

How Pollution May Ruin Hong Kong

by Paolo von Schirach

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WASHINGTON – It was reported last December in Hong Kong that members of the British, Canadian, Australian and Japanese chambers of commerce met political leader Donald Tsang to discuss pollution. Their call follows a warning from the American Chamber of Commerce that fresh investment was being deterred by the thick smog that regularly clouds Hong Kong. “There is widespread concern that the deteriorating environment is adversely affecting the health of our community, our citizens, our children, our businesses and our enviable international status in an increasingly competitive global landscape,” the chambers said in a joint statement.

Pollution has become a hot political issue in Hong Kong as smog levels have risen to often dangerous levels. According to some measurements, poor air quality reduced visibility to less than one kilometer (about half a mile) on more than 50 days last year.

The government says the problem is mostly due to the industrialisation of southern China’s neighbouring Pearl River Delta region, while green groups also blame local coal-burning power stations and diesel-powered buses. AmCham chairman Steve Marcopoto has urged both the local and the neighbouring Guangdong provincial governments to step up efforts to combat the problem. Nearly 80 percent of the 140 top executives polled in a survey felt Hong Kong’s allure was falling, with four out of five knowing professionals who had considered leaving or have already left due to the air quality.

Karl Marx would probably have used the current Hong Kong

predicament as an illustration of the 'contradictions of capitalism'. The economic system that wanted to expand wealth, in the end becomes responsible for increased misery; thus causing its own demise. Marx focused on the inability to spread the riches deriving from the industrial processes introduced in large scale by the capitalists. I am talking about the different but real problem of increased air pollution in Hong Kong (indirectly at least generated by the Hong Kong capitalists) and the possible consequence of eventually shutting down this powerful center of economic prowess.

Several years ago, Great Britain was adamant in its negotiations with Beijing to bring about a post colonial future for Hong Kong that would preserve its special capitalistic status, even after reverting sovereignty back to the then rather communist mainland. During the negotiations, and for some time after Hong Kong had been handed over to the PRC in 1997, the concern was that communist China might have wanted to destroy this western style enclave for ideological reasons; or that it may feel 'forced' to do so in order to avoid any possible capitalist contagion with the rest of China.

But the worst fears political proved to be exaggerated. Hong Kong is not totally free; but its capitalistic economy and special status has been preserved by its new communist masters.

However it would appear that should the demise of this vibrant center of enterprise come about after all, this inglorious outcome will be brought about at the hands of the capitalist leaders of the former British colony, rather than communist machinations.

It appears that the quality of life in Hong Kong is getting progressively worse because of the polluted air that blows into Hong Kong from the Pearl River delta region. Now, this is

the region where a large number of manufacturing enterprises were established with Hong Kong capital in order to take advantage of low labor and other costs in mainland China. The Hong Kong capitalists created these industrial plants and own many of them. Focusing on the highest returns, they did not care to spend more money in order to make these productive facilities environmentally friendly, at a time in which the environment did not appear to be a pressing concern, (certainly not in modern Hong Kong).

As a result of this recklessness, we have now an environmental disaster in the region with the unforeseen additional negative consequence of the foul air produced in Guangdong getting to Hong Kong, depending on the prevailing winds. Apparently, this air pollution problem, unchecked for many years, has grown progressively. Today, it represents probably the single most significant threat to the continued viability of this city as the unquestioned economic and financial capital of Asia. With all its stellar top competitiveness rankings and applauded economic freedoms, Hong Kong cannot avoid the pollution blowing from a vast industrial region that it created in order to preserve the price competitiveness that it could not possibly maintain because of higher labor costs in the territories.

To make matter worse, The Economist reported recently that food stuff imported into Hong Kong from the mainland appears to have unhealthy concentrations of pollutants and various toxic substances reputed to be carcinogens. So, Hong Kong's proximity to a high concentration of pollution seems to cause damage at several levels.

Right now it appears that Hong Kong desperately needs the full cooperation of mainland authorities so that, jointly, (probably with massive capital infusions coming from Hong Kong itself) they can drastically reduce the growing deterioration of the environment in the whole region and thus the very ability to live a more normal life in the former colony. We do

not hear much about the quality of life for the tens of thousands of workers who toil in the very factories whence the pollution originates. But they can hardly be better than in Hong Kong itself.

The seriousness of the problem for Hong Kong is illustrated by the fact that many international companies are relocating or at least are beginning to consider relocation in more salubrious locales. Many expatriate executives have already moved elsewhere their children, more vulnerable to respiratory afflictions. Should things get worse and should Hong Kong begin to lose at least some of the leading international companies that have made it their Asia headquarters, this may start a general exodus, as the attractiveness of the city rests in large part on the unusual concentration of economic power and talent.

So, unless drastic action is undertaken immediately to reverse the environmental deterioration, it would appear that the Hong Kong capitalists, after all, have been more shortsighted than the Beijing communist leadership.

