionally competent people to use for the administration of Hong Kong after 1997. There is only one requirement for participants: they must be patriots, that is, people who love the motherland and Hong Kong. After 1997 the administrators will adhere to the capitalist system, but they must not do anything that is detrimental to the interests of the motherland or of the compatriots in Hong Kong ... The administrators will be elected by the people there and then appointed by the Central Government; they will not be sent by the Central Government.

### International Significance

Deng was also aware that 'one country, two systems' was 'something new, without precedence in world history':

New problems must be solved by new means. The successful settlement of the Hong Kong question may provide useful elements for the solution of international questions. Has any government in the history of the world ever pursued a policy as generous as China's? Is there anything recorded in the history of capitalism about any Western country doing something similar? When we adopt the policy of "one country, two systems" to resolve the Hong Kong question, we are not acting on impulse or playing tricks but are proceeding from reality and taking into full account the past and present circumstances of Hong Kong.

On the basic law of Hong Kong:

After almost five years of hard work, you have produced a law that is of historic and international significance. By historic I mean it is significant not only for the past and the present but also for the future. By international and far-reaching I mean it is significant not only for the Third World but for all humankind. This document is a creative masterpiece.

### Disturbances

Finally, the question of disturbances in Honk Kong and the role of the central government in dealing with such disturbances. Deng Xiaoping was experienced enough to know there potentially be problems, fostered by some outside and within Hong Kong SAR – as has been the case in 2019-2020.

As the following quotation makes clear, Deng saw through the veiled threat from Margaret Thatcher already in 1982:

## Deng Xiaoping on Hong Kong

We even considered the possibility of something we would hate to see happen – that is, we considered what we should do if serious disturbances occurred in Hong Kong during the 15-year transition period (1982-1997). The Chinese government would then be compelled to reconsider the timing and manner of the recovery. If the announcement of the recovery of Hong Kong has, as Madam [Thatcher] put it, ‘a disastrous effect’, we shall face that disaster squarely and make a new policy decision.

A little later:

We should not fear all interventions; intervention in some cases may be necessary. The question is whether it is good or bad for the interests of the people of Hong Kong and for prosperity and stability there. Now it seems that there will be good order in Hong Kong for the 13 years from 1984 to 1997 and for another 50 years after that. I am confident of this. But we should not think there are no potentially disruptive forces. These forces may come from any direction. If there are disturbances in Hong Kong, the Central Government will intervene. If intervention puts an end to disturbances and brings about order, should we welcome or reject it? We should welcome it. That is why we need to make a concrete analysis of everything.

Again:

Some people are worried about possible disturbances in Hong Kong. If there are any disturbances, there will have to be intervention. Not only the Central Government but also the people in Hong Kong will have to take action. There are bound to be people who make trouble, but we must not let them get the upper hand.

With regard to the Sino-British Joint Declaration, not only do we know that we shall abide by it, but we are also convinced that the British will do the same, and we are still more convinced that our Chinese compatriots in Hong Kong will do so too. However, we should keep in mind that there are bound to be people who do not want to abide by it strictly. There will be certain factors that might cause disturbances, disorder and instability. To be honest, these factors will not come from Beijing, but we cannot exclude the possibility that they exist inside Hong Kong or that they will come from certain international forces. International reaction to the Joint Declaration has been favourable. When people talk about possible changes, they always speculate about the possibility that Beijing will change its policy, never about the possibility that others will change theirs. So long as our compatriots in Hong Kong unite and choose good political figures to administer the territory, they should not be afraid of changes, and they can prevent disturbances. And even if there are disturbances, they will be minor ones and can be dealt with easily.

The most extensive observation comes from 1987, which I quote in full:

There is another point that I should make clear. Don’t ever think that everything would be all right if Hong Kong’s affairs were administered solely by Hong Kong people while the Central Government had

## Deng Xiaoping on Hong Kong

nothing to do with the matter. That simply wouldn't work – it's not a realistic idea. The Central Government certainly will not intervene in the day-to-day affairs of the special administrative region, nor is that necessary. But isn't it possible that something could happen in the region that might jeopardise the fundamental interests of the country? Couldn't such a situation arise? If that happened, should Beijing intervene or not? Isn't it possible that something could happen there that would jeopardise the fundamental interests of Hong Kong itself? Can anyone imagine that there are in Hong Kong no forces that might engage in obstruction or sabotage? I see no grounds for taking comfort in that notion. If the Central Government were to abandon all its power, there might be turmoil that would damage Hong Kong's interests. Therefore, it is to Hong Kong's advantage, not its disadvantage, for the Central Government to retain some power there.

You should soberly consider this point: Isn't it possible that there might some time arise in Hong Kong a problem that could not be solved without Beijing's intervention? In the past when Hong Kong ran into a problem there was always Britain that could intervene. There will always be things you will find hard to settle without the help of the Central Government.

