

*US-Hong Kong Relations and
the Response to Counter-terrorism*

Simon Shen

香
港
亞
太
研
究
所



HONG KONG INSTITUTE OF ASIA-PACIFIC STUDIES

THE CHINESE UNIVERSITY OF HONG KONG

SHATIN, NEW TERRITORIES

HONG KONG

US-Hong Kong Relations and the Response to Counter-terrorism

Simon Shen

Hong Kong Institute of Asia-Pacific Studies
The Chinese University of Hong Kong
Shatin, New Territories
Hong Kong

About the Author

Dr. Simon Shen is a research assistant professor of the Hong Kong Institute of Asia-Pacific Studies. He received his PhD in politics and international relations from University of Oxford in 2006, and a joint MA in political science and BA in political science and history from Yale University in 2000. He is teaching international relations and globalization at the Department of Government and Public Administration of The Chinese University of Hong Kong. Before joining the Institute, he has taught at the Hong Kong University of Science and Technology and has conducted research for Tsinghua University as a visiting researcher. His research interests include international relations, Chinese nationalism, terrorism and anti-terrorism and globalization. He has contributed to political science and history journals as well as book projects in English, French and Chinese. He is presently the coordinator of the Institute's Documentation Unit and the South China Programme's research project on the external relations of Hong Kong.

Acknowledgements

Research for this paper was kindly funded by a grant from the South China Programme, Hong Kong Institute of Asia-Pacific Studies. The author thanks research assistants Dennis Hui and Charlotte Yeung for their meticulous help.

Opinions expressed in the publications of the Hong Kong Institute of Asia-Pacific Studies are the authors'. They do not necessarily reflect those of the Institute.

© Simon Shen 2006

ISBN-10: 962-441-179-4

ISBN-13: 978-962-441-179-9

All rights reserved. No part of this book may be reproduced in any form without written permission from the author.

US-Hong Kong Relations and the Response to Counter-terrorism

Scholars of Sino-US relations have generally downplayed, if not ignored, the history of the United States' involvement with Hong Kong. This was particularly true during the Cold War. The tendency partly arises because Hong Kong, a non-state actor, is overshadowed on the international stage by East Asian countries such as China, Japan and Korea, with their ability to form various bilateral and multilateral military and strategic ties with other countries. For a long while, Hong Kong was viewed as an “appendage of Sino-British relations” and the level of American interest in the territory was comparatively low (Ye, 2000:3). While the resumption of sovereignty over Hong Kong by China in 1997 represents an important juncture in Chinese diplomatic history, as studies by scholars Ting Wai, Chiu Hungdah and Zheng Yongnian have shown, it is largely unclear what effect this resumption has had on US-Hong Kong relations.¹ This lack of clarity has been accentuated by both the change in American strategic policy since the 9/11 terrorist attacks and the absence of threats stemming from Hong Kong.

It is believed that studying US-Hong Kong relations in the twenty-first century presents a unique challenge, as such relations involve dynamic and probably, asymmetrical interactions between a superpower and a non-sovereign, incomplete political entity. US policy towards Hong Kong may be of low priority on the US policy-making agenda, but this does not mean that it can be overlooked. US-Hong Kong relations are instrumental in shaping and projecting the larger bilateral relations between China and the US. This paper explores US-Hong Kong relations and the response to counter-terrorism in the wake of 9/11. In particular, we suggest that a liberal grand strategy, as theorized by John Ikenberry, was to a certain extent applied when the US formulated its overall policy towards Hong Kong.

An overview of the logic used in American foreign policy introduces the theoretical framework within which the evolution of US-Hong Kong relations is traced and discussed. This is followed by an assessment of the history of US-Hong Kong relations since the end of the Second World War from the liberal grand strategic perspective. Using the same conceptual framework, the paper studies US-Hong Kong relations following the resumption of Chinese sovereignty and discusses the application of this strategy in an age when an imperial grand strategy seems to be America's option of choice, particularly since 9/11. This section also assesses whether Hong Kong has a core or a peripheral role to play in global anti-terrorism efforts. The final section draws attention to both the uniqueness of this liberal grand strategy and its vulnerability to the intrusion of *realpolitik* as far as any interactions between mainland China and Hong Kong are concerned.

Theoretical Framework of John Ikenberry

The history of American economic, political, and security interests in Hong Kong can be traced back to the nineteenth century. The presence in Hong Kong of representatives of American merchant houses, America's alignment with China in combating the opium trade, and the need for a port of call in East Asia are all evidence of this. However, Hong Kong has been of relatively less strategic importance to the US than other countries. As mainland scholars such as Jin Weixing (1998:12) has acknowledged, "Hong Kong's importance to American interests diminished in the course of the nineteenth century. That tendency continued through the first decades, and beyond, in the twentieth century." This was largely the result of a shifting northwards of the strategic focus by the end of the Qing dynasty, the emergence of a Chinese Republic, the warlord era, and a series of turbulent events in domestic politics. It was not until the Second World War that there was a renewal of American interest in the strategic importance of Hong Kong, as a colony of Britain, as

demonstrated by vigorous discussions over the possible use of Hong Kong for military and logistical purposes.

Before explaining post-war developments, we need to explore the rationale for American foreign policy in Hong Kong. In principle, as argued by Samuel Huntington (1982:18-19), “American foreign policy should ... be substantively directed to the promotion of those [liberal] values in the external environment,” whereas “foreign-policy goals should reflect not only the security interests of the nation and the economic interests of key groups within the nation but also the political values and principles that define American identity.” The pull between the two directions can be described as a theoretical debate between realism and liberalism. But a dichotomized answer is not enough: American foreign policy, especially in the aftermath of the Cold War, cannot be thought of as drawing upon only one of these theories; the evolving combination of the two has to be addressed. To this end, in 2004, John Ikenberry and Charles Kupchan (2004) suggested liberal realism as the foundation of American foreign policy. This conceptualization contains three propositions: (1) the US must wield its superior strength in concert with others to ensure that it forestalls rather than invites balancing behaviour; (2) liberal realism entails moving with — rather than against — the secular diffusion of global power (the scope of American primacy will wane as this century progresses, so the ultimate objective should be to channel rising centres of strength into cooperation); and (3) liberal realism rests on a multi-dimensional understanding of power, therefore the US needs to reclaim its moral authority abroad and to make disaffected allies again feel like stakeholders in the international system.

In his earlier studies, Ikenberry (2002b) proposed a similar theoretical framework as an attempt to use liberal means to attain such realist objectives as the advancement of national security. In brief, he argued that “promoting economic interdependence, institutional cooperation, and binding commitments is [an American] secret weapon for creating a stable world political order” (p. 46). To be more specific, in 2000 (prior to 9/11), Ikenberry (2000) argued that such an approach encompassed the five tenets of vision and strategy that are liberal in nature in terms of their theoretical orientations. These

are: (1) democracy and peace; (2) free trade, economic openness, and democracy; (3) free trade, economic interdependence, and peace; (4) institutions and the containment of conflict; and (5) community and identity (pp. 111-22). Central to these normative visions of the world order is the assumption that “the United States is better able to pursue its interests, reduce security threats in its environment, and foster a stable political order when other states — particularly the major great powers — are democracies rather than non-democracies” (p. 103). Evidently, this liberal grand strategy emphasizes the tenable nature of liberal democracy and very much embodies the argument of a democratic peace thesis — that democracies will have a lower tendency to go to war against one another (Owen, 2000). This in turn establishes an orientation that encouraging non-democratic regimes to undergo democratization facilitates peace.

