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*Expert memorandum for the Central Leading Group for Comprehensive Defence Against Historical Nihilism and Scientific Development of Temporal Complexification*

*Designated informational quarantine status: 9:3-(□□□□) (SUSPENDED)*

*Classification: VORTICAL-CONTRAPUNTAL*

From the transcendent perspective of history, the city of Hong Kong appears as an abomination. Since the island’s annexation to the British Empire and the foundation of the City of Victoria in the 1840s, it has remained an anomaly, provoking, in varying degrees, contempt, impatience, and outrage among all those bureaucrats charged with its ultimate imperial oversight. From Charles Elliot, Hong Kong’s first, un-mournd administrator — whose recompense for securing the isle was a letter from Lord Palmerston informing him that in taking this “barren Island with hardly a House upon it” he had “disobeyed and neglected [his] Instructions”, and would promptly be relieved of his post<sup>1</sup> — to CY Leung, whose handling of the present swelling vortex of cultural conflict lost him the Party Centre’s confidence and his office shortly thereafter, few of Hong Kong’s administrators have escaped some measure of opprobrium from their overseers across the sea, whichever sea that may be.

Even perhaps the earliest inkling of Hong Kong’s future material glory, a prophetic fragment attributed to the mendicant Song-era poet-chemist Bai Yuchan, which appears to foretell, many centuries in advance, myriad ships crowding Hong Kong’s waters beneath a glittering night sky,<sup>2</sup> was amply repaid by Bai’s earlier unhappy attempt at a career as a bureaucrat — squandered, tellingly, due to his examiners’ censure of his youthful pride. That he subsequently attained immortality was presumably only insult to injury.<sup>3</sup>

Hong Kong is a space of negative sovereignty.<sup>4</sup> From its beginnings it has been a site of autonomy defined not as the positive expression of liberty but as the modulated suspension of authority. This



negativity, today, is embodied in its constitutional character as the ‘Hong Kong Special Autonomous Region’, a region shielded against the central institutions of the People’s Republic, defined by an intentional state of exception fixed teleologically on Eschaton 2047. The Basic Law that enshrines the condition of One Country, Two Systems is unequivocal: the fundamental basis of the self-government of this city is that “The socialist system and policies shall not be practised ...” (Article 5).<sup>5</sup>

In the past, however, Hong Kong’s negativity was immanent to its colonial distance in space and time, sustained by an administration that remained serenely uninterested in the desires of its superiors in Whitehall. It shares this trait of negativity, at least in part, with the other great outpost of the Singlosphere, Singapore — perhaps the only country to have gained its independence against its will.<sup>6</sup> In Singapore, this occasion was commemorated by Edwin Thumboo, whose poem “9th of August — II” expresses his rage at the Malaysians, minds set against Lee Kuan Yew’s efforts to hold the federation together, whose

call became a prayer  
In firm ancestral beckoning.  
*They kicked us out.*<sup>7</sup>

There is no such single traumatic instant of negative self-definition in Hong Kong — no inherited ancestral beckoning echoing and inverting in a developmentalist drive to national self-betterment.<sup>8</sup> Rather, Hong Kong’s negativity remains anchored historically in the attitude of its colonial administrators. These were men who circulated from the elite universities of Britain, often trained only in the Western and Chinese classics and with little or no experience in administration, with neither settler ties to the land they now governed nor effective responsibility to the imperial government they represented. And so they perched, for much of the year, on Victoria Peak — aloof from the growing native population that gathered below, partaking only in an insulated colonial high society.

Indeed, this sequestered colonial administration refused, from the beginning, to engage in the affairs of the native Chinese, allowing them to self-organise; they, in turn, lacking a scholarly bureaucracy inherited from imperial China, were left to promote merchants — rather a euphemistic



term for a pirate and owner of brothels and casinos like Loo Aqui — to positions of leadership, renouncing the lowly status awarded them in Confucian evaluation. This *laissez-faire* attitude was no small source of consternation to successive imperial overseers — by 1941, the Hong Kong authorities were derided by an incoming reformist administrator for their “pig headed provincial[ism]”.<sup>9</sup> Nonetheless, in varying degrees, this studied disinterest persisted — to the end of colonial rule, and beyond.

