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9 Hong Kong and Shenzhen

Twins, rivals or potential megacity?

Marco Bontje

This first section on internal twin cities terminates with a chapter on Hong Kong and Shenzhen – fittingly since Shenzhen was partly created as a partner for Hong Kong in order to handle the latter’s incorporation into China. In this sense, these can be seen as border twins transforming into internal twins. Like many cities in section 2, the relationship was intended to be positive. However, as the writer suggests, their future may be rivalrous (rendering them ‘not quite twins’ on the basis of border-twin expectations) and thus resemble the history of many internal twins. Unless they amalgamate – a fate rarely shared by twin cities of any sort – their relationship will continue to be special.

Introduction

Today’s Shenzhen would not exist without Hong Kong right next door. Since 1979, Shenzhen has grown spectacularly from scattered small towns, villages and farmland to a megacity. Locating China’s first Special Economic Zone (SEZ) directly beside Hong Kong was a strategic, deliberate choice, resting on Guangdong’s history as an international gateway to China; a ‘safe’ place to experiment a new economic regime, sufficiently far from Beijing to not risk endangering the Communist system, while maximising potential profits from Hong Kong’s proximity (Campanella, 2008). Moreover, Shenzhen, Zhuhai, Xiamen and Shantou SEZs were seen as stepping stones towards fully integrating Hong Kong, Macau and Taiwan into China (Yang, 2005). Especially at first, Hong Kong capital largely financed Shenzhen’s growth; Hong Kong’s example strongly influenced its planning and urban design; many early factories moved from Hong Kong or were established by its entrepreneurs (Ng, 2003).

Meanwhile, Hong Kong and Shenzhen are both megacities, competing for the same status, (inter)national functions and investments. They are deeply inter-related by intensive cross-border traffic, investments and joint-development projects. Still, they cannot yet be considered ‘twin cities’. Shen (2014) argues that cross-border integration so far mostly comprises economic integration, some institutional integration, but little social integration. The ‘twin-cities’ idea has often been suggested in recent decades

(e.g. SCMP, 2003; *China Daily*, 2016a). Some projects like the Free-Trade Zone Qianhai or the Lok-Ma-Chau Loop, and events like the Biennale of Urbanism and Architecture, employ the term to suggest that the cities are growing closer. However, concrete policy actions so far remain limited.

Relationships are complicated and tense. Although both are part of China (Hong Kong since 1997), Hong Kong retains special status as a ‘Special Administrative Region’ (SAR) under the ‘one country, two systems’ policy. It is very anxious about mainland China’s aim of full integration, despite Sino-British agreement maintaining special status until at least 2047. It may face choices: does it see Shenzhen as a twin city, thereby perhaps strengthening its prominent international status, a rival or the vanguard of mainland China’s takeover? If so, collaborating and/or even merging with Shenzhen may mean Hong Kong becoming ‘just another Chinese city’, perhaps assuming second rank in the megacity region, much less competitive internationally. Meanwhile, Shenzhen may become less special once Hong Kong loses privileged status.

What is their future? This chapter explores the many ways wherein the two cities have become inter-connected, while remaining separate, and whether they have shared or adverse interests. Can they someday become one integrated megacity, or will border obstacles remain? Or are they better off in their current close, connected but not entirely integrated state? Their future partly depends on governments in Hong Kong, Shenzhen and Guangdong, even more how far Beijing allows them to decide their own fate.

Regional context, development history and current situation

Both cities link to a larger heavily urbanised area known as the Pearl River Delta (PRD), one of China’s prime megacity regions in both population and economic importance. While the Delta’s history goes back many centuries, its heavy urbanisation mostly emerged only in the last half century, especially since China began reforming and opening its economy in 1978. Guangzhou was the only significant historic regional centre, long important as a trading centre and port and remains Guangdong’s provincial capital (Shenzhen is also located here). But Guangzhou’s growth into megacity mostly occurred in the twentieth and early twenty-first centuries. In the late eighteenth and early nineteenth centuries, it was the sole official trading point between Western and Chinese merchants, fitting into the region’s longer history as a main international gateway to China (Zhang, 2015). Hong Kong and Shenzhen hardly existed – the area mainly hosting rocks, forests, farmland, small towns and villages.