When applying this framework to US-Hong Kong relations, it is important to think of the feasibility of liberal strategy in different contexts. As Ikenberry (2002c:129-30) himself explained, there are geopolitical variations in the extent to which this strategy has been adopted. In large part, these variations can be accounted for by historical context, by the power relations of different countries, and by the American stake in the security of the region concerned. With this in mind, the author advances a number of suggestions that supplement Ikenberry’s framework and argues that there have been at least four favourable conditions that have led America to apply a liberal grand strategy to Hong Kong:

First, there is the commonality of political ideologies and domestic political structure. Drawing on Ikenberry’s framework, the more akin the political ideologies and domestic political structure are between political entities, the more likely the liberal grand strategy is to succeed. While this proposition is similar to the democratic peace thesis, which argues that a liberal domestic political structure facilitates the implementation of a liberal grand strategy, it should be noted that congruence *per se* is already the prerequisite for developing an interaction between different political entities.

Second, there is the issue of relative political power in the international arena between different countries. In other words, the

steeper the gradient of political power, the more feasible will be the application of a liberal grand strategy and the more likely it is that the weaker state will be receptive to the liberal agenda of the stronger side — provided that the latter is able to restrain itself from the excessive exercise of its political power. While strategic restraint will probably give the stronger state more credibility, the strong political power wielded by the stronger state becomes an asset for constructing political order.

Third, the closer the economic relations between political entities are, the more likely it is that a liberal grand strategy will be a tenable option. As Daniel Deudney and Ikenberry (1999:118) have argued, “the expansion of capitalism that free trade stimulates has the effect of altering the goals and character of other states in the international order in a liberal and democratic direction, thus producing a more strategically and politically hospitable system.” A closer economic relationship implies that the effect of altering the political preference of another state is likely to be channelled through the existing state of interdependence within the free-trade framework.

Fourth, the “thicker” the interaction between the political entities, the higher the level of their mutual awareness will be and the greater the trust they will have in one another.² Frequent interaction enables political entities to overcome sectional and parochial interests and establishes the “collectiveness” agreed to by the parties involved. The legitimacy that is derived from vigorous interaction enables the state to earn credibility and legitimacy, thus enhancing national security (Ikenberry and Kupchan, 2004:45).

In addition to discussing Ikenberry’s framework, the paper examines the limitations of its application to US-Hong Kong relations. Specifically, it is the ability of the two theories of “grandnesses” to coexist with one another since Washington’s introduction after 9/11 of an imperial grand strategy that will determine the future of the bilateral relationship.

Historical Context of US-Hong Kong Relations with regard to the Liberal Grand Strategy

Since 1945, the military value of Hong Kong has been overtaken by its

diplomatic value as a bulwark against the southward advancement of communism and as a potential American foothold close to communist China. Various Chinese scholars have argued that Hong Kong had in certain ways become an important base for subverting communist China (Jin, 1998:3; Law, 2001; Wang, 2001:3). To maintain its influence in Hong Kong, the US set up an Information Service in 1949 as part of its consulate general. Among other aims was that of promoting in colonial Hong Kong an understanding of American democratic values. America also applied economic sanctions as a means of controlling the flow of strategic materials that were being absorbed into communist China.

In the 1960s, Hong Kong was of both economic and diplomatic importance to the US. On the one hand, there was an upsurge in economic interactions between America and Hong Kong, and American investment in Hong Kong was significant. On the other, Hong Kong, while still retaining its role as the information centre for America's strategic background probing of communist China, was also used for logistical purposes in the Vietnam War as a rest-and-recreation centre for US naval vessels.

During the late 1970s and throughout the 1980s, the political destiny of Hong Kong was undergoing discussion. An agenda for China's resumption of sovereignty over the territory was tabled during Sino-British negotiations over the future of Hong Kong. "One country, two systems" was proposed as a central principle in the resumption of sovereignty. Wang Weimin (2001:28) has argued that throughout the whole process of negotiations America maintained a low profile. The normalization of Sino-US relations and the fact that the matter of Hong Kong's future was one exclusively between China and Britain have been advanced as the primary reason why the US adopted this political stance.

However, keeping a low profile in the negotiations between China and Britain did not mean that the US was unconcerned about the impact and outcome of the negotiations. America's positive reaction to the final Joint Declaration agreement reaffirmed the immense stake that it had in the future of Hong Kong. At the same time, however, the outstanding issues of democratization and human rights were,

and remain, contentious. As far as the political infrastructure of Hong Kong is concerned, they are a recurring theme (Levin, 1984; Wang, 2001:44-48). Awareness of these two issues was heightened by the Tiananmen incident in 1989, which called into question the credibility of the Chinese government to uphold the “promises” made in the Joint Declaration.

From the 1990s onwards, monitoring the progress of human rights and democracy became the central impetus for a shift towards a policy of active intervention in the internal affairs of Hong Kong. The most obvious intervention has been the enactment of the United States-Hong Kong Policy Act (hereafter, the Policy Act). Granted, it is neither a treaty nor a real act, and it is used to come up with annual review for the US Congressmen about the economic and political development of Hong Kong. Yet, this act still laid very concrete, legally binding foundations for interactions between America and Hong Kong, and paved the way for the exercising of a truly liberal grand strategy both prior to and after the resumption of Chinese sovereignty.

The United States-Hong Kong Policy Act and Beyond: Documenting the Liberal Grand Strategy and its Imperial Development Since 9/11

If the Policy Act is to be understood within the theoretical framework employed in this paper, several points should be noted. First, the Policy Act reaffirms the importance attached to the maintenance of Hong Kong’s entitlement to the civil rights guaranteed by the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights. From the first Policy Act Report to the latest one, released in 2006, the progress of democratic development and human rights in Hong Kong has been monitored. The approach adopted by the US government is summarized as follows:

The United States has strong interests in the protection of human rights and the promotion of democratic institutions throughout the

world. The U.S. is committed to promoting democratic values in Hong Kong, ensuring that the people of Hong Kong have a say in the governance of Hong Kong, and supporting steady advances toward universal suffrage. The Hong Kong people share many values and interests with Americans and have worked to make Hong Kong a model of what can be achieved in a society based on rule of law and respect for civil liberties. (U.S. Department of State, 2005)

