

Growth and development since 1945

Reconstruction after the war

- 1945/8 restoration 恢復 of British rule
 - HKG carried out measures 政策
 - Action
 - price control
 - building public utilities
 - ↓ To
 - reconstruct economy livelihoods 民生
 - Result
 - HK population : 0.6 → 1.7 million
 - Social stability 安定 was restored
 - Economic conditions were greatly improved

HKG =
Hong Kong
Government

HK = Hong
Kong

Economic development

Difficulties faced by entrepot trade

- After the second World War
 - become an important entrepot
 - between China & other countries
 - ↓ Result
 - brought the development of related industries
 - example
 - shipping

- shipbuilding
 - transportation
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Changes in China's external trade

- 1949/10/1 the People's Republic of China 中華人民共和國 was set up 成立
 - adopted 採用 planned economy 計劃經濟
 - established trade relations 建立貿易關係 → socialist countries 社會/共產主義國家
- ↓ result
- HK's re-exports → mainland decreased greatly
 - badly hit HK's entrepot trade that had just revived after the war
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UN trade embargo on China

- Korean War 韓戰 (1950-1953)
 - China sent voluntary soldiers 志願軍
 - → help North Korea 朝鮮



抗美援朝

result: 以美為首的聯合國軍
撤回到38線，在板門店簽停戰
協議

↓ Therefore

- UN imposed a trade embargo 禁運 on China
- ↓ Therefore
- impacted on HK's entrepot trade
 - decreased by 2/3
- ↓ Action
- HK committed 堅定 itself → industrial development
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Favourable factors for developing manufacturing industry

- To

- reduce the dependence on bad-hit entrepot

↓

- HK actively development light industries 輕工業
- 1950 -1970
 - HK developed in manufacturing industries



輕工業（占地少、低成本、少機械）

意義：HK's first economic transformation in 20th century

Abundant labour & capital

- HK population ↑
 - to the pre-war levels
- 1946 (Chinese Civer War)
 - mainland Chinese fled to HK
 - brought
 - capital
 - skills
 - manpower

↓ To

- stimulated the development of HK's manufacturing industries
- 1950
 - employed in manufacturing industries continued to ↑

Stable political environment

- After 1945
 - Cold War (1946-1991)
 - Europe
 - spread to Asia

- Korean War (1950-1953)
 - Vietnam War 越南戰爭 (1957-1975)
 - HK
 - stable political environment
 - attractive place for foreign investment 外國投資
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Tariffs concessions

- Ottawa Agreement (1932)
 - HK products enjoy tax concessions 稅收優惠 in Commonwealth countries
 - ↑ competitiveness 競爭力
 - General Agreement on Tariffs and Trade (1947)
 - promote international trade
 - provided a great opportunity 機會 for HK products → enter world market
 - stimulated HK's industrial development
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Positive non-intervention policy

- HKG adopted a **positive non-intervention policy** 積極不干預政策
 - help maintain 維持 HK's free economy
 - to create a good investment environment
 - From 1960
 - HKG set up semi-offical business & trade organizations 半官方商貿組織
 - provide different kinds of supply to industry
 - encourage HK's industrial development 產業發展
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Development of manufacturing industry, 1950s-1970s

1950s-1960s : labour-intensive industry

- Labour-intensive industries
 - less capital
 - more labour
 - less machinery
 - major industries
 - textiles 紡織
 - textiles manufacturing was the starting industry of HK's industrial take off in 1950s
 - garments 成衣
 - plastic
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1970s and after : technology-intensive industry

- By 1970s, manufacturing industry started to grow at slower pace 速度較慢
 - face challenge from neighbouring regions
- Stepping in 踏入 1970
 - advanced technology were introduced 引進 HK
 - new industries
 - electronics
 - toys
 - watched

HK's industrial production : labour-intensive → technology-intensive

Favourite factors for developing into an international financial centre (by 1980)