Following the Opium Wars of the 1840s and 1850s, China generally and the PRD particularly experienced a century’s political turbulence, economic stagnation and foreign influence: its ‘century of humiliation’. Hong Kong became a British colony in three stages: Britain colonising Hong Kong Island in 1842; adding the Kowloon peninsula’s southern part in 1860

and acquiring the ‘New Territories’ in 1898, creating a buffer-zone between the rather isolated and vulnerable port city of Hong Kong and China (Tsang, 2007). Britain and China agreed a 99-year lease, after which the area should return to China. The Shenzhen River became the new border and remains so, even now the lease has terminated. Initially, this border was quite porous, strict controls, walls and fences only being added in 1939 as World War II commenced (Watson, 2010). In 1950, it was closed even more firmly: Hong Kong (and Britain) wanting to avoid risking Chinese Communist attack and prevent a mass refugee influx; China wanting to reduce liberal, democratic and capitalist influence on Guangdong (Smart & Smart, 2008). The ‘New Territories’ remained largely undeveloped until the first New Towns emerged in the 1970s, bringing urbanised Hong Kong much closer to China’s border. Hong Kong grew fast, transforming from small port city into a larger, increasingly ‘global’, city.

In the early decades of Communist rule (1949–78), Guangdong’s development stagnated – due partly to the regime’s varying urbanisation policies – between ‘controlled urbanisation’ and ‘anti-urban(ism)’ (Wu, 2015). Also important was China’s economic development strategy favouring industrialisation of inland rather than coastal cities (Wu, 2015). So too were disastrous revolutionary policies like the Great Leap Forward and Cultural Revolution. Guangdong was further disadvantaged by Guangzhou’s history as a ‘treaty port’, a colonial legacy the communists disliked, and the related perception of Guangdong as a potential ‘bourgeois-capitalist’ risk to communist rule because of its international orientation, and trade and kinship networks with the emigrant diaspora in Europe and North America (Vogel, 1990; Smart & Smart 2008). Furthermore, many political refugees and economic migrants attempted to cross the border, risking lives and liberty. Numbers are uncertain and disputed, there being no official statistics of how many fled, migrated successfully or failed to reach Hong Kong; estimates range between 500,000 and 2,000,000; some claim that 20%–30% of Hong Kong’s population growth in 1961–81 consisted of Mainland Chinese and/or economic migrants (*China Daily*, 2011; *SCMP*, 2013).

Watson (2010) describes the border of those days as a Cold War front-line, like the Berlin Wall, suggesting that most migration into Hong Kong occurred by sea or perhaps over the mountains between Shenzhen and Hong Kong. However achieved, the massive mainland Chinese influx contributed significantly to Hong Kong’s emerging low-cost mass industrial production in the 1960s and 1970s. Alongside many refugees and migrants from Guangdong, another influential group were merchants and industrialists from Shanghai, who rapidly created a competitive textile industry – many escaping mainland China during the 1945–49 civil war, moving factories and investments from Shanghai to Hong Kong (Tsang, 2007; Zhang, 2015).

Guangdong’s stagnation and border tensions changed radically after 1978, with China’s ‘opening’ and economic transformation. Guangdong, especially the PRD, was where the first experiments involving ‘capitalism

with Chinese characteristics' began (Yang, 2005; Campanella, 2008). Its earlier disadvantages became advantages, or were interpretable as returning to its pre-communist international orientation and entrepreneurial history. Guangdong became the region where China started opening to the world. Several SEZs were created to kick-start China's economic modernisation and transformation. Shenzhen, an early SEZ, became the largest and most successful. In line with China's modernisation strategy, SEZs like Shenzhen initially specialised mostly in industrial low-cost mass production. Hong Kong was crucial to Shenzhen's early development in multiple ways. Many Shenzhen manufacturing firms moved from Hong Kong and/or were financed by its entrepreneurs; much foreign direct investment (FDI) establishing these firms came from or via Hong Kong. Especially early on, Hong Kong represented an inspiring example of how capitalism worked and how to plan and develop a metropolis. Since the early 2000s, Shenzhen's economy and regional context have transformed once more – from 'workshop of the world' to a twenty-first-century metropolitan economy mainly based on high-tech production, innovation and advanced producer services (Zhang, 2015). Almost everything in present-day Shenzhen was built post-1980. However, recent as this built environment largely is, many parts of the city built in the 1980s or 1990s were already transforming to adapt to the city's changing economy and inhabitants' changing needs and preferences (Vlassenrood, 2016).