The US consul general to Hong Kong, James Cunningham, reaffirmed this by saying that “greater democracy promotes stability because people want accountable and transparent government which takes into account their interests and which abides by law” (Agence France Presse, 2005). Most essentially, he pointed to the very American belief that “stability without democracy is illusory.” This position is more or less in line with the arguments of Richard Stites, the director of the public affairs section of the US consulate general in Hong Kong, whom we interviewed in March 2004.³

The comprehensive reporting on human rights and democratic development has amply demonstrated the US commitment towards these grand liberalist issues. But the rationale for this sort of reporting is that it may highlight the great differences between mainland China and Hong Kong in political structure, norms, and values. This enables America to play the “Hong Kong Card” to push China to adopt more measures to guarantee the civil rights of mainland Chinese, by assimilating those democratic elements that are so central to the success of Hong Kong. The underpinning rationale is that, by so doing, domestic constraints will reduce the tendency for China to engage in aggressive behaviour. As Ikenberry (2000:112) has put it, the belief that “the world wars were caused fundamentally by the rise of illiberal, autocratic states and that American post-war security was dependent on the successful transition of these states to democracy was widespread and at the heart of American foreign policy.” Undeniably, China did sign those international conventions. However, China’s track record, from an American perspective at least, is far from satisfactory. It is hoped that the kind of governance and rights that China permits to be practiced in Hong Kong will encourage China to put into practice in the mainland the principles

embodied in those international conventions to a greater degree than is currently the case.

Another fundamental feature of the liberal grand strategy that is enshrined in the Policy Act is the emphasis on economic openness and freedom, and on the freedom of access to information. America has a historical record of being supportive of the steps taken by Hong Kong to maintain its competitiveness, as exemplified by the privileged treatment given to Hong Kong in economic relations compared with the measures that America has taken towards China. It is certain that both Hong Kong and America have benefited from cooperation within the framework of free trade (Ting, 1997:242-43). Furthermore, the Policy Act embodies the thinking about the implicit benefits of promoting peace. Ikenberry (2000:114) advanced the following logic:

Free trade → Prosperity → Democracy → Peace.

Besides its striking similarities with Kant's democratic peace theory, this logic was echoed by Lawrence H. Summers, the former US Secretary of the Treasury, who associated economic freedom with freedom in other areas that form the foundation for democracy. He noted that, "there is no firewall between economic freedom and freedom in its many other dimensions. The free flow of information is essential to free society, to free markets, and to a strong financial system. It is essential to Hong Kong's prosperity — and to China's — that information flow freely."⁴ The path from economic freedom to peace, though complex, has already been internalized as part of Hong Kong's international personality that must be defended.

Associated with economic freedom is the pre-handover economic interdependence that grew increasingly throughout the late 1990s. Bilateral trade between America and Hong Kong increased from 21 billion in 1994 to 24 billion US dollars in 1997, and American investment in Hong Kong reached 38 billion US dollars in 2004 (Zhang, 2004). Whether such data is really evidence of the ever-growing interdependence of US-Hong Kong economic relations may be debatable, but the history of American investment in

Hong Kong is *prima facie* evidence of how important the reciprocal relations between the two are. Behind the trend for increasing trade is the argument that such a trend will reduce the likelihood of conflict between the US and Hong Kong. However, Dale Copeland (1996:7) has argued that economic interdependence *per se* is an insufficient condition to determine whether peace will be maintained.

Another important variable, the prospects for trade, has to be taken into consideration: “When dependence is high, peace will be promoted only when the state has positive expectations of future trade” (Copeland, 1996:25). The prospects for US-Hong Kong economic relations seem to be more positive than negative. The increasing economic integration of Hong Kong and southern China has highlighted Hong Kong’s position as a springboard into China for trade and investment. Hong Kong is able to provide essential legal, economic, financial, and logistical software for foreign investment in China. The continuation of a low-tax policy and minimal trade barriers also provides favourable conditions to sustain Hong Kong’s competitiveness and trade prospects. All of these factors have been recognized in the 2005 Policy Act Report, which noted that:

Hong Kong remains one of the world’s most open economies, and U.S. companies continued to have a favorable view of Hong Kong’s business environment, including its autonomous and impartial legal system, free flow of information, low taxes, and well-developed infrastructure. The American Chamber of Commerce’s annual business confidence survey of its members, conducted in late 2004, showed that at least 97 percent of respondents anticipated that the business environment would be “good” or “satisfactory” over each of the next three years. U.S. and other foreign companies also continue to find Hong Kong attractive as a headquarters location for China and the wider Asia region. (U.S. Department of State, 2005)

When considering US-Hong Kong relations, the importance of international institutions must also be taken into account. Relevant to this is the section of the Basic Law that pertains to Hong Kong’s participation in international organizations and in international agreements. Article 151 of the Basic Law provides that:

The Hong Kong Special Administrative Region may on its own, using the name “Hong Kong, China”, maintain and develop relations and conclude and implement agreements with foreign states and regions and relevant international organizations in the appropriate fields, including the economic, trade, financial and monetary, shipping, communications, tourism, cultural and sports fields.

While this article does not clearly spell out whether or not Hong Kong can become a signatory to international agreements related to politics and security, it should be read together with Articles 13 and 14. These state that “The Central People’s Government shall be responsible for the foreign affairs relating to the Hong Kong Special Administrative Region” and “The Central People’s Government shall be responsible for the defence of the Hong Kong Special Administrative Region.” This implies that Hong Kong’s foreign and military affairs are excluded from the “appropriate fields” as defined in Article 151, unless the Chinese government decides otherwise. As of August 2005, there are 1,902 international treaties that are in force and applicable to Hong Kong.⁵ Understood to be institutions, these international treaties have become the framework that creates “a political process that shapes, constrains, and channels state actions in desirable ways” (Ikenberry, 2000:118). It is certain that the power to manage Hong Kong’s foreign and military affairs is vested with the Chinese government, which in turn limits America’s ability to “negotiate” with Hong Kong on those matters. However, the International Covenant on Economic, Social and Cultural Rights and the International Covenant on Civil and Political Rights do, to some extent, help ensure that Hong Kong will not deviate from the democratic way of life, central to which is the protection of civic rights.

In addition to these international agreements, Hong Kong has also concluded some bilateral agreements with America:

There are more than a dozen U.S.-Hong Kong bilateral agreements currently in force, including a stand-alone Air Services Agreement, Extradition, Prisoner Transfer, and Mutual Legal Assistance Agreements that entered into force after reversion. These agreements

have functioned very well, although Hong Kong legal requirements for “sovereign assent” by the PRC Government with respect to some forms of international liaison hindered timely cooperation and in rare instances resulted in denial of cooperation. (U.S. Department of State, 2005)

These bilateral agreements, while very limited and specific in scope, do provide a broad assurance that connects the interests of the two parties. Together with the international agreements to which both America and Hong Kong are signatories, America and Hong Kong have been developing an international legal interface that allows the former to ensure the latter will not deviate from its international commitments. Such interface not only survives the handover in 1997, but also becomes a vital component of the post-9/11 global strategy of the US.