The most infamous manifestation of this disinterest has undoubtedly been Hong Kong’s economic policy. With the exception of its provision of public housing, a policy rooted in the Crown monopoly on the colony’s land (still maintained today by the SAR government), even at the height of the gathering Keynesian hegemony of the 1930s on, Hong Kong’s administrators stubbornly rejected both the advice of the increasingly decisive bulk of the economics profession and the dictates of their London superiors — pressure that reached a climax after the Labour victory following World War II. Making the most of its spatio-temporal isolation from the mother country, the colonial administration deployed every legislative response and tactic of prevarication at its disposal to prevent the encroachment of the new economics on its internal policy.

It is a mistake to ascribe this anomaly simply to voluntary choice or an ideological principle current among Hong Kong’s administrators. It was not merely that there was little appetite for Keynesianism among the colonial administrators, for instance. Decades of distance between a circulating imperial government and a fixed — or, more properly given the flux of migration that characterised mid-twentieth-century Hong Kong, counter-circulating — population, fortified by the government’s bloody-minded indifference, meant that the basic econometric infrastructure that would have enabled such interventionism in the first place simply did not exist. Elementary trade statistics; GDP figures; accounts of aggregate industrial production — none of these were collected until the 1970s: “the colonial administration had no reliable data by which to gauge economic performance” at all.<sup>10</sup>

By and large, those ambitious men who would implement such reforms were equally lacking. One searches in vain among Hong Kong’s policymakers for a visionary like Lee Kuan Yew: John Cowperthwaite, the man who has attracted occasional attention as a candidate for this status, merely helped justify a policy that had already been sustained for decades by his predecessors; promoted to Financial Secretary more out of convenience than specific merit — common practice for the classically educated Cadets who formed the top leadership of the colonial administration<sup>11</sup> —



his knowledge of fiscal procedures was underwhelming, and under his intermittent supervision, “unsound” practices were allowed to flourish.<sup>12</sup> Though for the native population real power often resided elsewhere — in temples, local committees, in the industrialists and entrepreneurs themselves — these men and institutions never aspired to the comprehensive articulation of a general urban policy.

Surveying Hong Kong’s evolution, we are left with a decidedly strange impression. With the managerial sureties of Singaporean developmentalism in mind, we might search for the great commanding authority, the embodied great-man accelerator responsible for the development of its sister city to the northeast. Yet a decade after the War, above the apartments, the smokestacks, the textile factories of Tsuen Wan, beneath Leviathan’s crown, we find only clouded, unseeing eyes — or, worse, a gaping stump. The Japanese occupation of the city in 1941–45 was enough, it is true, to provoke a faction of the city’s exiled administrators to hatch a plan for its reordering upon their return. After the resumption of British governance, the plan was promptly ignored.<sup>13</sup> Hong Kong’s government retained, quite deliberately, no sensible awareness of the reality it governed; it was beset by crises, and as we shall see, it invented others. Through and across a landscape that began, by the operations of credit and entrepreneurial immigration from the Communist north, to be rent by the explosive genesis of overproduction, systolic boom and bust could reign without restraint. Now pressed into a city indifferent not just to its imperial context but to much of its own internal territorial extension — a government of “small Hong Kong chauvinists” — such development, following the trajectory first diagrammed by Jane Jacobs, could concentrate to white-hot intensity.<sup>14</sup>

