



## Chapter 1

# Drafting and Promulgation of the Basic Law and Hong Kong's Reunification with the Motherland

## The “One Country, Two Systems” Principle An Epoch-making Concept

“One Country, Two Systems” is a fundamental state policy formulated by Deng Xiaoping to accomplish the peaceful reunification of China by resolving the sovereignty questions of Hong Kong, Macao and Taiwan arising from a complicated historical background.

Hong Kong has been Chinese territory since ancient times. Based on archaeological findings, ancient Chinese began to settle in Hong Kong from the



*Hong Kong City and Harbour in 1850. ©*



*A famous monument connected to Hong Kong, the Gate Tower of Xin'an County, was built in the Hongwu period of the Ming Dynasty (1368-1389). (Photograph by Zhang Yanhui, courtesy Xinhua News Agency.)*

Neolithic Period, dating back 6,000 years. When China was unified during the Qin Dynasty, Hong Kong came under various local administrative units in the dynasties that followed. In chronological order, Hong Kong had come under Panyu County of Nanhai Prefecture, Bao'an County of Dongguan Prefecture, Bao'an County of



*Old Hong Kong and Harbour. ©*



*In 1840, Britain launched a war against China. Qing troops kept losing ground and were finally defeated in August 1842. The Qing Government and Britain signed the first unequal treaty in the modern history of China—the Treaty of Nanjing. (Photo courtesy Xinhua News Agency.)*

Guangzhou Prefecture, Dongguan County of Guangzhou Prefecture, and finally Xin'an County of Guangzhou Prefecture in the Qing Dynasty.

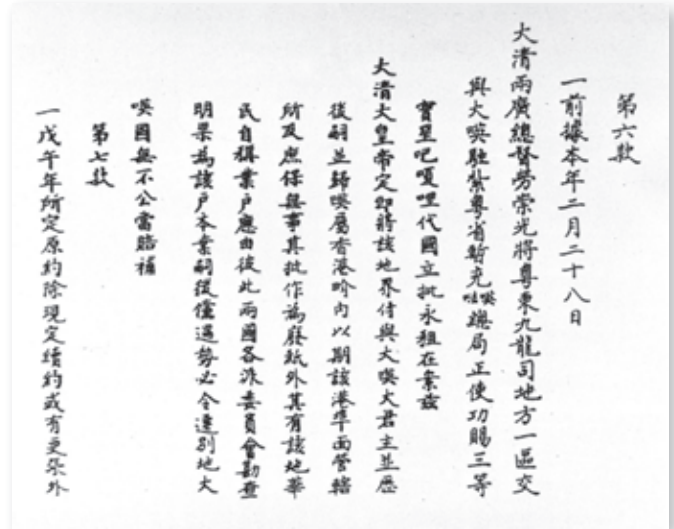
In the mid-19th century, the corrupt and incompetent Qing Government was incapacitated. From 1840 when Britain launched the First Opium War to 1860, the Qing Government was forced to sign the Treaty of Nanjing (1842) and the Convention of Beijing (1860), which respectively ceded Hong Kong Island and Kowloon peninsula south of Boundary Street to Britain. In 1898, Britain compelled the Qing Government to sign the Convention for the Extension of Hong Kong, forcibly “leasing” the New Territories for a period of 99 years up to 30 June 1997. This Convention gave the British Government full control over their long coveted Hong Kong. British administration of Hong Kong began from then on.

Neither the Chinese people nor successive governments since the 1911 Revolution recognised the three unequal treaties imposed by Britain. Before the founding of the New China, the leaders of the Communist Party of China (CPC) had already established the policy that, as a matter of principle, the privileges enjoyed by the imperialists must be withdrawn and the independence and liberation of the Chinese people must be realised. The implementation must however take into account the nature of the problems and the actual circumstances.

As the timing was inopportune, China's first generation leaders, represented by Mao Zedong and Zhou Enlai, decided to retain the status quo for Hong Kong rather than taking it back immediately. When talking about the question of Hong Kong in August 1954, Zhou Enlai declared that “*the vast majority of Hong Kong residents are Chinese. They see Hong Kong as a part*



The transcript of the Treaty of Nanjing, now in the First Historical Archives of China, included a provision on ceding Hong Kong to Britain. (Photo courtesy Xinhua News Agency.)