9/11 and Beyond: Hong Kong as a Core or Peripheral Global Member?

How is Hong Kong, as a non-state actor, responding to US foreign policy following the terrorist attacks of 9/11? Faced with the possibility of global terrorism, Hong Kong has reacted in several ways, partly out of concern for its own security and also perhaps to position itself in global politics. There is some ambiguity in Hong Kong’s position with regard to its security concerns. Since Hong Kong is a non-state participant, it neither comes within the sphere of US control nor is it completely under the umbrella of the Chinese government. Where does it stand, therefore, in the wake of 9/11 and beyond? Will it be allowed to follow an independent policy towards the US?

Hong Kong has contributed to counter-terrorism efforts in several ways. For instance, in July 2002, the Hong Kong government passed a controversial new anti-terrorism bill targeting the funding of terrorist activities. The government argued there was an urgent need to enact the bill to fulfil China’s commitment to the United Nations Security Council’s resolution against terrorism.⁶ Based on Resolution 1373, the bill gives the government the power to freeze any funds linked to terrorism and criminalizes the act of funding terrorism.

Although Hong Kong does not have its own independent armed forces, it has, in its position as an international financial hub, engaged in the financial war against terrorism. Through mechanisms such as the Financial Action Task Force (FATF), Hong Kong has participated by holding the rotating chairmanship during the 9/11 period, and has adopted eight special recommendations — the number has been changed to nine since 22 October 2004 — to support the fight against terrorism and the financing of terrorism (FATF, 2004). Moreover, Hong Kong has regularly instructed financial institutions to conduct searches for terrorist assets using lists compiled by the US and United Nations.

Why did the Hong Kong government offer these supports? In order for Hong Kong to justify its self-proclaimed status as an international world city, it is appropriate that it should play a role in global counter-terrorism efforts. This would reaffirm Hong Kong's unique status (in contrast to its peripheral geopolitical position in Greater China) under "one country, two systems." It would mark the beginning, and probably demonstrate the increasing importance, of Hong Kong's involvement in the Pan-Pearl River Delta integration process and in global politics since 9/11. In other words, if Hong Kong cannot behave according to the wish of Washington, a different perception of the US regarding Hong Kong would result in decreasing participation of the US in Hong Kong's economy and society. This will certainly be detrimental to Hong Kong's interests: Hong Kong will not be the same Hong Kong as before. It is basically due to Hong Kong and PRC leaders' consideration that Hong Kong should remain international and open, that Hong Kong should collaborate with the US in implementing measures against terrorism after 9/11.

In addition, Hong Kong's external relations cannot be considered without an in-depth evaluation of its unique status vis-à-vis southern China. While the US pursues a liberal grand strategy, it is noteworthy that its foreign policy has seldom, if ever, departed from idealist considerations. Strengthening its relationship with Hong Kong allows America to achieve broader security interests. As James Tang (1997:421) has argued, "[a]lthough the question of democracy and human rights in Hong Kong have attracted attention in the US,

it is clear that the US has to weigh its wider interests in the region.” Apart from defending “liberalism, democracy, autonomy,” which are embedded in the capitalist system, on the basis of this objective America intends “to form a barrier curbing the southward penetration of communist forces and to fill the political vacuum, replacing Britain as the most prominent western representative in Hong Kong” (Wang, 1997:27). The peace and stability of Hong Kong’s political structure also ensure that Hong Kong can still serve as an important port of call for ships and aircraft (Gao, 1997:8). In addition, any instability in the transitional period may undermine the relationship between China and Britain, and spill over to the contentious Taiwan issue. The strategic value of a liberal grand strategy is evidenced by the continued use of the strategy in an age of terrorism, when America more commonly employs an imperial grand strategy.

Post 9/11 US-Hong Kong Relations: A Liberal Agenda for Imperial Purposes?

The 9/11 incident triggered a sweeping change in American foreign policy. A new perception of threat has arisen, regardless of whether the threat is imagined or identifiable. The feeling in Washington is now that global threats must be dealt with in a preemptive manner. There is a unipolar worldview that implies an orientation, if not an explicit imperial strategy, in which no players can undermine the predominance of America (Ikenberry, 2002a). The American tendency is now to disregard international rules, treaties, and long-term partnerships, and to regard those countries that engage in combating terrorism with America merely as strategic assets, whose use is dependent on context. Political psychologist Robert Jervis (2003:365) has argued that, whether as myths or ideologies, democracy and liberalism are still valued as tenets of American foreign policy, although the rationale behind the policy is different in that the “Bush Doctrine” encourages a much more explicit realist propensity on the part of the US to exert influence on others so that America’s own security can be enhanced. It seems that the application of the so-called liberal grand strategy has reached its post-war-era peak, and that an abrupt reorientation of American foreign policy, described as an “imperial

grand strategy,” has occurred in response to the unprecedented challenge of terrorism.

Obviously, the terrorist attack against America called into question the applicability of the liberal grand strategy. Since 9/11, the impetus for advancing national security has become skewed towards realism and is aimed at reinforcing American primacy through the development of military power (Goh, 2003:78). In short, we suggest that the smooth implementation of the imperial grand strategy lies in the “moral” support of the liberal grand strategy.

Also important is that the imperial demand for regime change in a non-democracy does not apply to Hong Kong (a non-state actor), although geopolitically it is a city without full-fledged democracy. The encouragement of democracy and liberty in Hong Kong arises more from the fact that this political configuration can ensure the “success” of the imperial grand strategy, which is behind the promotion of democracy. One of the crucial conditions for securing the success of the imperial grand strategy is the ability to gain access to critical information. This will allow America to identify both its own security shortcomings and any potential security threats, so that clandestine military action can be used with almost certainly provocative results. Hong Kong, as a free and open city, provides many of the conditions for this imperial grand strategy.

The Unique Status of Hong Kong

It can be said that Hong Kong poses little if any threat to the security of America, as Hong Kong’s military affairs are fully subjugated to the control of the Chinese government. The presence of the Chinese People’s Liberation Army (PLA) in Hong Kong is more for purposes of symbolism and defence than aggression.

In addition, the political economy of Hong Kong facilitates an important socio-political platform for gathering intelligence. First, the free contact with the outside world, enshrined in the Basic Law for freedom of speech, assembly, and the press, favours social space for the exercise of intelligence-gathering activities (Li, 2005). The policy of visa-free entry granted to the citizens of over 100 countries provides intelligence officers of many countries with easy access to

Hong Kong. Second, Hong Kong's geographical location affords ready access to the southern part of China, enabling such people to "penetrate" China as a whole (Li, 2005). Loopholes exploited for conducting smuggling activities between Shenzhen, Huizhou, and Hong Kong are also used as a means by which to "traffic" intelligence officers.