Meanwhile, Hong Kong also changed dramatically, influenced by China's transformation and Shenzhen's rapid emergence. After changing from a mainly port and trade city into an industrial city in the 1950s and 1960s, it mostly lost its industrial mass production to Shenzhen in the 1980s. Since then (while remaining a globally important port city), it has mainly specialised in advanced producer services, especially finance, insurance and real estate. This economic transformation paralleled radical change in its political future, with the 1984 UK–China agreement that Hong Kong would return to China in 1997. However, this was conditional upon the 'Basic Law' becoming the constitutional document establishing Hong Kong as a SAR of China. Effectively, this implied that most pre-existing colonial laws and regulations were maintained after handover. The Basic Law and the 'one-country-two-systems' principle theoretically give Hong Kong considerable executive and legislative autonomy, and its citizens rights unavailable to mainlanders, like freedom of speech, press, association and assembly. Also, the Basic Law establishes some limited democracy, with universal suffrage promised for the future. This SAR status should last until at least 2047.

However, several times already, China has apparently interpreted the Basic Law differently from Hong Kong's government and citizens, enhancing their growing anxiety about its autonomy (Keatley, 2016). Especially the denial of universal suffrage produced repeated mass citizen protests, most recently in the Occupy Central Movement and the Umbrella Revolution in 2014 (Ortmann, 2015). Significant steps towards full integration had already

occurred, like the Closer Economic Partnership Arrangement (CEPA) and the ‘Individual Visitor Scheme’ both in 2003. Meanwhile, many Hong Kong residents have become apparently more aware of what distinguishes them from mainland Chinese. Instead of moving towards one Chinese identity, ‘localism’ and hostility towards mainland China has apparently increased since 1997 (Kwong, 2016; Xiyuan, 2016).

The Hong Kong–Shenzhen ‘borderscape’

Breitung (2004) mentions four unique features of the border between mainland China/Shenzhen and Hong Kong:

- it is not cross-national;
- it is currently undisputed;
- it is internal, heavily guarded, but extensively crossed;
- it expires in 2047.

It also looks quite different according to one’s vantage point. While Shenzhen’s built-up area nearly reaches the border, most of Hong Kong’s border-zone comprises fishing ponds, farmland or nature-area (Figure 9.1); the few exceptions include villages established long before the British colonial era (Watson, 2010). Equally contrasting is the infrastructure: several Shenzhen roads end at the border, connecting with nothing. The reasons



Figure 9.1 Shenzhen–Hong Kong border: built environment vs farmland and nature-conservation area by Marco Bontje (2013).

mainly connect to Hong Kong's colonial history, where British colonial rulers saw the New Territories as a buffer-zone against China. When Hong Kong Island and Kowloon appeared too small to accommodate Hong Kong's fast demographic and economic growth, New Towns were developed in the New Territories. However, so far these are all distant from the border and mainly surrounded by country parks, nature reserves and reservoirs. Another planning measure maintaining distance between Hong Kong's New Towns and Shenzhen is the 'Frontier Closed Area' at the Hong Kong side, installed in 1951 as a 'buffer-zone' against possible Chinese invasion and discouraging illegal migration and smuggling. Before 1951, border controls were much less intensive. Hong Kong's return to China in 1997 did not immediately change the Frontier Closed Area's status. Recently, however, plans have emerged to decrease the area, enabling new development plans, as we shall see later.