In 1857, Britain and France launched a war against China. In 1860, Anglo-French allied troops captured Dagu, Tianjin and Beijing, forcing the Qing Government to sign the Convention of Beijing. Picture shows the paragraph in the Convention ceding the Kowloon peninsula to Britain. (Photo courtesy Xinhua News Agency.)

of China.” He went on to say: “However, as the timing is still not yet ripe, we will not raise the issue.” Three years later, Zhou unveiled the strategy of maintaining the status quo of Hong Kong to “serve our need”, explaining:

*“Hong Kong is a free port with good connections with other parts of the world. As the purchase of equipment can be paid by instalment, production costs are low and there is a good market to train technical talents....Aren't we mobilising all forces to turn disadvantages into advantages? Hong Kong should serve as a useful port for our economy.”*

While building up socialism in the Mainland, the state leaders decided that Hong Kong should be used as a base for China to link up with the outside economy, by attracting foreign investments and foreign exchange through Hong Kong. They believed that “the preservation and expansion of Hong Kong as a base has its merits”.

In 1960, summarising the experience of the first decade of the founding of the New China, Zhou Enlai suggested a clear principle of “taking long-term views and taking full advantage” in tackling the questions of Hong Kong and Macao. “Taking long-term views” meant that the Central People’s Government (CPG) would not immediately resume the exercise of sovereignty over Hong Kong, while “taking full advantage” meant that the CPG should fully capitalise on Hong Kong’s special position to serve Chinese socialism, China’s strategy on foreign diplomacy and its policy on Taiwan.

This principle of “maintaining the status quo of Hong Kong” did not, by any means, imply a weakness on the part of the CPG’s position on the



*On 25 October 1971, the United Nations General Assembly adopted its 26th Resolution restoring all lawful rights of the People's Republic of China with an overwhelming majority. (Photo courtesy Xinhua News Agency.)*

question of Hong Kong. The CPG has never yielded on principles concerning national interest, national sentiment and national dignity. Hence China has never recognised the three unequal treaties on Hong Kong imposed by Britain. The CPG had reiterated on many occasions its firm position that Hong Kong was part of China and that the CPG “shall resume the exercise of sovereignty” when conditions are right.

In March 1963, the CPG declared that “the questions of Hong Kong and Macao were caused by a series of unequal treaties imposed by the imperialists in the past.” With regard to these questions, “our consistent position is that they should be resolved by peaceful negotiations when conditions are ripe.”

*“Before these questions are solved, the status quo of Hong Kong, Kowloon, Macao and other boundary disputes should be maintained. It is unnecessary for Chinese people to display their steadfastness by fighting against the imperialists with a show of force.” (Editorial, People’s Daily, 8 March 1963)*

In the mid-20th Century, the international situation was such that Britain aligned its policy towards China with that of the United States, refusing to respect China’s sovereignty and territorial integrity. As a result, Sino-British relations remained stagnant, and the question of Hong Kong was never placed on any agenda.

In the early 1970s, when the United States was engaged in the quagmire of the Vietnam War, Secretary of State Henry Kissinger visited Beijing with the



expressed purpose of improving relations with China. This brought about a new opportunity to ease tensions between China and Western countries. Assessing the situation well, the CPG, in 1971, embarked on the famous “ping-pong diplomacy”, a big step towards improving Sino-US relations.

On 25 October 1971, the United Nations General Assembly adopted its 26th Resolution restoring all lawful rights of the People’s Republic of China (PRC) .

The following February, US President Richard Nixon visited China, during which he confirmed his country’s “One China” position. The two sides issued the Sino-U.S. Joint Communiqué in Shanghai, normalising relations between the two countries. On 13 March 1972, China and Britain reached an agreement on establishing diplomatic relations.

On 10 March 1972, three days before issuing the Sino-British Communiqué on normalising relations, China’s Permanent Representative to the United Nations, Huang Hua, sent a letter to the Chairman of the UN Special Committee on Decolonisation, reiterating the position of the CPG that “*Hong Kong and Macao are territories of China occupied by the British Government and Portuguese Government, and the questions of Hong Kong and Macao are matters entirely within the sovereignty of China, and are different from other colonies.*” The letter added: “*The CPG had held the consistent position that the questions of Hong Kong and Macao should be solved by peaceful negotiation when conditions are ripe. The United Nations has no right to deliberate on this issue.*”

*On 21 February 1972, US President Richard Nixon visited China, opening a new era of relations between the two countries. In the picture, Zhou Enlai, Ye Jianying and Li Xiannian welcomed Nixon at Capital Airport. (Photograph by Du Xiuxian, courtesy Xinhua News Agency.)*



China's position was supported by developing countries. In November that year, the United Nations General Assembly adopted its 27th Resolution by an overwhelming majority of 99 ayes to five nays (the United States, Britain, France, Portugal and South Africa), which endorsed China's position and determined that the United Nations and individual nations should not intervene in the issues of Hong Kong and Macao.