Moreover, the notion of an intelligence service network, which is of particular importance in the age of terrorism and counter-terrorism, was previously poorly developed (Zegart, 2005). If an effective counter-terrorism programme is to be conducted, cooperation and support from non-threatening political entities is required. An open economic environment, such as exists in Hong Kong, lends itself to the carrying out of intelligence activities under the guise of foreign investment initiatives. Triad societies, which traditionally have provided intelligence to friendly governments or non-state actors, have operated easily within this environment to spy and conduct illegal activities. In this climate of openness, although Hong Kong might become a "global anti-triad intelligence centre," it is also easy for foreign countries to establish a foothold in Hong Kong and channel intelligence back home (*Sing Pao Daily News*, 2002). Four major means of acquiring intelligence have been identified, namely from: (1) embassy and official representatives located in Hong Kong; (2) research institutes, which provide easy access to many Chinese-language journals, publications, and *xianzhi* (county annals); (3) the establishment of a business: for example, a Taiwan firm has been registered in Hong Kong to engage in intelligence-collection activities; and (4) the development of an intelligence network at an official level (Li, 2005). That there is an agreement on the extradition of criminals between Hong Kong and America further facilitates the prosecution process between the two different political entities.

Witch-hunt for US Subversive Forces in Hong Kong after 9/11

Since 9/11, there have been certain incidents that hint at the extent of America's involvement in intelligence activities in Hong Kong. Xu Jiataun, the former head of the Xinhua News Agency, long ago recognized Hong Kong's use as an intelligence centre. He noted that

“[w]hen I had to make telephone calls to Beijing, I would make them in Hong Kong if it was prepared to let others hear it, and make the calls in Shenzhen if I didn’t want to be eavesdropped” (Wong, 2005). Recently, there have been new reports about a network involving the American government’s Central Intelligence Agency (CIA) and the National Democratic Institute for International Affairs, and such research institutes as Civic Exchange and SynergyNet, with the former subsidizing the activities of the latter (*Wen Wei Po*, 2004). After the war in Iraq, Lau Nai-keung (2004a, 2004b), a Chinese People’s Political Consultative Conference delegate from Hong Kong, offered extensive “proof” when suggesting that there was an ongoing US intervention plan targeting China, Taiwan, and Hong Kong, as did Hugo Chávez of the American involvement in Venezuela (Si, 2004). The fact that the “conspiracy” to attack Iraq was planned by the right-wing Project for the New American Century (PNAC), and that, coincidentally, a staff member from PNAC, Ellen Bork, was serving as a voluntary adviser to Hong Kong’s democratic leader, Martin Lee, provided the rationale for Lau to launch his attack.⁷ Another example is the case of journalist Cheng Xiang, who was suspected of carrying out spying activities and of selling national security secrets to the Taiwan government (Tan, 2005). That there is a concern on the part of the US to preserve Hong Kong’s status as a place in which to gather intelligence is perhaps borne out by the American position on the Article 23 legislation, which evoked “unprecedented worry” (Wang, 2003). The main concern over the attempt to legislate an anti-subversion law appeared to be that such a law would have a harmful effect on the freedoms guaranteed in the international conventions to which Hong Kong is a signatory. But a far more important concern was that such legislation might weaken the current freedom to exchange information and undermine the ability of foreign countries to engage in gathering intelligence. All in all, when the pro-Beijing lobby in Hong Kong interpreted the liberal grand strategy as imperialism in disguise, the pro-democratic forces in the special administrative region of China were negatively affected.

Apart from intelligence work, America has stepped up efforts to cooperate in other areas related to terrorism. The US Customs Service Container Security Initiative, the aim of which “is to push the US cargo

screening process outward, thereby reducing the risk to US ports and cities,” is one such example (Hong Kong Trade Development Council, 2002). More initiatives that indirectly enhance American security, involving cooperation on drug smuggling, money laundering, and the exchange of intelligence officials, have also been made. Hong Kong has implemented the United Nations Security Council Resolutions 1267 and 1333, which concern the security problem in Afghanistan. More significantly, it has reiterated its commitment to combating terrorism under the United Nations Security Council Resolution 1373 (<http://www.un.org/Docs/scres/2001/sc2001.htm>), “which calls on all member states to prevent the financing of terrorism, criminalize the willful provision or collection of funds to carry out terrorist acts, and freeze terrorist assets” (U.S. Department of State, 2005).

The extent to which Hong Kong has served as the focal point for conducting intelligence of all kinds is consistent with the dominant rhetoric of the liberal grand strategy, yet with an undercurrent of the hegemonic imperial grand strategy. The fact that the four favourable conditions pertaining to their relationship as summarized by Li Gucheng (2005) have not been disrupted by terrorism is important. In essence, America and Hong Kong share beliefs on the importance of free trade and human rights. The power gradient between Hong Kong and America remains unaltered. Hong Kong has virtually no military power, with the exception of the presence of the PLA, who answer to the Chinese government. The institutional network between Hong Kong and America has also been strengthened, not only by the growing economic interaction through increasing trade volumes and the growing domestic visibility of the American Chamber of Commerce, but also by cooperative efforts at the official level to combat terrorism. The continuation of these four favourable conditions without disruption is unique, and it may well be argued that it is a kind of anachronism in the age of terrorism. Perhaps what terrorism has brought about is a reconfiguration of the relative political power between players at both the regional and global levels, and a substantial redefinition of the meaning of threat.

Any attempt to directly apply the tenets of the imperial grand strategy to Hong Kong would not only be outside the scope of

American relations with Hong Kong, but would also cause unease locally and discourage further cooperation with America. In 1997, Jane Lee and Gerald Chan (1997) prophesied that the real litmus test of Hong Kong's "one country, two systems" status would be the challenge of coping with the liberalist tradition of Hong Kong's external relations and the realist traditions of China. To avoid giving China the impression that the US is reactivating realist principles in Hong Kong, it is not surprising that since 2001 America has continued to pursue a liberal grand strategy — with an imperialist bent — with regard to Hong Kong. Thus, the liberal grand strategy survives on paper, although whether it is a camouflaged imperial grand strategy remains open to opinion.

Getting Closer to China: Can the Liberal Grand Strategy be Sustained?

In future US-Hong Kong relations, the sustainability of the liberal grand strategy will inevitably depend on the degree of integration between mainland China and Hong Kong. As long as traditional power politics govern the relationship between China and the US, Hong Kong's distinct personality may be diminished. As enshrined in Article 12 of the Basic Law, "The Hong Kong Special Administrative Region shall be a local administrative region of the People's Republic of China, which shall enjoy a high degree of autonomy and come directly under the Central People's Government." The autonomy provided implies that Hong Kong will remain distinct in terms of its daily operations. However, the growing interaction between mainland China and Hong Kong resulting from closer economic integration between Hong Kong and southern China means that the regional focus may overwhelm the importance of the international connection (Shen, 2003). The interactions between mainland China and Hong Kong will become more institutionalized, through such arrangements as the Closer Economic Partnership Arrangement (CEPA) and the Pan-Pearl River Delta Regional Cooperation and Development Forum (Yang, 2004).