It is the policy of the Central Government that the interests of Hong Kong should not be harmed, and we also hope that nothing will happen in Hong Kong itself that will harm its interests or the interests of the country as a whole. But what if something did happen? I should like to ask you to think this over and take it into consideration when drafting the basic law. You should also consider a few other things. For example, after 1997 we shall still allow people in Hong Kong to attack the Chinese Communist Party and China verbally, but what if they should turn their words into action, trying to convert Hong Kong into a base of opposition to the mainland under the pretext of 'democracy'? Then we would have no choice but to intervene. First the administrative bodies in Hong Kong should intervene; mainland troops stationed there would not necessarily be used. They would be used only if there were disturbances, serious disturbances. Anyway, intervention of some sort would be necessary.

### **History of Negotiations over Hong Kong's Return to China**

The following is a detailed history of the negotiations over the 1980s and 1990s concerning the return at last of Hong Kong to China. You can see that UK did everything it could to prevent the process and even tried to booby-trap Hong Kong after the return. But Deng Xiaoping would have nothing of it, for he was a man known to be able to 'thump the table'. The following account comes from a lengthy footnote in the third volume of Deng's selected writings.

The region of Hong Kong (comprising Hong Kong Island, Kowloon and the New Territories) has been part of China's territory since ancient times. In 1840 Britain launched the Opium War against China, and in 1842 it forced the Qing government to sign the Treaty of Nanjing, according to which Hong Kong Island was permanently ceded to

Britain. In 1856 the Anglo-French forces launched the second Opium War, and in 1860 Britain forced the Qing government to conclude the Convention of Beijing, under which the tip of the Kowloon Peninsula was likewise permanently ceded to Britain. Taking advantage of moves by other powers to stake out spheres of influence in China, in 1898 Britain once again forced the Qing government to sign a treaty, the Convention for the Extension of Hong Kong. Under this convention Britain was granted a 99-year lease on a large stretch of land on the Kowloon Peninsula and more than 200 surrounding islets (referred to as the 'New Territories'), a lease that was due to expire on June 30, 1997. The Chinese people have always been opposed to the three unequal treaties.

Since the founding of the People's Republic of China, the consistent position of the Chinese government has been that Hong Kong is part of China's territory. It does not recognise the three unequal treaties imposed on China by the imperialist power and has always held that the question of Hong Kong should be settled through negotiation when conditions were ripe and that until that time the status quo should be maintained.

After the Third Plenary Session of the Eleventh CPC Central Committee, held in December 1978, the Chinese people began to work on the three major tasks of realising socialist modernisation, achieving the reunification of the motherland, and opposing hegemonism and safeguarding world peace. Deng Xiaoping proposed that the Taiwan and Hong Kong questions be resolved in accordance with the concept of 'one country, two systems'. Meanwhile, as the year 1997 drew nearer, Britain kept exploring China's position on the Hong Kong question. Under these circumstances, the conditions for settling the question were ripe.

The talks held by the Chinese and British governments for this purpose were divided into two stages. In the first stage, between September 1982, when British Prime Minister Margaret Thatcher visited China, and June 1983, the talks centred on overall principles and procedures. In the second stage, between July 1983 and September 1984, delegations of the two governments held 22 rounds of talks on specific substantive issues.

On September 24, 1982, Deng Xiaoping met with Mrs. Thatcher. The Chinese Premier had already talked with her earlier. On that occasion the Premier had officially notified Britain that the Chinese government had decided to recover the entire Hong Kong area in 1997. At the same time, he had explained that after that China would apply special policies towards Hong Kong. For example, a Hong Kong Special Administrative Region would be established, Hong Kong would be administered by its local Chinese people and its current social and economic systems and way of life would remain unchanged. However, Mrs. Thatcher had insisted that the three unequal treaties should still hold good, saying that if

China agreed to Britain's continued administration of Hong Kong after 1997, Britain would take China's claim to sovereignty over the territory into consideration.

It was in response to these remarks that Deng Xiaoping had an important talk with Mrs. Thatcher. Thanks to this talk, the two sides agreed to hold negotiations on the settlement of the Hong Kong question through diplomatic channels. During the next six months, because the British side stuck to its position on the question of sovereignty over Hong Kong, there was no progress in the negotiations. However, in March 1983 Mrs. Thatcher wrote to the Chinese Premier promising that at a certain stage she would propose to the British Parliament that sovereignty over all of Hong Kong be returned to China. She also expressed the hope that the two sides would hold substantive talks at the earliest possible date. In April the Chinese Premier wrote her back, saying that the Chinese government agreed to hold formal talks as soon as possible.

On July 12 and 13, 1983, delegations of the Chinese and British governments held their first round of talks. Because the British delegation still insisted that Britain should continue to administer Hong Kong after 1997, no progress whatever was made in the first four rounds of talks. In September 1983, when Deng Xiaoping met with the visiting former Prime Minister Edward Heath, he said that it was impossible for Britain to exchange sovereignty for the right of administration. He advised the British side to change its attitude, so that China would not have to announce unilaterally the principles and policies for resolving the Hong Kong question. In October 1983 the British Prime Minister wrote to the Chinese government, saying that the two sides could negotiate arrangements of lasting value for Hong Kong on the basis of China's proposals. In the fifth and sixth rounds of talks, the British negotiators confirmed that they would no longer insist on British administration of Hong Kong or seek condominium in any form. They said they understood that China's plan was based on the premise that both sovereignty over all of Hong Kong and the right to administer it would be returned to China in 1997. Thus, the main obstacles in the Sino-British talks began to be cleared away.