In total (including people from the rest of the world), an impressive 290,000,000 passengers crossed Hong Kong's borders in 2014, against c277,000,000 in 2013 (Information Services Department, 2015). Longer term growth is equally impressive: passenger numbers were around 153,000,000 in 2003 against 209,000,000 in 2005–6 (Smart & Smart, 2008). Currently (2018), there are five border-crossings. These differ in several ways. The Luohu/Lo Wu and Futian/Lok Ma Chau crossings can be reached by metro on both sides; passengers then walk across the Shenzhen River. These are the busiest: 87,150,000 people crossing between Luohu and Lo Wu in 2014, and 28,540,000 using the Futian/Lok Ma Chau crossing (Information Services Department, 2015). These include many crossing the border multiple times; official statistics provide no means of discovering numbers of different individuals involved. Private cars, taxis and buses can cross at Huanggang, while only cars use Wenjindu. The fifth border-crossing, Shekou, could only be reached by ferries from Hong Kong Central, Hong Kong Airport or Macau, until the Shenzhen Bay Bridge opened in 2007. To further facilitate cross-border traffic, two ambitious railway connections are planned.

Although the border-crossings differ, they share one unusual feature: though Hong Kong is formally part of China, progress from one to the other resembles crossing an international border. Crossing either way, you must pass through two sets of customs, separated by small pieces of 'no-man's land'. Moreover, Hong Kong and China each have their own visa regimes: these have little effect on Hong Kong or Shenzhen/Chinese citizens, who can access separate and quicker channels, but they do affect foreign travellers, doing so differently according to direction travelled and thus whether Hong Kong or Shenzhen visa regulations apply. Furthermore, even internal border-crossers are affected: Hong Kong and Macau travellers to mainland China find it easier than those proceeding in the opposite direction (Smart & Smart, 2008; Shen, 2014), although Shenzhen residents can cross more easily than others from the mainland.

Wanted and unwanted migrants and visitors

Hong Kong–Shenzhen migration is quite complex: many migrants travel back and forth, some keep homes in both places and many cross the border for work, study or family visits. As evident from the survey for Hong Kong SAR Planning Department and Shenzhen Statistics Bureau (2008), at that time about 62,000 people with Hong Kong identity cards or residence permits resided in Shenzhen. However, about half were apparently returning migrants, born in Shenzhen or elsewhere in mainland China. Furthermore, almost half of Hong Kong migrants to Shenzhen belonged to ‘mixed households’ with Hong Kong and mainland household members. About 10,000 were students, with 41% studying in Hong Kong and 59% crossing to study in Shenzhen. About 27,000 migrants were working, with 66% working in Hong Kong. Thus, alongside many tourists and day visitors, commuters and students also contribute significantly to the busy daily cross-border traffic. The most frequently mentioned reason to move from Hong Kong to Shenzhen was reunion with parents, partner and/or children (70%), and also lower living costs (25%), work or study (25%) or expecting a better living environment in Shenzhen (20%). Smart and Smart (2008) highlight Hong Kong’s ambiguous rules, laws and policies regarding mainland China migrants and visitors. Especially in the first years after 1997, Hong Kong feared large numbers of mainland migrants and tried regulating entry: investors, tourists (especially wealthier ones) and talented workers were welcomed to contribute to Hong Kong’s economy, but it struggled with the right of all children of Hong Kong residents to enter and reside in Hong Kong, as stipulated in the Basic Law. This right did not exist pre-1997, and involved around 1,670,000 people then living in mainland China. Despite its highest court confirming this right, Hong Kong’s government negotiated a quota system with Chinese central government.

Despite these attempts to limit migration, since 1997 many children of mainland Chinese parents have been born in Hong Kong hospitals, thereby enabling access to education in Hong Kong. Such parents often made strategic choices: China’s one-child policy did not apply in Hong Kong; Hong Kong’s health care is reputedly better; its education and welfare higher and Hong Kong passports enable children to travel more easily outside China. Furthermore, parents often see it as an investment in the general family future. However, although such children get ‘permanent resident’ status, their parents do not. Hence, a peculiar group of daily cross-border migrants has emerged: ‘border-crosser children’ (Reinstra, 2015). These cannot attend mainland Chinese public schools, and private schools are very expensive for ‘non-locals’, but their home-base is mainland China, especially Shenzhen. Therefore, many cross the border from home to school and back, escorted by ‘nannies’. Numbers have grown from 12,865 in 2011–12 to 28,106 in 2015–16. Children and families alike face complex situations, trying to arrange their lives and struggling with identity (Xiyuan, 2016).