Associated with these arrangements is the fear that Hong

Kong's autonomy to conduct its international economic affairs will be compromised. This would lead to a slowing down of the process of democratization in Hong Kong, despite the many pleas for the pace to be accelerated. This is not a non-issue, because it would present a dilemma for the US. On the one hand, greater economic integration will enable America to tap into the Chinese market, with Hong Kong as a gateway (American Chamber of Commerce in Hong Kong, 2004). On the other, the importance of maintaining Hong Kong's autonomy will not diminish. Politically speaking, both seem to be relevant to core American interests, with growing investment in Hong Kong and the Pearl River Delta. However, what underlines the importance of this paradox is that the importance of political stability based on the maintenance of a liberal order and autonomy is linked with the competitiveness of Hong Kong's business environment. That such a link is made has been confirmed by statistics on how American enterprises evaluate the maintenance of Hong Kong's autonomy.

The more integrated Hong Kong and mainland China become, the more the Chinese government will perceive there to be American intervention in Chinese domestic politics. The Chinese Ministry of Foreign Affairs, in particular, has been very critical of the Policy Act Report, arguing that it is a "gross intervention in the domestic affairs of China," and making unfavourable comments on the political developments in Hong Kong (*Hong Kong Commercial Daily*, 2005). The trend of rejecting "interventions" on the part of the US intensified when Hong Kong's Constitutional Affairs Bureau reacted to the 2005 Policy Act Report, noting that Hong Kong would pursue political development in accordance with the Basic Law approved by the Chinese government, and expressing the hope that foreign governments would respect Hong Kong's "gradual" course of political development. There seems to be a tendency for Hong Kong to side with China, which in turn may moderate the demand in the Hong Kong government for more democratic development in accordance with the American liberal grand strategy. Moreover, signs of a reconciliation between the Democratic Party and the Chinese government, as evidenced by the latter's approval of the invitation

for all of the members of Hong Kong's Legislative Council to visit Guangzhou, may weaken the ability of America to use the pan-democratic camp in its liberal grand strategy (Ong, 2005).

In other words, the problem of applying the liberal grand strategy in Hong Kong arises when either China or America see the promotion of liberal values from the perspective of power politics. This is particularly important if we take into account the wider political economy. China's increasing influence in the international political arena and the special international personality of Hong Kong vis-à-vis China also highlight the flexible yet passive role of Hong Kong in wider Sino-US relations. While the new American consul general to Hong Kong has asked China to "ease your grip on the city," America's attempt to influence the political orientation of Hong Kong goes beyond promoting democratic values as such and extends to an attempt to counter the power of China (Agence France Presse, 2005). The large-scale mobilization of Congress, NGOs with a government background, links between the bar associations of New York and Hong Kong, and attempts to stir up sentiment in Hong Kong against the Article 23 legislation may also be viewed as active intervention, the aim of which is to influence Hong Kong's political destiny (Si, 2004). Hong Kong can become a focal point of American criticism of China. This in turn also explains the negative feelings of the Chinese government towards Hong Kong's pan-democratic camp, in particular towards Martin Lee, who has been outspoken in criticizing the slow pace of democratic development in Hong Kong and who has been invited to speak in a Congressional Hearing to testify on political developments in Hong Kong (Li, 2004). The tug of war between America and China over their different interpretations of Hong Kong's international position has intensified to such an extent that the game has shifted from the application of the liberal grand strategy to one involving the balance of power logic.

Even though Hong Kong is not a state-level political entity, the tug of war demonstrates precisely how the dynamics of power politics resume when liberal values have been transformed. While America is criticizing Hong Kong's diminishing autonomy, such criticisms

may also affect that very autonomy if the hard-core nationalists are ruling Beijing, given that Hong Kong's political destiny is a matter to be determined by the Chinese government and the Hong Kong government. The growing assertiveness of all parties over the issues of Hong Kong's democratic development and autonomy seems to confirm the realist logic that the autonomy of the weaker power may be compromised should power politics between the greater powers of China and America be re-activated in the region, as China plays a more important role in shaping regional order in the Asia-Pacific region (Shambaugh, 2004). Letting the quest for more democracy shift from the liberal order to the realist order would demonstrate imperial logic when both America and China take a serious view of the issue of democracy and Hong Kong focuses on the issue of *national* interest. This would then sideline those conditions favourable for employing the liberal grand strategy. In the end, what can be concluded from the preceding discussion is that the liberal grand strategy should not be seen as something that is uncontested.

Conclusion

How a liberal grand strategy can be used to explain how different political entities interact has been demonstrated above. Such a strategy is an exceptional option in an age of terrorism, and is vulnerable to the intrusion of power politics. Once power politics concerns arise, the feasibility of embarking on a liberal grand strategy is challenged and necessary adjustments are made to pave the way for the implementation of an imperial grand strategy. Essentially, the theory places political entities at different levels on what is supposedly the same level playing field. It also emphasizes how the quest for peace is made by promoting democracy and freedom. Compared with an imperial grand strategy, a liberal grand strategy seems to have an exclusively liberal concern about promoting *overall* peace in the world, which is in sharp contrast to the imperial grand strategy's promotion of democracy for *national* peace. In particular, the value of a liberal grand strategy is related to other forms of foreign

policy, as a liberal grand strategy places particular emphasis on non-military issues where the currency is political power. In addition, an assessment of whether a foreign strategy is a liberal grand strategy is more fruitfully made in relation to those non-liberal grand strategies, so that any power considerations can be identified.

It should, however, be recognized that Hong Kong — as a non-state actor — is an unusual, if not unique, case for the US to deploy its international strategy. When the US handles regions neighbouring Hong Kong, such as Beijing and Taipei, it finds that its liberal language matters little on either side of the Strait. This is because of the fervent *realpolitik* and geopolitical elements found in cross-Strait relations. Nonetheless, because America has become increasingly alienated from its liberal allies since embarking on the war in Iraq, the US may shift to applying a liberal grand strategy for imperial purposes to those more receptive to democratic ideas, such as by establishing a foothold at a regional level.

While the initial pursuit of a liberal grand strategy might have been more of a normative consideration and less of a strategic consideration, the continuation of such a strategy subsequent to the 9/11 incident highlights the latent strategic importance of the liberal grand strategy in relation to the imperial grand strategy. The overall sustainability of the liberal grand strategy, however, needs to be considered hand-in-hand with the China factor, which challenges the utility of such a strategy. The US-Hong Kong relations also confirm the belief that there is a meeting between realism and liberalism. The non-state entity quality of Hong Kong does not diminish its importance in the international arena. As demonstrated in this paper, Hong Kong performs multiple functions in American foreign policy. On the one hand, Hong Kong can be seen as the political channel through which America's imperial grand strategy can be realized. On the other hand, the political development of Hong Kong can be seen as a political power play to embarrass China. The dynamics seem to confirm what James Hsiung (2000:194) has argued, that "Hong Kong as a factor in Sino-US relations should not be seen as all roses. Even if there are roses, beware of the prickly thorns that come with them!"