Starting with the seventh round of talks in December 1983, negotiations were conducted on the basis of the Chinese government's fundamental principles and policies for resolving the Hong Kong question. According to these, the future Hong Kong Special Administrative Region would be directly under the authority of the Central People's Government of the People's Republic. Except in foreign affairs and matters of defence, which would be the responsibilities of the Central Government, the region would enjoy a high degree of autonomy. The Central Government would station troops in the region for its defence. The government of the region would be composed of local inhabitants, and

British and other foreign nationals might serve as advisers or hold posts up to the level of deputy secretary in some government departments.

During the discussions, although the British had explicitly undertaken not to put forward any suggestions that would contravene China's position on sovereignty, they kept raising proposals that did exactly that. For example, by trying time and again to replace 'a high degree of autonomy', the language proposed by the Chinese, with 'maximum autonomy', the British sought to prevent Hong Kong's being placed directly under the authority of the Central Government. They demanded repeatedly that the Chinese undertake not to station troops in Hong Kong, thus trying to restrict China in its exercise of sovereignty. In an attempt to make the future Special Administrative Region a member or quasi-member of the British Commonwealth, they also insisted that Britain should be represented in Hong Kong not by a consul-general, as other countries were, but by 'a British commissioner'. In addition, they proposed that expatriate officials holding Hong Kong identification cards be eligible for appointment to 'posts up to the highest level of the civil service' and demanded that the Chinese agree to accept intact after 1997 the existing structure of the Hong Kong government, including any changes the British might make in it during the period of transition. And so on. These proposals from the British side were, in essence, designed to turn Hong Kong into an independent or semi-independent political entity subject to Britain's influence, and they were diametrically opposed to China's stand on sovereignty. Naturally, the Chinese side resolutely rejected them.

Beginning from the 12th round of talks in April 1984, the two sides discussed the arrangements for Hong Kong during the period of transition and matters relating to the transfer of government.

One of the most difficult problems encountered during the negotiations was the question of establishing a joint Sino-British body in Hong Kong. The Chinese side suggested arrangements for the transition period and set forth its basic ideas about the transfer of government, proposing that a permanent joint group be established in Hong Kong. The tasks of the group would be to coordinate the implementation of the Sino-British agreement and to discuss specific measures for realising the smooth transfer of government. This proposal met with strong opposition from the British side, which held that the period until 1997 should not be officially designated as the 'transition period' and that no permanent bodies whatever should be established, so as not to create the impression of Sino-British condominium.

In April 1984 British Foreign Secretary Sir Geoffrey Howe visited China. When meeting with him, Deng Xiaoping said that as there was much to be done during the transition period, it was essential to set up a joint body. He added that it could be based in Hong

Kong but meet by turns in Hong Kong, Beijing and London. The Foreign Secretary agreed that the two sides could hold discussions on the basis of these remarks. But in the next three or four months, the British still opposed the establishment of a joint group in Hong Kong, bringing the talks to a deadlock. When the Foreign Secretary visited China again in July of the same year, the Chinese stated that if the British agreed to establish a joint group and make Hong Kong its principal base, the date when it should take Hong Kong as its principal base and the question of prolonging its existence for a period of time after 1997 would be open to discussion. Finally, the two sides agreed to establish a joint liaison group which would make Hong Kong its principal base starting on July 1, 1988, and be abolished on January 1, 2000.

Through negotiations, China and Britain decided that in their agreement it should be explicitly stated that China would recover Hong Kong and resume the exercise of sovereignty over it. As the British side did not accept the Chinese side's wording 'resume the exercise of sovereignty', it put forward several alternatives on different occasions. However, because all these formulations implied that the three unequal treaties still held good, they were rejected by the Chinese. Finally, the two sides agreed that the form of a 'joint declaration' should be used and that it would be worded as follows: 'The Government of the People's Republic of China ... has decided to resume the exercise of sovereignty over Hong Kong with effect from 1 July 1997. The Government of the United Kingdom declares that it will restore Hong Kong to the People's Republic of China with effect from 1 July 1997'. In this way the question of wording with regard to sovereignty was resolved.

After that, the British and Chinese delegations held three more rounds of talks dealing with specific, complex policy and technical questions, such as nationality, civil aviation and land. They repeatedly discussed the wording of the future agreement. By September 18, 1984, the two sides had agreed on all questions, and on September 26 they initiated the 'Sino-British Joint Declaration' and its three annexes. Thus, after two years the negotiations on the question of Hong Kong came to a successful conclusion. On December 19, 1984, in Beijing, the heads of the Chinese and British governments officially signed the document. On May 27, 1985, the two governments exchanged instruments of ratification in Beijing, and the Joint Declaration officially entered into force.