Numbers will eventually reduce because of another measure: a ‘zero-delivery quota’ for expectant mainland mothers in Hong Kong hospitals in 2013 (Harbour Times, 2016). This followed a wave of ‘birth-tourism’ 2001–13, causing overcrowded hospitals and Hong Kong citizens’ protests. The effect is already clear: mainland births in Hong Kong first increased from 620 in 2001 to over 35,000 in 2011 and 2012, and then dramatically dropped to 173 in January–September 2013 (Xiyuan, 2016).

Another contentious issue problematising cross-border traffic and Hong Kong–mainland relations is ‘parallel trade’. Historically rooted in smuggling and small-scale cross-border trade between relatives, this has grown dramatically and become ‘big business’, especially since 1997 and the 2003 CEPA and Individual-Visitor Scheme. Many mainland visitors enter Hong Kong as ‘tourists’, but are really parallel traders, buying high-quality consumer goods in Hong Kong and very profitably reselling them in mainland China. These are unavailable, more expensive or of poorer quality in mainland China, so demand is high. Mainland food-safety scandals, like the use of poisonous melamine in milk powder, have further contributed to parallel trade. This is so extensive that Hong Kong retailers run out and locals can hardly buy the products or cope with rapid price rises. Moreover, especially in Hong Kong’s North District opposite Shenzhen, parallel traders crowd trains and roads and claim public spaces for their operations, producing daily chaos and disturbance, protest and sometimes violent confrontation. Determined Hong Kong customs and police efforts to curb this semi-illegal trade have so far had little success (Cheung et al., 2015). Indeed, drastic measures affecting all mainland visitors, like the ‘one visit per week’ limit for Shenzhen visitors, may even have adversely affected mainland visitor groups Hong Kong wants to attract.

Economic connections, complementarities and/or rivalries?

Although, after transforming from ‘factory of the world’ to ‘world city’, Shenzhen’s economy is becoming more like Hong Kong’s, the two retain contrasting positions in the ‘world-city network’. In analysing the office-networks of leading companies in advanced business services, Taylor and Derudder (2016) present Hong Kong and Shenzhen as exemplifying, respectively, ‘globalism’ and ‘localism’. ‘Globalist’ world cities have strongest relations with other leading world cities beyond their region. ‘Localist’ world cities instead have strongest relations with other world cities within their region. The authors rank Hong Kong second among ‘globalist’ world cities and Shenzhen tenth among ‘localist’ ones. While Hong Kong’s strongest inter-city links are with cities outside Pacific Asia, Shenzhen’s are inside Pacific Asia, especially other Chinese cities. In this respect, we could see the two cities’ advanced-service sectors as complementary. Possibly, this complementarity will eventually change as Shenzhen’s advanced-service sector strengthens and matures and maybe becomes more internationally orientated. However,

Taylor and Derudder also highlight Hong Kong's extraordinary situation as an 'exterior power' of China: under China's political control, but with considerable economic autonomy. This 'exterior power' is 'built upon transactions that are necessary but not possible in China itself' (181). While Hong Kong retains its SAR status and mainland China is 'less free' economically, Hong Kong will retain significant advantages over Shenzhen, which cannot easily compete in the advanced-services sector.

Trujillo and Parilla (2016) develop a global-city typology, wherein the two cities are categorised as different types. Based on 35 competitiveness variables (assessing 'tradeable clusters', 'innovation', 'talent' and 'infrastructure connectivity'), this typology locates Hong Kong as an 'Asian Anchor' and Shenzhen an 'Emerging Gateway'. 'Asian Anchors' function as command-and-control centres, whose prominent position in the world economy rests on connectivity, a talented workforce and high capacity to attract FDI. 'Emerging Gateways' like Shenzhen, though fast-growing, still lag behind leading global cities on most key competitiveness factors. This suggests hierarchical relations between Shenzhen and Hong Kong, with Hong Kong clearly leading. Yet, if the development of 'Emerging Gateways' like Shenzhen continues, the gap with 'Asian Anchors' like Hong Kong could lessen.

