

John C Tsang
Financial Secretary
25th Floor, Central Government Offices
2 Tim Mei Avenue
Tamar
Hong Kong

28 September 2015

Dear Mr Tsang

I paid my annual salaries tax today, as I am legally required to do. I am writing to inform you that this year's payment was made under the strongest possible protest.

I could discuss at length your failure to provide ordinary working people with pensions or adequate healthcare, as well as the government's obsession with costly and often unnecessary infrastructure projects. However, I will focus here on just one particularly galling aspect of this year's budget; the short-sighted, vindictive and overtly political decision to compensate certain business sectors for the alleged "losses" they incurred during the protests for greater democracy in Hong Kong that began one year ago today. You stated in your [budget speech](#) that:

Prolonged political bickering is detrimental to public administration and the international image of Hong Kong as a stable, law-abiding and efficient city. It may even dampen investors' confidence in Hong Kong. Such self-inflicted harm does not serve the city well. The occupy movement affected tourism, hotel, catering, retail and transport industries, etc. to varying degrees. To offset the impact on economic confidence, I shall implement an array of support measures targeting affected industries and launch a new round of efforts to promote Hong Kong.

These support measures and promotional efforts, you said, would cost HK\$290 million.

As a regular visitor to Mongkok and Admiralty in October and November last year, it was clear to me that the protests had an overwhelmingly positive effect on city. For the first time I can remember, there was a real debate among ordinary people on important social and political issues. The protests inspired an unprecedented outburst of cultural creativity and political humour, which had long been suppressed by the over-riding obsession in the city to study hard, earn money and get ahead. Finally, the protest zones reduced traffic noise and air pollution and provided a glimpse of what a pedestrian friendly city might look like.

Far from creating chaos on the streets of Hong Kong, the protests actually had very little impact outside the actual protests zones. The photograph below is the scene on the evening

of 16 October on Sai Yeung Choi Street, just 20 metres from the Mongkok protest zone. As you can see, all the shops are open and people are going about their normal business. It was only when Hong Kong's violent and pathetically incompetent police force tried to clear Nathan Road the following evening that this peace and normality was disrupted.



My assessment moreover seems to be shared by Germany's Consul General Nikolaus Graf Lambsdorff who [told the South China Morning Post last month](#) that the protests were viewed sympathetically in Germany and certainly did not put off any German investors: "If you look at the numbers, I think it is quite clear that this is not the case. I have not seen any facts that would support this view [that the protests scared away investors]," he said.

I am sure you will always be able to creatively select figures to back up your assertions about the impact the protests had on local business, and I concede that some business owners may have been temporally inconvenienced. However, the protests also created numerous opportunities to make money: All of the fast-food franchises in Mongkok and Admiralty were doing a roaring trade, and hotels in Central were packed with foreign journalists and film crews, as well as ordinary tourists eager to witness first-hand this very civilized mass protest. Nearly all bus and minibus routes were quickly rerouted to bypass the protests zones, and simple logic should tell you that if a taxi has to take the long way around, it is going to make more not less money.

There are many reasons why Hong Kong businesses may have suffered a downturn recently; the high exchange rate of the US dollar and China's crackdown on corruption being just two. Yet you chose to ignore these factors and single out instead protests calling for genuine universal suffrage as the main cause of harm to both business and Hong Kong's international image.

Furthermore, if these businesses really were under threat, I doubt very much that a HK\$290 million package of give-aways and promotional gimmicks is going to help very much. If you are genuinely concerned about the fortunes of these businesses and the health and livelihood of the people of Hong Kong, there are a couple of measures you could take that would make a real impact. For example:

- Introduce commercial rent control so that shops, restaurants and cafes are not always forced out of business by rapacious landlords raising the rent by ridiculous amounts every few years. This would also allow businesses to pay their staff a decent wage and allow ordinary Hong Kong citizens to spend more and boost the domestic economy.
- Instead of building yet more roads and bridges, invest that money in a new, comprehensive transport system that utilizes clean, energy efficient technologies, improves the environment for pedestrians and cyclists, and ensures that the people of Hong Kong and all visitors to the city can move around safely and efficiently without choking on diesel fumes.

And finally, if you want to improve Hong Kong's international image, perhaps you could encourage the courts not to sentence women to prison for assaulting police officers with their breast, an incident that has already made Hong Kong [an international laughingstock](#).

Yours sincerely

Geoffrey Crothall