Notes

1. There is limited research on this topic; what has been conducted thus far focuses mainly on the role of Hong Kong as a subsidiary of the People's Republic of China. For instance, refer to Chiu (1988), Ting (1997), and Zheng (1997).
2. The author borrows the term "institutional thickness" advanced by Amin and Thrift (1995:102-03).
3. Interview with Richard W. Stites, the Director of Public Affairs Section at the US Consulate General in Hong Kong, on 15 March 2004.
4. See "Summers on Hong Kong's Economic Future" (<http://www.usconsulate.org.hk/ushk/others/1997/0305.htm>, accessed 15 September 2006).
5. See "List of Treaties in Force and Applicable to the Hong Kong Special Administrative Region" (<http://www.legislation.gov.hk/interlaw.htm>, accessed 15 September 2005).
6. "The law defines a terrorist act as the use or threat of action to influence a government, or to intimidate or endanger the public, to advance a political, religious or ideological cause" (BBC News, 2002).
7. Ellen Bork once worked as an assistant to leading US right-wing Congressman Jessie Helms, and is now a full-time staff member of PNAC.

References

- Agence France Presse. 2005. "US's New Man in Hong Kong Takes Indirect Aim at China," 20 September.
- American Chamber of Commerce in Hong Kong. 2004. *2004 Business Outlook Survey* (<http://www.amcham.org.hk/hongkong/bos/2004/2004-BOS%20Report.pdf>, accessed 3 September 2005).
- Amin, Ash and Nigel Thrift. 1995. "Globalisation, Institutional 'Thickness' and the Local Economy," in Patsy Healey, Stuart Cameron, Simin Davoudi, Stephen Graham and Ali Madani-Pour (eds.), *Managing Cities: The New Urban Context*. Chichester: John Wiley & Sons Ltd., pp. 91-108.
- BBC News. 2002. "HK Backs 'Dangerous' Anti-terror Law," 12 July

- (<http://news.bbc.co.uk/1/hi/world/asia-pacific/2124067.stm>, accessed 3 September 2005).
- Chiu, Hungdah. 1988. "The Hong Kong Agreement and U.S. Foreign Policy," in Jürgen Domes and Yu-ming Shaw (eds.), *Hong Kong: A Chinese and International Concern*. Boulder: Westview Press, pp. 183-95.
- Copeland, Dale C. 1996. "Economic Interdependence and War: A Theory of Trade Expectations," *International Security*, 20(4):5-41.
- Deudney, Daniel and G. John Ikenberry. 1999. "Realism, Structural Liberalism, and the Western Order," in Ethan B. Kapstein and Michael Mastanduno (eds.), *Unipolar Politics: Realism and State Strategies after the Cold War*. New York: Columbia University Press, pp. 105-23.
- Financial Action Task Force (FATF). 2004. "Nine Special Recommendations on Terrorist Financing" (http://www.fatf-gafi.org/document/9/0,2340,en_32250379_32236920_34032073_1_1_1_1,00.html, accessed 10 October 2006).
- Gao, Zichuan 高子川. 1997. "Meiguo zai Xianggang de jiben liyi yu jiben zhengce" (The Fundamental Interests and Basic Policy of the United States towards Hong Kong), *Xiandai guoji guanxi* (Contemporary International Relations), 6:7-9.
- Goh, Evelyn. 2003. "Hegemonic Constraints: The Implications of 11 September for American Power," *Australian Journal of International Affairs*, 57(1):77-97.
- Hong Kong Commercial Daily* 香港商報. 2005. "Gangfu cu waiguo zunzhong Gang zhengshi" (The Government Urges Foreign Countries to Respect its Domestic Politics), 14 April, p. A03.
- Hong Kong Trade Development Council. 2002. "Hong Kong Joins CSI, Opposition to Cargo Security Measures Building," *Business Alert — US*, 19(October) (<http://www.tdctrade.com/alert/us0219e.htm>, accessed 4 September 2005).
- Hsiung, James C. 2000. "The Paradox of Hong Kong as a Non-Sovereign International Actor: An Update," in James C. Hsiung (ed.), *Hong Kong the Super Paradox: Life after Return to China*. New York: St. Martin's Press, pp. 171-200.
- Huntington, Samuel P. 1982. "American Ideals versus American Institutions," *Political Science Quarterly*, 97(1):1-37.

- Ikenberry, G. John. 2000. "America's Liberal Grand Strategy: Democracy and National Security in the Post-War Era," in Michael Cox, G. John Ikenberry and Takashi Inoguchi (eds.), *American Democracy Promotion: Impulses, Strategies, and Impacts*. Oxford: Oxford University Press, pp. 103-26.
- . 2002a. "America's Imperial Ambition," *Foreign Affairs*, 81(5):44-60.
- . 2002b. "America's Liberal Grand Strategy in the Asia-Pacific," in Takashi Inoguchi (ed.), *Japan's Asian Policy: Revival and Response*. New York: Palgrave Macmillan, pp. 37-54.
- . 2002c. "Multilateralism and U.S. Grand Strategy," in Stewart Patrick and Shepard Forman (eds.), *Multilateralism and U.S. Foreign Policy: Ambivalent Engagement*. Boulder: Lynne Rienner, pp. 121-40.
- Ikenberry, G. John and Charles A. Kupchan. 2004. "Liberal Realism: The Foundations of a Democratic Foreign Policy," *National Interest*, 77:38-49.
- Jervis, Robert. 2003. "Understanding the Bush Doctrine," *Political Science Quarterly*, 118(3):365-88.
- Jin, Weixing 金衛星. 1998. "Erzhan houqi Meiguo dui Xianggang wenti de zhengce bianhua" (Changes of the US's Hong Kong Policy in the Later WWII Period), *Zhenjiang shizhuan xuebao: Shehui kexue ban* (Zhenjiang Education Magazine: Social Science Version), 20(4):9-13.
- Lau, Nai-keung 劉迺強. 2004a. "Meiguo ganyu shilu" (The American Intervention Story), *Hong Kong Economic Journal* (信報財經新聞), 20 January, p. P06.
- . 2004b. "Meiguo jieru Xianggang zhengzhi" (The US is Intervening in Hong Kong Politics), *Hong Kong Economic Journal* (信報財經新聞), 31 August, p. P22.
- Law, Yuk-fun. 2001. "Delayed Accommodation: United States Policies towards Hong Kong, 1949-60." PhD dissertation, Department of History, University of Hong Kong, Hong Kong.
- Lee, Jane C. Y. and Gerald Chan. 1997. "Hong Kong's Changing International Relations Strategy," in Beatrice Leung and Joseph Cheng (eds.), *Hong Kong SAR: In Pursuit of Domestic and*