Alternatively, are the two cities' advanced-producer service sectors gradually intertwining, eventually integrating them into one larger metropolitan whole? There seem recent signs of such gradual development. One is the Shenzhen–Hong Kong Stock Connect Programme, starting in December 2016. Part of the Chinese financial system's ongoing liberalisation, the programme allows overseas investors to trade 881 stocks on the Shenzhen Stock Exchange, and mainland Chinese investors to trade 417 stocks at Hong Kong's equivalent (SCMP, 2016). However, Chan and Zhao (2012) note the obstacles to further collaboration and integration of the two cities' advanced producer service sectors. Next to the border, Hong Kong and Shenzhen businesses necessarily operate in two quite different political–economic contexts. Thus, the authors argue, stakeholders' interests on either side of the border match poorly. Hong Kong businesses and government mainly seek access to new markets in Shenzhen and the PRD; Shenzhen businesses and government mainly want advice from Hong Kong businesses to improve their advanced-producer services.

Strategies to encourage or discourage collaboration and integration

According to Yang (2005), Zacharias and Tang (2010) and Shen (2014), in the years around Hong Kong's return to China, Shenzhen, Guangdong and China's national governments were more eager to collaborate with Hong Kong and encourage the two cities' further integration than *vice versa*. The reasons for Hong Kong's reticence include retaining 'a unique legal and cultural environment ... attractive to globalised business, while offering easy access into the China market' (Zacharias & Tang 2010, 215). Shenzhen may

also prefer to maintain the internal border and profit directly and indirectly from Hong Kong's semi-autonomous status. Still, both cities also acknowledge possible benefits from intensifying collaboration. Their policy-makers and stakeholders meet frequently to discuss collaborative projects in the yearly Cooperation Meetings and twice-yearly Cooperation Forums (Shen, 2014). Several projects have recently started to encourage or facilitate collaboration, though some may not proceed beyond good intentions. Here are three prominent examples.

The Lok Ma Chau Loop (LMCL) is often seen as promising. This innovation and technology park is one of the ten 'major infrastructure projects' mentioned in the strategic-development vision, *Hong Kong 2030*. Its Planning and Engineering Study ambitiously seeks,

to develop ... into a HK/SZ Special Co-operation Zone and a hub for cross-boundary human resources development within a Knowledge and Technology Exchange Zone under the principle of sustainable development ... benefit(ing) the long-term development of HK, the Greater PRD and South China region.

(HKSAR Planning Department and Civil Engineering and Development Department 2015, 7)

Unfortunately, the site remains undeveloped. Though there are quite detailed spatial plans, possible urban designs and assessment studies, actual construction remains little beyond 'virtual reality'. One obstacle is the question of who owns the land. LMCL was originally on Shenzhen's side of the Shenzhen River, until its realignment in 1997 (Shen, 2014). Each city claims ownership. Understandably, Hong Kong refused to agree to the mainland Chinese government's request that it pay all development costs while recognising Shenzhen's ownership.

Qianhai and Shekou Free Trade Zone (FTZ) is one of Shenzhen's most recent new developments. It is situated west of Shenzhen, adjacent to Shekou, one of the places where Shenzhen's rapid growth began in the early 1980s. It is strategically located between the two city airports and well connected to Shenzhen's current Central Business District in Futian. In 2010, China's State Council approved the 'Overall Development Plan' issued by Guangdong province. The fact that Guangdong rather than Shenzhen created the plan and needed the Chinese government approval highlights its regional, even national importance. Such direct higher government involvement in Shenzhen's affairs happens more often than in most other Chinese cities because Shenzhen was China's first SEZ; some even say Shenzhen is China's *de facto* fifth 'directly-controlled municipality' after Beijing, Tianjin, Shanghai and Chongqing (Polo 2016).

