Core Module 27

“Global City”
Foundation part: Social Characteristics of “Global City” as Demonstrated by Hong Kong

Do I agree that Hong Kong is a “Global City”?
The “Global Cities Index 2010” published by A.T. Kearney, a world famous consulting firm, provides a unique measure of global engagement for 65 major cities, not only from the dimension of business and financial activities, but more comprehensive through five dimensions -- Business Activity, Human Capital, Information Exchange, Cultural Experience, and Political Engagement.

### Source 1: Global Cities Index

<table>
<thead>
<tr>
<th>Ranking</th>
<th>City</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>New York</td>
</tr>
<tr>
<td>2</td>
<td>London</td>
</tr>
<tr>
<td>3</td>
<td>Tokyo</td>
</tr>
<tr>
<td>4</td>
<td>Paris</td>
</tr>
<tr>
<td>5</td>
<td>Hong Kong</td>
</tr>
<tr>
<td>6</td>
<td>Chicago</td>
</tr>
<tr>
<td>7</td>
<td>Los Angeles</td>
</tr>
<tr>
<td>8</td>
<td>Singapore</td>
</tr>
<tr>
<td>9</td>
<td>Sydney</td>
</tr>
<tr>
<td>10</td>
<td>Seoul</td>
</tr>
<tr>
<td>...</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Beijing</td>
</tr>
</tbody>
</table>

### Source 2: Voices of Hong Kong citizens

We are living in Hong Kong. It is an unfamiliar place for me. However, living in such a multicultural city, we can exchange ideas with friends of different ethnicities. Life is full of joy.

The Gill’s family from India
I love eating, especially the original cuisines from all parts of the world. Hong Kong attracts many restaurants from different places to run their business here so that I can enjoy food from different countries.

Mr. Choi, a food critic

The Wong’s Family

I am living in a community in the Central and Western District of Hong Kong. There are many people of different nationalities. Therefore, I can make friends from different countries. Tonight, we have invited Peter from the United States and Pierre from France to have dinner with us at our home.

My husband and I love touring everywhere. The Hong Kong Government has protected our freedom to entry and exit. Moreover, many countries have granted visa-free access to HKSAR passport holders. That adds convenience to our travel. However, Hong Kong is still a shopping paradise where we can buy all kinds of fashions in the world, from European and American style to the new fashions from Japan and South Korea.

Ms. Chou

I love watching movies. I usually go to the cinema during holidays. There are various kinds of movies released in Hong Kong so that I can enjoy the ones from Hollywood, Europe, Japan, South Korea and even Bollywood of India other than Hong Kong movies.

Student Cheung
1. According to Source 1, do you agree that Hong Kong is a global city?

2. If Hong Kong is a global city, could you analyze what are the characteristics a global city should have according to Source 2? Explain.

I am concerned about local news and world affairs. During the years of life in Hong Kong, I can have free access to information from all parts of the world through different media such as TV, radio and the internet.

Mr. Mak
Worksheet (1): Extent of Hong Kong’s Openness to the World

**Source 1**

Hong Kong is the freest economy in the world according to the 2011 Index of Economic Freedom issued by Heritage Foundation. Hong Kong has been rated as the freest economic system in the world for 17 consecutive years. Hong Kong has ranked top in the 2011 Index in terms of financial and trade freedom, showing that Hong Kong is an open city with international capital moving in and out freely.

**Source 2**

There are more than 40 newspapers and 700 periodicals issued in both Chinese and English in Hong Kong. Without press censorship, both local and overseas publications can be circulated without restriction. In addition, various overseas news agencies have established their offices in Hong Kong as they can enjoy the freedom to report and provide news information without hassle. In the 2011-12 Press Freedom Index prepared by the Reporter Without Borders, Hong Kong ranked 54th in the world, lower than the United States which ranked 47th, when both of them were classified as cities with press freedom.
Hong Kong enjoys free flow of information and there is no censorship. The citizens can receive and spread information via the internet without any restriction. Hong Kong is among the leaders in the world in terms of the use of smartphones, while it ranks first in terms of the ownership of tablet computers. That shows the high use of advanced technology to access information in Hong Kong.

Hong Kong adopts an open immigration policy which enables overseas investors and professionals to apply for entry visas to come to Hong Kong for development. In addition, “Capital Investment Entrant Scheme” and “Quality Migrant Admission Scheme” allow capital investment entrants, and highly skilled or talented persons to stay in Hong Kong. They are measures to enhance the competitiveness of Hong Kong population. Once having ordinarily resided in Hong Kong for a continuous period of not less than 7 years, they may apply for the right of abode under the laws of Hong Kong. Thus, they can be lured to stay in Hong Kong for development.