- Geographical location

- situated in Southern China
 - regarded as gateway 門戶 to China
- centre for Asian region
- Favourable business and investment environment
 - simple tax system
 - low taxes
 - sound legal system
 - absence of foreign exchange control 無外匯管制
- Time zone
 - between London & New York
 - stock market (London & New York) closed
 - investors 投資者 continue to trade in HK's trade market
- Support of mainland's policy
 - China adopt '**reform and opening-up**' (1978)
 - mainland enterprises 公司 had come to HK → seek 尋找 investment opportunities 投資機會
 - ↓ Result
 - promoted development of local financial industry & other related industries

Development of financial industry, 1980s-1990s

- HK had modern banking system
 - many international financial organizations set up headquarters & branches
 - 1997, 500 financial institutions in HK
 - 82 from 100 largest banks
 - HK : well-developed stock market
 - Local & overseas companies for financing in HK
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Social development

- HK population : (1950) 2 000 000 → 5 000 000 (1980)
 - demand for social services : ↑

Housing development

- 1948, **Hong Kong Housing Society** 房協 was founded
 - provide public housing
 - ↓ Problem
 - no enough
 - ↓ Solve
 - 1953, HKG built different types of public housing & revise housing policy
 - 1972, '**Ten-year Housing Programme**' was announced

Development of public housing in HK

1. Huts and boat houses (1950)

- HKG allowed wooden houses & boat houses in designated areas 指定區域
 - solve problem of housing shortage
 - living conditions : poor
 - wooden houses : easy caught fire

2. Resettlement blocks (1953-1954)

- 25/12 1953 : fire (Shek Kip Mei)
 - 58 000 people → homeless
 - HKG built 7-storey resettlement blocks in Kowloon

3. Low-cost housing (1961)

- HKG : **Low-cost Housing Programme**
 - provide low-cost housing for people on low incomes

4. Ten-year Housing Programme (1972)

- Governor MacLehose announced **Ten-year Housing Programme**
 - provide public housing for 1 800 000 people in 10 years
 - went hand in hand 配合 with development of new towns in NT
 - public estates in Tsuen Wan, Sha Tin, Tuen Mun

NT = New Territories

5. Home Ownership Scheme (1978)

- HKG built → sold apartment at discounted price
 - For : Lower-income families & better-off public housing tenants 較富裕的公屋租戶

6. Home Purchase Loan Scheme (1988)

- help lower-and middle-income families to buy flats in private market

7. Adjusting housing policy and strategy (1990)

- HKG set up new Housing Branch 房屋科
 - formulated 规划 policies & strategies 策略 about private/public housing
 - One objective
 - rational allocation 合理的分配 of public housing resources
- 1998, Tenants Purchase Scheme 租者置其屋计划
 - allowed tenants 房客 in public estates → buy their flats → became flat owners

Education development

- After WW II

- HKG built more school
- Introduce 引进 free & compulsory 强制 education for younger generation 年轻一代
- Education level ↑
 - Promote economic development

WW II =
Second
World War

1950s-1960s : expanding primary education

- After WW II, many babies were born
 - Children reached school age (1950s)
 - HKG expanded primary education (1950, 1960)
 - HKG established 建立 more teacher-training colleges
 - meet 面对 rising demand for teachers

1970s : introducing compulsory education & providing technical training

- 1971, HKG : **six-year free and compulsory primary education**
 - 1978, extended to nine years
- manufacturing industry → technology-intensive
 - HKG set up technical school
 - 1973, **Vocational Training Council** set up
 - provide vocational training for young people

1980s-1990s : expanding tertiary education

- 1980, HK developed into international financial centre
 - Raised demand for more high-educated new generation 更高学历新一代
 - expanded tertiary education
 - Built more universities

Social welfare development

- Provided by voluntary organizations
 - Tung Wah Group of Hospital 东华三院
 - Po Leung Kuk 保良局
 - 1948, Social Welfare Office 社会局 was set up
 - coordinate 协调 work of different social bodies
 - No provided social services
 - 1958, renamed Social Welfare Department 社会福利署
 - main provider of social services
 - Social security
 - Family
 - Child welfare
 - rehabilitation 康復/復康
 - Services for elderly, young people, offenders 罪犯
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Effects of economic and social development

- Improved people's living standard
 - wages 工资 increased
 - Education, housing, social welfare raised The general living standard 标准
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