Alongside neighbouring Shekou, Qianhai is Shenzhen's part of the Guangdong FTZ, with other parts situated in neighbouring Guangzhou and Zhuhai. FTZs are the next generation of SEZs, and another government attempt to open parts of its economy to FDI. Like the earlier SEZs, China has

chosen to experiment in a few locations, and then maybe spread throughout the country. This is increasingly happening: seven new FTZs emerging in 2016 alone. FTZs are areas where goods may be landed, handled, manufactured and re-exported without customs intervention. They can also experiment with financial models and have more possibilities to attract investment than elsewhere in China. Qianhai is sold as a success story in Chinese media, supported by probably overblown statistics, for example, claims that, within a year of this FTZ's creation in 2015, over 61,000 companies registered there, producing an annual growth rate of 265% (*China Daily*, 2016b).

Although it is notoriously difficult to discover the 'real' intentions underpinning prestigious Chinese urban development projects like Qianhai, Polo (2016) argues convincingly that the project has changed course drastically in recent years. Though initially planned in 2010 to enhance Shenzhen–Hong Kong collaboration and integration, it now seems to be morphing into just another Central Business District for Shenzhen. And the perceived future relationship between Qianhai and the international financial centre of Hong Kong looks competitive rather than collaborative or integrative, a competition Qianhai cannot win. Despite initial good intentions, the Qianhai project has not broken through the institutional barriers, and apparently the three governments involved (Hong Kong, Shenzhen and the Chinese government) are insufficiently supportive for the project to succeed (Chan & Zhao, 2012).

The Bi-City Biennale is equally ambiguous. In 2005, Shenzhen organised its first *Urbanism and Architecture Biennale*. The organisers said that they wanted to develop this event with Hong Kong in future. Hong Kong joined in 2007, formally rendering it a *Bi-City Biennale*. However, the term seems just a label for two separate events with little in common beyond 'urbanism and architecture'. Each has its own location, opening period (same year, different months), particular theme, curators, promotional materials, etc. The homepage of the most recent Hong Kong edition (2017; <http://uabbhk.org/uabbhk/>) hardly mentions Shenzhen. The Shenzhen homepage (<http://en.szhkbiennale.org/>) does note that the event is 'co-organized by the two neighboring and closely-interacting cities of Shenzhen and Hong Kong'. However, beyond that, Hong Kong hardly features. In some past biennales, the two cities' inter-relatedness featured more: the 2013 Shenzhen Biennale focused on 'Urban Border', while Hong Kong's 2011 Biennale was about 'Tri-ciprocal Cities'. However, in 2013, given its sensitivity, few contributions dared address the Shenzhen–Hong Kong border or related issues around how long Hong Kong's autonomous status could survive (*Guardian*, 2013).

Longer term development strategies

Despite these recent attempts at collaboration, integration and barrier erosion, mutual anxieties and tensions remain. Interestingly, both cities now apparently face comparable challenges, having run out of suitable development

land, even though their populations and economies are expected to grow considerably. Hong Kong has long struggled with this dilemma; Shenzhen has hit it far more recently. Will the two cities find joint solutions, or have both reached their growth limits? We now ‘zoom out’, to explore the two cities’ longer term strategic planning and the possible future vision of one integrated megacity.

Since Shenzhen became a SEZ, spatial development has largely been determined by three master plans, each having its own spatial development model. The 1986 Masterplan followed a ‘clustered linear’ model, with three development clusters connected by road and rail. The 1996 plan switched to a ‘network model’ to better connect Shenzhen’s central city (the original SEZ area) with adjacent areas (those formally added to the SEZ in 2010; they had actually become part of Shenzhen long before). The most recent 2010 Masterplan, governing development until 2020, and the longer term strategy *Shenzhen 2030* rest on a ‘polycentric model’. This evolution of planning and strategy also reflects Shenzhen’s rapidly changing development context and the challenges faced while progressing from countryside with scattered urbanisation to megacity. The 2010–20 plan and the Shenzhen 2030 strategy emerged when Shenzhen faced new realities, like land-shortage and environmental problems. These challenges, alongside Shenzhen’s transformation from a city of mass-industrial production to a twenty-first-century high-tech and advanced-services city, have seemingly produced a shift from continuous extension to redeveloping existing urbanised areas (Zacharias & Tang 2010; Vlassenrood 2016). The 2010–20 Masterplan includes clear ambitions about relationships with Hong Kong: explicitly identifying ‘twin city’ as a long-term planning goal, Shenzhen is presented as ‘national service-base to support Hong Kong’s development’ aiming at ‘a world-class city-region’ through collaborating with Hong Kong and relying on southern China (Ng, 2011).