Hong Kong holds various international arts, culture and sports activities every year, attracting respective elites from all parts of the world. These activities include Hong Kong Marathon in February, Hong Kong International Film Festival and Hong Kong Sevens during March and April.
1. With reference to the source, identify Hong Kong’s openness in the fields of finance, media, information, human resources and culture.

<table>
<thead>
<tr>
<th>Source</th>
<th>Field</th>
<th>Extent of Openness</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Finance</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Media</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Information</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Human Resources</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Culture</td>
<td></td>
</tr>
</tbody>
</table>
What’s the importance of openness to Hong Kong as a global city? Explain.

What is a global city?
A global city refers to an open and diversified international city with a high popularity and influence, having an important position in areas such as economic and cultural development around the world. Therefore, as a global city, it must have advanced economy, transportation systems and technology to attract talents from different countries to live in the city.

How does Hong Kong’s openness reflect its characteristics as a global city?

Free flow of capital
Hong Kong is the freest economic system in the world without foreign exchange controls which allows capital to flow in and out of Hong Kong. According to the Index of Economic Freedom prepared by the Heritage Foundation, Hong Kong has been rated as the freest economic system in the world for 17 consecutive years. Hong Kong has ranked top in the 2011 Index of Economic Freedom in terms of financial and trade freedom, showing that Hong Kong is an open city with a free flow of international capital.

Freedom of the media and information
Hong Kong has a high degree of press freedom which offers people an ideal platform to establish media organizations in Hong Kong. Press and media organizations enjoy a booming development here. Apart from local newspaper and magazines in both Chinese and English, various international news agencies and multinational news organizations have established their offices in Hong Kong.
However, several incidents in recent days have led to the alarm over press freedom. People from different walks of life are nervous about whether or not the press freedom will be interfered by the government or some other organizations.

Hong Kong enjoys free flow of information and there is no censorship. People can receive and spread information via the internet without any restriction. Hong Kong is among the leaders in the world in terms of the use of smartphones and tablet computers. That shows the high use of advanced technology to access information in Hong Kong.

**International cultural convergence**

Being an international city with Chinese and western cultures, Hong Kong is also an intersection of different cultures in the world. A number of cultural and arts activities are held in Hong Kong every year. In addition, international sports events are also held, e.g. Hong Kong Sevens and Hong Kong Marathon.

**Policy of free entry and exit that attracts talents from all parts of the world**

Hong Kong adopts an open immigration policy which enables overseas investors and professionals to apply for entry visas to come to Hong Kong for development. In addition, “Capital Investment Entrant Scheme” and “Quality Migrant Admission Scheme” allow capital investment entrants, and highly skilled or talented persons to stay in Hong Kong. They are measures to enhance the competitiveness of Hong Kong population. Once having ordinarily resided in Hong Kong for a continuous period of not less than 7 years, they may apply for the right of abode under the laws of Hong Kong. Thus, they can be lured to stay in Hong Kong for development.

For more information about the freedom of communication in Hong Kong, you can visit the website of Invest Hong Kong:

The following persons are considering whether or not to leave their own countries and come to work in Hong Kong. Read the following information carefully and make the good choice for each of them.

**Worksheet (2): The Push and Pull Drive of Hong Kong to Transnationals**

The following persons are considering whether or not to leave their own countries and come to work in Hong Kong. Read the following information carefully and make the good choice for each of them.

**Recruitment Ad in Hong Kong**
- Occupation: foreign domestic helpers in Hong Kong
- Salary: about HK$ 4,000
- Benefits: day-off every week, statutory holidays and annual leave

*Come to work in Hong Kong for a better family life!*

**Recruitment Ad in the Philippines**
- Occupation: secondary school teachers
- Salary: about HK$ 1,500
- Benefits: day-off every week, statutory holidays and annual leave

*Join us and achieve a balance between work and family life!*

**A friend of mine asks me to make investments in Hong Kong. I think, given Hong Kong’s free economic policy, advanced development and its close relationship with the rest of Greater China, it has great development potential. It is an ideal place for investment.**

**Robert, a transnational businessman**

**Although America’s economic depression in recent years has caused a great loss to my investment, I’m more familiar with the investment environment here. In addition, many local trustworthy investment partners can help to lower the risks.**
Qing Qing, a pianist from Thailand

If I go to live in Hong Kong through the Quality Migrant Admission Scheme, it will be easier for me to travel around different countries in the world for conducting concerts overseas and to exchange with other musicians.