If, as some of the more alarming writings to emerge from the West suggest, sovereignty is **NOTHING**,<sup>15</sup> Hong Kong must be said to have embodied it to perfection. A bunkered colonial government fighting crises imaginary and real, anxious to protect local practices already being scrapped and recycled in positive-feedback industrial development, a “servile” government refusing the lure of expertise and legislating through its own forgetting: Hong Kong *acéphale* — *sovereign of sovereigns!*

Despite this obvious insanity, the troubling fact remains that Hong Kong was not just the first Asian economy to recover from the devastation of the Second World War, but could blaze over the ruins of this continent as the earliest crack of dawn over the horizon of an East Asian future — a future, in the end, that Europe had brought upon itself. What was more, this diminutive colonial outpost soon



drew into itself such enormous economic potential as to threaten the very foundations of the “liberal” West’s new world order itself. It is apparent, then, that we are dealing here with something truly monstrous. —

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1. Viscount Palmerston (Foreign Secretary) to Elliot, private letter of April 21, 1841. Palmerston goes on to note that “it seems obvious that Hong-Kong will not be a Mart of Trade”.
2. “[\[Chinese text\]](#).” The provenance of this verse is obscure; the sole reference in English, Michael Ingham, *Hong Kong: A Cultural History* (Oxford University Press, 2007), 1, does not relate the original Chinese and misattributes the verse to a “Bai-yu Shan”. In Chinese, see [here](#).
3. On the career of Bai Yuchan, see Li Wang, ‘A Daoist Way of Transcendence: Bai Yuchan’s Inner Alchemical Thought and Practice’, vol. 1 (PhD diss., University of Iowa, 2014), 26–86. Cf. also FYSK: Daoist Culture Centre — Database, “Bai Yuchan”.
4. It is, of course, also a space of *positive* sovereignty; but any empire of the sea is at one and the same time poisoned by its land.
5. Basic Law.
6. One of many hagiographies recounts the press conference in which Lee announced Singapore’s independence as follows: “[Lee] wept. He sat back in his chair, asking for a few minutes’ adjournment as he wiped away his tears.” Anthony Oei, *Lee Kuan Yew: Blazing the Freedom Trail* (Marshall Cavendish Editions, 2015).
7. Quoted in Ee Tiang Hong, ed. Leong Liew Geok, *Responsibility and Commitment: The Poetry of Edwin Thumboo* (Singapore University Press, 1997), 34.
8. Albeit that some Hongkongers now themselves take the British to task for kicking them out, unwilling to protect their rights — so they claim.
9. Namely David MacDougall (later Colonial Secretary, 1946–49). Steve Tsang, *Governing Hong Kong: Administrative Officers from the Nineteenth*



*Century to the Handover to China, 1862-1997* (I.B. Tauris, 2007), 49.

10. Leo Goodstadt, *Profit, Politics, and Panics: Hong Kong's Banks and the Making of a Miracle Economy, 1935-1985* (Hong Kong University Press, 2007), 71. This intriguing book, one of the most comprehensive recent summary treatments of Hong Kong's meteoric economic development, reveals much more than its author — an avowed proponent of fiscal regulation whose thematic purpose is to demolish the image of competence of the colonial administration — would like.
11. Though Cowperthwaite did receive an accelerated one-year basic degree in economics, he had originally studied classics.
12. Relating that “administrative officers could not be relied on to comprehend even the most ordinary features of banking business”, Goodstadt adds that Cowperthwaite was particularly “ignorant and incompetent”, repeatedly making misjudgements on the soundness of banks' finances, and lacking elementary knowledge on matters such as the accounting of bank deposits. Goodstadt, 28, 3. Of course, the ultimate results of this “ignorance and incompetence” speak for themselves.
13. Discussed in Tsang, Ch. 4. As Tsang notes delicately, “For several reasons the colonial government's new outlook was less strongly entrenched than one might have expected”: Tsang, 59.
14. Jane Jacobs, *Cities and the Wealth of Nations* (Random House, 1984).
15. Georges Bataille, *Œuvres complètes* (Gallimard, 1976), VIII: 300.