The *Hong Kong 2030 Planning Vision and Strategy (HK2030)*, developed in 2001, planned additional new towns, closer to the border, plus development-corridors, including two strengthening Shenzhen: a ‘central development-corridor’ from southeast to north, and a ‘northern development-corridor’, connecting several existing and future new towns, partly along the border. The 2030 plan describes the northern corridor as ‘Non-intensive technology and business zones and other uses ... capitalis(ing) on the strategic advantage of the boundary location’. *HK 2030* also included plans for strengthening/developing ‘regional transport corridors’, four to Shenzhen and two to Macau–Zhuhai–Guangzhou (Planning Department, 2007). *HK 2030* has been the leading spatial development strategy until 2015, when its partial revision began. *HK 2030+* should be completed in 2018.

The North East New Territories plans are heavily disputed: residents of nearby settlements object to displacing indigenous villagers and fear the new development becoming Shenzhen’s ‘backyard’, possibly a step towards Hong Kong’s ‘mainlandisation’ (Kwong, 2016). Critics also question the need for such large-scale development; will Hong Kong’s population really grow as fast as the government expects, or is this development rather

serving the interests of Hong Kong's real-estate tycoons and/or Shenzhen's elite? Still, the new strategy will largely build on the earlier 2030 vision. For Hong Kong–Shenzhen relations, this implies that attempts to bridge the gap between the two cities will continue, though this will probably remain a slow step-by-step process, while the 'one country-two systems' principle and the border remain. If it someday disappears, however, a very different and unpredictable story will emerge. Meanwhile, what will be the impact of connecting Hong Kong, Macau and Zhuhai via the bridge currently under construction? Will it release pressure on the Hong Kong–Shenzhen border? Will it integrate Hong Kong into mainland China via another route, bypassing Shenzhen and lowering its importance for Hong Kong?

Conclusions and future perspectives

The answer to the chapter title's question right now is: Hong Kong and Shenzhen have far to go before we could really call them twins; they are not heading for one integrated megacity anytime soon; and they both compete and collaborate (so rivals as well as partners). Relations are complex; future development is unpredictable. They are closely inter-related in many ways. Shenzhen might hardly exist without Hong Kong. Much of Hong Kong's recent growth would probably not have happened without China's opening since the late 1970s, wherein Shenzhen SEZ remains crucial. Hong Kong planners, developers and investors inspired and enabled much of Shenzhen's early development. Most of Hong Kong's industrial mass production migrated to Shenzhen in the 1980s and 1990s. Most FDI financing Shenzhen's development came via Hong Kong. Once Shenzhen grew and matured, the inter-city relationship became reciprocal in several dimensions: investments, consumption, visitors, migrants, etc. Shenzhen's economy may be catching up, though Hong Kong still retains clear advantage as a leading East-Asian 'world city'. Collaboration has apparently increased in recent years, though remaining limited while the border survives. And that is unlikely to disappear soon. Whether Hong Kong remains a SAR within China, and how autonomously, will eventually be determined in Beijing. Recent events make tightening control likely; 'one country-two systems' may not last until 2047. Beijing's reactions, for example, to the 2014 Umbrella Revolution and Hong Kong's 2016 Legislative Committee elections rightly concern Hong Kong. Still, complete 'mainlandisation' seems unlikely anytime soon. Both cities (and mainland China as a whole) still profit too much from Hong Kong's special status to relinquish entirely.

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