- International Order*. Hong Kong: The Chinese University Press, pp. 177-200.
- Levin, Burton. 1984. "U.S. Perspectives on Hong Kong." Speech delivered at the World Affairs Council of San Francisco, 29 October.
- Li, Gucheng 李谷城. 2005. "Xianggang changjue de jianbie huodong" (The Turbulent Spying Activities in Hong Kong), *Oriental Daily News* (東方日報), 30 June, p. B16.
- Li, Guoyi 李國毅. 2004. "Meiguo tuidong Xianggang guanxifa di yuanyin" (Reasons Behind the Promulgation of the US-Hong Kong Policy Act), *Sing Tao Daily* (星島日報), 6 September, p. A19.
- Ong, Yew-kim 王友金. 2005. "Xianggang xianzheng xia de pobing hejie" (Reconciliation in Hong Kong's Constitutional Politics), *Hong Kong Daily News* (新報), 4 September, p. A07.
- Owen, John M. 2000. "How Liberalism Produces Democratic Peace?," in Michael E. Brown, Owen R. Coté, Jr., Sean M. Lynn-Jones and Steven E. Miller (eds.), *Theories of War and Peace*. Cambridge, MA: MIT Press, pp. 137-75.
- Shambaugh, David. 2004. "China Engages Asia: Reshaping the Regional Order," *International Security*, 29(3):64-99.
- Shen, Jianfa. 2003. "Cross-border Connection between Hong Kong and Mainland China under 'Two Systems' Before and Beyond 1997," *Geografiska Annaler Series B: Human Geography*, 85(1):1-17.
- Si, Cheng 思成. 2004. "Xianggang wenti shang di Meiguo yingzi" (The US Shadow in the Hong Kong Question), *Bauhinia Magazine Online* (紫荊雜誌網絡版) (<http://www.zijing.com.cn/BIG5/chann el3/16/200405/09/1107.html>, accessed 21 September 2005).
- Sing Pao Daily News* 成報. 2002. "Xianggang kecheng guoji fanhei qingbao zhongxin" (Hong Kong May Become Anti-triad Intelligence Centre in the World), 21 March, p. A04.
- Tan, Zhengzhi 譚正之. 2005. "Chengxiang shexian jianbie'an de sandian qishi" (Three Implications of Cheng Xiang's Spying Case), *Wen Wei Po* (文匯報), 8 August, p. A22.
- Tang, James T. H. 1997. "Hong Kong in United States-China Relations: The International Politics of Hong Kong's Reversion to Chinese Sovereignty," *Journal of Contemporary China*, 6(16):419-33.
- Ting, Wai. 1997. "China, the United States, and the Future of Hong Kong," in Beatrice Leung and Joseph Cheng (eds.), *Hong Kong*

- SAR: In Pursuit of Domestic and International Order*. Hong Kong: The Chinese University Press, pp. 241-58.
- U.S. Department of State. 2005. "U.S.-Hong Kong Policy Act Report" (http://hongkong.usconsulate.gov/ushk_pa_2005040101.html, accessed 1 September 2005).
- Wang, Jianmin 王健民. 2003. "Oumei lieqiang xian Xianggang liangnan" (Western Power's Dilemma in Hong Kong), *Wen Wei Po* (文匯報), 5 August, p. A18.
- Wang, Weimin 王為民. 2001. "Meiguo dui Gang zhengce yanjiu" (A Study of US-Hong Kong Policy). PhD dissertation, China Foreign Affairs University, Beijing.
- Wang, Zun 王俊. 1997. "Qianshi Meiguo de Xianggang zhengce" (A Brief Analysis on US-Hong Kong Policy), *Guowai shehui kexue qingkuang* (Foreign Social Science), 4:26-29.
- Wen Wei Po* 文匯報. 2004. "'Zhongqingju fendian' zizhu Gang 'minzhupai'" ("CIA Protégé" Sponsors "Democrats" in Hong Kong), 8 September, p. A06.
- Wong, Benjamin. 2005. "HK Haven for Spies: Ex-Xinhua Chief," *South China Morning Post*, 15 June, p. EDT3.
- Yang, Chun. 2004. "From Market-led to Institution-based Economic Integration: The Case of the Pearl River Delta and Hong Kong," *Issues & Studies*, 40(2):79-118.
- Ye, Lin. 2000. "In China's Shadow: United States Foreign Policy toward Hong Kong, 1945-1972." PhD dissertation, Department of History, University of New Mexico, New Mexico.
- Zegart, Amy B. 2005. "September 11 and the Adaptation Failure of U.S. Intelligence Agencies," *International Security*, 29(4):78-111.
- Zhang, Liping 張立平. 2004. "Meiguo ying moqu dui Gang zhengce zhong de ganyu secai: Ping *Meiguo-Xianggang zhengcefa*" (The US Should Erase its Interventionist Stance in its Hong Kong Policy: Comments on US-Hong Kong Policy Act), *Wen Wei Po* (文匯報), 6 July, p. A18.
- Zheng, Yongnian 鄭永年. 1997. "Xianggang, Dazhongguo he Meiguo duihua zhengce" (Hong Kong, Greater China and the China Policy of the US), in Wu Guoguang 吳國光 (ed.), *Jiuqi xiaoying: Xianggang, Zhongguo yu Taipingyang* (The 1997 Effect: Hong Kong, China and the Pacific). Hong Kong: Taipingyang shiji yanjiusuo (Pacific Century Press), pp. 219-29.

US-Hong Kong Relations and the Response to Counter-terrorism

Abstract

The study of US-Hong Kong relations in the twenty-first century involves asymmetrical interactions between a superpower and a non-sovereign, incomplete political entity. US policy towards Hong Kong may be of low priority on the US policy-making agenda, but this does not mean that it can be overlooked. This paper suggests that a liberal grand strategy, as theorized by John Ikenberry, was to a certain extent applied when the US formulated its overall policy towards Hong Kong. Using this conceptual framework the paper studies US-Hong Kong relations after the resumption of Chinese sovereignty and discusses the application of this strategy in an age when imperial grand strategy tends to be the American option of choice, particularly since 9/11.

港美關係及其對反恐時代的回應

沈旭暉

(中文摘要)

二十一世紀的港美關係，屬於一個超級大國和一個不完整政治實體之間的不對稱關係。縱使對港政策並非美國外交的重點，港美關係的獨特性依然不能被忽視。本文指出政治學者伊肯貝里的自由現實主義戰略，已被美國政府在不同程度上應用於對港政策，因而嘗試以此框架研究香港主權回歸以來的港美關係。假如美國外交在9-11事件後朝新帝國主義方向發展，港美關係卻在上述框架內得以維繫，兩者的反差則更值得關注。

HONG KONG INSTITUTE OF ASIA-PACIFIC STUDIES

The Hong Kong Institute of Asia-Pacific Studies was established in September 1990 to promote multidisciplinary social science research on social, political and economic development. Research emphasis is placed on the role of Hong Kong in the Asia-Pacific region and the reciprocal effects of the development of Hong Kong and the Asia-Pacific region.

Director: Yeung Yue-man, PhD(*Chic.*),
Research Professor

Associate Director: Sung Yun-wing, PhD(*Minn.*),
Professor, Department of Economics