# 5 Political Changes and Tourism in the 'Other Chinas'

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### Introduction

There has been a continual relaxing of restrictions imposed on Chinese citizens' travel abroad by the government of the People's Republic of China (PRC or 'Mainland China') since the beginning of the 'open door' policy in the late 1970s, bringing unprecedented opportunities for Chinese to travel abroad. Also, because of the rapid growth of the Chinese economy in the same period, an increasing proportion of the country's population has acquired the financial means for international leisure travel. The PRC has become the world's largest source market for international tourists, and recent decades have seen a massive influx of Chinese tourists to many of the world's popular tourism destinations (UNWTO, 2016).

Mainland Chinese tourists have also gained newfound access to destinations within 'greater China', areas historically within the Chinese cultural sphere yet which, for various reasons, have been politically disenfranchised from the Mainland for decades or even centuries, and have only recently become accessible to Mainland Chinese travelers, due to political rapprochement or re-integration. As with more distant destinations, Chinese tourists have also been taking advantage of the opportunity to visit these places in large numbers. These destinations include the former European colonial outposts of Hong Kong and Macao, both of which were repatriated as 'Special Administrative Regions' (SARs) of China in the closing years of the 20th century, and the island nation of Taiwan (officially referred to as 'Chinese Taipei' by the PRC, which does not acknowledge its independence), which separated from China in 1949 but which has been gradually re-establishing channels of contact with the Mainland.

This chapter will explore the course of development of Mainland Chinese tourism to these three destinations. It will also analyze the ways in which this development is related to the complex and interrelated political, social, cultural and economic dimensions of the ongoing process of negotiation of the relationship between the Chinese Mainland and these distinct entities, whose identities are an integral facet of a greater Chinese identity, but each distinct in its own right.

## Hong Kong

#### A hybrid identity

A territory located along the southeast coast of the PRC, bordering the South China Sea and China's Guangdong Province, Hong Kong was a British colony for 156 years, and was returned to China on 1 July 1997, to become a Special Administrative Region (SAR) of China under 'one country, two systems', as a constitutional principle formulated by then PRC President Deng Xiaoping. As of 2014, the population of Hong Kong was 7.24 million, on an area of just over a thousand square kilometres, with a population density of 6,690 people per square kilometre, making it one of the most densely populated territories in the world. The SAR's top political officer, the Chief Executive, is appointed by a committee selected by the PRC national government. Hong Kong is the main gateway to Mainland China for international travellers, both for business and for leisure tourism. Around 60 million tourists came to Hong Kong in 2014, and visitor arrivals are projected to reach 100 million by 2023 (Nip and Chan, 2014).

As a colony, Hong Kong gained a reputation as an international and cosmopolitan city with a business-friendly environment, rule of law, free market economy and liberalization of investment, and with no trade barriers; and it has continued to maintain and promote this image since the handover. This reputation is bolstered by the fact that, as a condition of the handover agreement between the UK and the PRC, Hong Kong is governed by the Basic Law (Hong Kong Government, 1984) stipulating that it will retain its own currency, parliamentary system, and legal system until 2047.

This exceptionalism is at the core of the issue of Hong Kong identity, which has been a subject of much scholarly attention and debate (Chun, 1996; Flowerdew, 2004; Fong, 2010; Matthews *et al.*, 2008). Ninety-five percent of Hong Kong's population is ethnic Chinese, most of whom either came to Hong Kong – mostly from neighbouring Guangdong Province – to flee repressive Communist rule during the time of the British colony, or are the descendants of such migrants (Flowerdew, 2004). Under colonial rule, contact with Mainland China was minimal, and a Hong Kong identity emerged, distinct from that of Mainland China (*ibid*). In seeking to express the formation of this identity, Chun (1996) stated, "The promotion of utilitarianism and consumerism as a way of life… broke down rigid distinctions between Chinese and Western culture. Thus, Hong Kong's hybrid culture which seems to effortlessly fuse East and West was brought about by unrestrained capitalism's wholesale demystification of those cultural barriers that has been fostered by an earlier colonialism."

Hong Kong people tend to see themselves as more Westernized, sophisticated and civilized than Mainland Chinese (Ma and Fung, 1999). For this reason, there is tension between Chinese government efforts towards the gradual reintegration of Hong Kong into Mainland China and apprehension among Hong Kongers about the consequences if the SAR should eventually lose the legal and societal underpinnings that still make it a 'special case', within China yet distinct. As stated by former Chief Secretary of the HKSAR, Anson Chan Fang On-sang, in an interview with the South China Morning Post (28 October, 2013), "Hong Kong must determine for itself the role it plays in the development of the nation, but should not be content to become just another Chinese city." For Chun (1996), this search for identity is a personal, as well as a political issue, stating that youth brought up in Hong Kong's apolitical culture were also now forced to ask how they were Chinese.

Hong Kong's tourism image is inseparable from its hybrid identity, which is a result of its unique geopolitical and historical circumstances (Zhang *et al.*, 2015). In 1980, tourism was Hong Kong's third largest export industry, bringing in HK\$6,060 million, surpassed only by clothing (HK\$ 23,258 million) and electronics (HK\$ 12,816 million). Because of Hong Kong's free economic system, the SAR government did not intervene or regulate extensively in the free market, including the tourism sector (Tzong-bhu Lin and Yun-wing Sung, 1984).

#### **Courting Chinese tourists**

For much of its history, Chinese tourists were extremely rare in Hong Kong, because of the PRC government's strict control of its citizens' travel outside of the country. However, this gradually changed in the years since the inauguration of the open door policy. Hong Kong and Macao were named in 1983 as the first two destinations to which Mainland Chinese were permitted to travel outside the borders of the PRC (Liu and McKercher, 2014). Package tours to Hong Kong for a designated number of Chinese citizens were allowed soon after the handover in 1997, and in 2002 the Hong Kong Government did away with limits on the number of Chinese visitors, bringing an initial growth in their number, although tourist arrivals fell steeply in 2003 with the outbreak of Severe Acute Respiratory Syndrome (SARS) in nearby Guangdong Province and subsequently Hong Kong.

As a measure to try to encourage more Chinese visitors, on 28 July 2003 the Hong Kong government implemented the 'Individual Visit Scheme' (IVS), to boost the Hong Kong economy after the SARS outbreak, which saw Hong Kong and Macao experience a serious economic downturn in the same year. IVS enabled Mainland Chinese tourists to apply to enter as independent travellers, whereas previously they were required to be members of group tours or business-related delegations. This scheme brought about an increase in numbers of Mainland Chinese tourists and has been one of the main drivers behind the growth of Hong Kong's tourism sector, which has contributed significantly to re-enlivening the territory's post-SARS economy. By 2012 IVS tourism alone was estimated to have added 110,000 jobs to Hong Kong's employment market and to contribute 1.3% of Hong Kong's GDP (Commerce and Economic Development Bureau, 2013). Figure 5.1 illustrates the number of visitor arrivals to Hong Kong, including Mainland Chinese on IVS and Mainland Chinese visitors non IVS, from 1997 to 2013.

At first, the IVS was offered only to residents of four municipalities (Dongguan, Foshan, Jiangmen and Zhongshan) in bordering Guangdong Province, but it was incrementally extended through 2007 and currently includes citizens of all of the cities in Guangdong and major Chinese cities in other provinces. Permanent residents of Shenzhen, which borders Hong Kong directly to the north, have been eligible since 2009 to apply for multiple-entry Individual Visit Endorsements allowing them to visit Hong Kong as often as they like within a year. A cumulative total