Recommending More Training for the Iraqis

by **Paolo von Schirach**

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WASHINGTON – The choice of General David Petraeus as the new head of US forces in Iraq comes probably as some kind of response to the Baker Hamilton Report recommendation to vastly increase the number of US trainers in Iraq and to make this

redoubled training effort one of the main pillars of the whole operation. After all Petraeus during a previous assignment had been in charge of a key component of this effort. But why is it that training, always described by the administration as the precondition for self-sufficient Iraqi was downgraded in terms of strategic relevance to the extent that at the end of 2006 a bipartisan group of well meaning people indicates that this should become one of the pillars of the whole strategy? We were always told that it was and is a pillar.

The logic of Baker Hamilton recommendation is flawless; the choice of Petraeus inspired. But why only now?

The US objective, since the beginning in 2003, has been to create a situation whereby the new Iraqis Government, in the fastest reasonable time, will be able to provide for the country's security, ensuring a modicum of stability (if not total peace); so that the coalition forces will be able to withdraw without leaving a void and consequent havoc. Therefore, in order to achieve this objective, we need to increase the scope of the training effort for the Iraqi forces, so that they will be capable of doing the job on their own. So says the Iraq Study Group; and it is hard to disagree. But why has this not been done all along, when everybody said that it was essential to do it?

Indeed, the utterly perplexing fact is that the critical role of the training effort has been underscored by the Bush administration since the beginning of the occupation in 2003. Regarding Iraq, few subjects have been analyzed and debated in Washington more than the state of readiness (actual, projected, and hoped for) of the Iraqi military and police, as a result of the coalition training efforts. This was and is the core enabling element of any exit strategy. As president Bush said many times: "As they stand up, we stand down". This has been the mantra endlessly repeated by the administration.

So, it was and is clear to all those even marginally

interested in the Iraqi issue that for us to stand down, that is to devolve security responsibility and eventually leave, we need to concentrate on making sure that they (the Iraqi) can indeed stand up. And this has been consistently asserted and reasserted. The Pentagon and the White House have repeatedly stated that, regardless of tactical necessities, the long term US strategy was to train Iraqis, so that they would become self-sufficient in the shortest period of time and so that direct security responsibility could be handed over to them as soon as they are ready to shoulder it, regardless of the state of the insurrection or civil war or however we want to define the violence in Iraq.

Clearly the US maximum objective should be the quick defeat of all violent groups in the country. The ensuing peace and security would then create the necessary environment to allow for reconstruction, development and at the same time the strengthening of the fledgling democratic institutions.

But since we all know that this will take a long time, an acceptable intermediate goal would be creating an effective and reliable Iraqi security apparatus capable of containing the insurrection and hopefully to defeat it sooner rather than later. But devolution in a messy, unstable environment entails reliably trained Iraqis. Given the relevance of this issue, it is utterly surprising that so few resources have been devoted to it.

In June 2004, the same General David Petraeus, just nominated commander in Iraq, was entrusted with the training effort as head of the Multinational Security Transition Command. In recognition of the key strategic relevance of this mission, Petraeus made the cover of *Newsweek* as America's point man in Iraq. Later on, in an op-ed piece in the *Washington Post*, (September 26, 2004) General Petraeus wrote, among other things, that "training [of Iraqi forces] is on track and increasing in capacity". This was more than two years ago. Apparently things did not go according to plan. (Meantime,

Petraeus was reassigned).

So, what happened to training? Hard to say exactly. Michael Vickers, formerly Army Special Forces and CIA operations, now with the Center for Strategy and Budgetary Assessment, who briefed president Bush on the subject of training, in the course of a TV interview, (Newshour with Jim Lehrer on October 27, 2006), indicated that the whole training operation was woefully understaffed and thus not really effective. His explanation? It would appear, among other things, that being a trainer is not a glamorous assignment leading to career advancements in the US military. For this reason, we do not get many people who want to go, and those who do are not necessarily the best qualified people.

If this is even partially true, then we have to conclude that the sluggish progress in creating an Iraqi military force capable of defending the country and thus of providing a viable exit strategy for the US and other Coalition forces is due to the fact that being a trainer is not an interesting career path within the US military.

We should really hope that this is not true. Still, if this is not the true reason, or if it is not the main reason, it is still utterly unbelievable that, several years into this crucial training effort, we have so few US trainers in Iraq; (between 3,000 and 4,000 in 2006). And thus it seems that we needed the Baker-Hamilton Iraq Study Group, a group of well meaning people (with only a couple of military experts in their mix), to come up with the obvious recommendation to dramatically increase the number of trainers in order to make the Iraqis self-sufficient sooner rather than later.

As Mr. Vickers noted in the interview referred to above, in Vietnam, at the end of the US effort, there were 16,000 US advisers. In Iraq only about 3,200. So, it appears that the best that we have been able to do is to deploy 3,200 men, apparently not the best and not adequately supported, to carry

out training –a core element of the only strategy that could allow a credible disengagement some time in the future.

Why the US, with the largest military force in the world, has been unable to do better than this, three years after the fall of Baghdad, is something that the administration needs to understand and correct. Sending General Petraeus back to Iraq with the new rank of top military commander may indicate that training, neglected for all this time, is back on the front burner. We can only hope that this true, as this may be the last chance to establish a real foundation for victory and for the eventual exit of US forces.