With international opinion on the question of Hong Kong turning to China's advantage, the CPG's position was becoming increasingly clear. At meetings with foreign guests, Zhou Enlai clearly stated that the future of Hong Kong must be determined and that China and Britain must hold talks on the lease due to expire. In May 1974, when Mao Zedong met British Prime Minister Edward Heath, they agreed that "there should be a smooth handover of Hong Kong in 1997".

### **Evolution of the "One Country, Two Systems" Principle**

The "One Country, Two Systems" principle, under consideration since the 1970s, was put forward initially to resolve the question of Taiwan, although it was first used to settle the issue of Hong Kong.

At the Third Plenary Session of the Eleventh Central Committee of the CPC held in Beijing on 18 December 1978, three important missions were proposed: establishing world peace, accomplishing national reunification and speeding up modernisation in four areas: industry, agriculture, defence, and science and technology. The resolution of the questions of Taiwan, Hong Kong and Macao was put on the agenda at this time.



*Picture shows President Mao Zedong meeting British Prime Minister and Leader of the Conservative Party Edward Heath. (Photograph by Du Xiuxian, courtesy Xinhua News Agency.)*



*In September 1981, the standing committee members of the Taiwan Democratic Self-Government League held a meeting to uphold the Nine Principles proposed by Ye Jianying to achieve Chinese peaceful reunification. (Photograph by Li Guangyou, Courtesy Xinhua News Agency.)*

On New Year's Day of 1979, the Standing Committee of the National People's Congress (SCNPC) published A Message to Compatriots in Taiwan which, for the first time, declared to the international community the major policy of the PRC to strive for peaceful national reunification. Soon after, during his visit to the United States, Deng Xiaoping publicly declared that *"we will respect the realities and current systems there so long as Taiwan returns to the Motherland."* This was the first time a national leader had articulated the idea of "One Country, Two Systems" which could be followed within the sphere of one nation.

Marshal Ye Jianying, Chairman of the SCNPC, issued An Address to Taiwan Compatriots on 30 September 1981, clearly spelling out nine principles to facilitate peaceful national reunification ("Ye Jianying's Nine Principles"), as well as the specific means of implementing the concept of "One Country, Two Systems".

On 11 January 1982, Deng Xiaoping first proposed the idea of solving the Taiwan question into a specific concept – "One Country, Two Systems". He said:

*"The Nine-Point Proposal was put forward in the name of Vice-Chairman Ye, which in essence can be generalised as 'One Country, Two Systems'. Two different systems are allowed to co-exist...By and large, the relevant policies may be applied not just to Taiwan, but also to Hong Kong."*

It was the first time that both Deng and other Chinese leaders officially announced the "One Country, Two Systems" concept in public.





*During his meeting with Governor Crawford Murray Maclehoose, Deng Xiaoping made it clear that China would resume the exercise of sovereignty over Hong Kong. (Photograph by Xu Zhicheng, courtesy Xinhua News Agency.)*

In September 1982, British Prime Minister Margaret Thatcher made a state visit to China. During their meeting, Deng stated clearly that:

*“To maintain Hong Kong’s prosperity basically depends upon our proposals that China will adopt the policies that are fit for Hong Kong after she resumes the exercise of sovereignty over Hong Kong. Hong Kong’s current political and economic systems and even most of its laws can remain unchanged. Certainly, some should be revised and reformed. Hong Kong will still maintain its capitalist system. Many present systems that are suitable should remain unchanged.”*

The “One Country, Two Systems” concept was formulated to maintain the prosperity and stability of Hong Kong, Macao and Taiwan, taking into account their histories and realities.

*“Within a unified PRC, the Mainland practises socialism, while Hong Kong, Macao, and Taiwan practise their existing capitalist systems. The purpose is to accomplish Hong Kong and Macao’s return for peaceful national reunification.”*