I have already earned my reputation in my own country with a number of fans. It ensures a higher number of audience in my concerts.

Susan, a consultant from a multinational corporation in Germany

The company which I’m working for has established a new office in Hong Kong. It offers me a promotion opportunity of acting as the CEO for that new office in Hong Kong. Since the company will provide allowances of education and housing, my household income will increase by 70% accordingly.

I have a seven-year-old daughter. She is an outgoing person. She loves the nature and has a number of friends in her school. Furthermore, schools in Germany do not emphasize on recitation, and students are relatively less pressured. My daughter has been suffering from asthma. I know that air pollution in Hong Kong is serious. I really worry about it.
1. If you were the person mentioned above, what would be your choice?

If I were Maria, I (will/won’t) come to work in Hong Kong. It is because

If I were Robert, I (will/won’t) come to work in Hong Kong. It is because

If I were Qing Qing, I (will/won’t) come to work in Hong Kong. It is because
2. Summarize the results of discussion with your classmates and analyze the “push and pull” drive of Hong Kong to transnationals.

<table>
<thead>
<tr>
<th>Transnationals</th>
<th>“Pull” drive (advantages of Hong Kong)</th>
<th>“Push” drive (disadvantages of Hong Kong)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maria from the Philippines</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Robert, a transnational businessman</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Qing Qing, a pianist from Thailand</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Susan, a consultant from a multinational corporation in Germany</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
3. The Government has tried hard to attract transnationals to work and invest in Hong Kong. Why is it so important for the development of Hong Kong? Explain.

4. Can you advise the Government on practical ways to further attract transnationals to work in Hong Kong? Share your opinions.
The “push and pull” drive of Hong Kong to transnational business people, professionals, executives and labour

What is the “push and pull” drive?

Hong Kong has the “push and pull” drive to transnational business people, professionals, executives and labour. The “pull” drive refers to the advantages that attract transnationals to work in Hong Kong; the “push” drive means the disadvantages of Hong Kong that make it fails to attract transnationals. Therefore, the employment of transnationals can be considered as the result of interaction between the “push and pull” drive of Hong Kong.

Hong Kong’s “pull” drive:

1. Economic

As Hong Kong is among the most developed economies in the world with high per capita income, transnationals can generally earn more and thus, many transnationals are attracted to work here. It is also a financial and trade centre in the world with more opportunities of business and trade with other regions. In addition, with its special relationship with the mainland, Hong Kong has attracted many multinational corporations to set up their Asia-Pacific headquarters here in a hope to explore the market on the mainland.

2. Social

Hong Kong is an intersection of the East and the West with diversified cultures. The Government has proactively promoted the development of diversified social cultures, encouraged peaceful coexistence among people from different countries and cultures and provided a platform for transnationals to get along with the local citizens in order to reduce discrimination.

Apart from these, Hong Kong is able to attract transnationals to work and live in Hong Kong because of its well-established legal system, stable political environment, harmonious social atmosphere and open immigration policy.
3. Geographic
The favorable geographic location makes Hong Kong the hub of the world’s transportation. It’s convenient to travel to different countries or regions. Most places in Asia are within five hours’ flying time from Hong Kong. Furthermore, the geographic location of Hong Kong also offers the advantage of time difference. Hong Kong’s stock market can fill the time gap of trade between Europe and America within the international financial network.

Hong Kong’s “push” drive:
1. Economic
High living expenses in Hong Kong make it an expensive city to live in and hard to find a spacious and ideal residence. Different aspects of life in Hong Kong pose burdens to them. Accordingly, transnationals must assess the cost of living in Hong Kong before deciding whether to work here.

2. Social
Hong Kong is lagging behind other developed countries/regions in terms of allocation of resources for education. Transnationals will have to think about education for their children if their children are moving to Hong Kong with them. In addition, those who plan to devote themselves to the high-tech industries will have to think twice as limited resources are allocated to research and development.

3. Environmental
Air pollution of Hong Kong is a serious problem that worsens the quality of life and adversely affects the health of people. As a result, some transnationals are not willing to move to Hong Kong. They prefer other cities with better living environment than that of Hong Kong.
Concept Map of “Global City”

Extent of Openness of Hong Kong

Free Capital Flows

Freedom of the Media /Press

Free Information

Open Immigration Policy

Diverse Culture

Factors in attracting transnationals to Hong Kong

“Pull” drive
(Factors Attracting Transnationals)

“Push” drive
(Factors Scaring off Transnationals)