CULTURAL OVERVIEW

Population and Geography

As of 2010, Hong Kong's population had reached approximately 7.1 million, making it one of the most densely populated areas in the world with 6,426 people per square kilometer. The ethnic makeup of Hong Kong is 95% Chinese and 5% other. The average literacy rate is 97.1% and the workforce is comprised of approximately 3.7 million people. Life expectancy from birth is very high - 82 years compared to 76 years in the United States and United Kingdom and 69 years in China.

Hong Kong, or Xianggang in Chinese, meaning “fragrant harbor”, is made up of Hong Kong Island, Kowloon, the New Territories, and more than 200 small surrounding islands. It is 1,104.4 sq. km. (426 sq. miles) in size, which is less than half that of Maine, the smallest state in the U.S. Hong Kong borders on the South China Sea and the southern coast of China. Most of Hong Kong is hilly, with approximately 7% arable land, 12% forest, and lowlands in the north. The highest point is Tai Mo Shan at 958 meters (3,143 feet). It has a deep sheltered natural harbor situated between Hong Kong Island and Kowloon Peninsula.
**Language**

The official Chinese dialect in Hong Kong is Cantonese, which is spoken by most of the population. Hong Kong’s other official language is English, which is widely understood and spoken by more than one-third of the population.

**Religion**

Religious freedom is practiced in Hong Kong, the predominant religion being Buddhism/Taoism, claimed by 92% of the population, followed by Roman Catholic and Protestant at 4% each. Most of the population that follow Buddhism/Taoism practice an eclectic mix of the two or, while professing a belief in the religious principles, do not actively practice any of the religious instructions.

Buddhism is based on the belief that the world was not created nor is ruled by a God. The primary purpose of life is held to be developing compassion for all living things and working toward their greatest good. There are three practices that are core to Buddhist belief –

- **Sila** – virtue, good conduct, morality
- **Samadhi** – concentration, meditation and mental development
- **Prajna** – discernment, wisdom, insight and enlightenment

The Rules to Live By are similar to the later of the Ten Commandments of Judaic and Christian faith, but the five are considered recommendations rather than commandments, leaving it to individuals to decide the best application:

- Do not kill, sometimes translated as avoiding violence.
- Do not steal, including fraud and economic exploitation.
- Do not lie, including name calling and gossip.
- Do not misuse sex, which for monks means celibacy, for laity means faithfulness in marriage, and in most cultures avoidance of premarital and same-sex relations.
- Do not consume alcohol or drugs, with the concern that they cloud the mind

Buddhist organizations are actively involved in meeting the social welfare, educational and medical needs of the people of Hong Kong.

Taoism is based on the belief in promoting harmony and alignment with the natural world that will lead to personal, familial and societal health and well-being. One of its central components is the qi (chi) – life force energy that animates all living things. Meditation and solitude are considered important elements necessary to develop this life balance.
Political System

Hong Kong is a Special Administrative Region (SAR) of the Peoples’ Republic of China (PRC) under the authority of the Basic Law, which came into effect in July 1997 when China assumed sovereignty from Great Britain. Basic Law guarantees that Hong Kong may operate under its current capitalist social and economic model for 50 years, rather than the socialist system that exists in the PRC, under the principle of “One Country, Two Systems”. The government follows a two-tiered model that is led by the Chief Executive (CE) and the Executive Council, and also includes an elected Legislative Council and an independent judiciary body. The current CE is Donald Tsang Yam-kuen, who first took office in 2005. The Chief Executive is selected by the Election Committee and appointed by the Central People’s Government. The Election Committee is made up of approximately 1,200 Hong Kong residents (800 before 2012) from the four constituency groups of:

- Commercial, industrial, financial
- Professionals
- Labor, social services, and religious interests
- Legislature, the Chinese People's Political Consultative Conference, and the P.R.C. National People's Congress.

The Chief Executive term of service is five years, and none may serve more than two terms. The term of service for members of the Executive Council parallels the CE under which they are appointed. The Legislative Council members are elected for terms of four years by permanent residents of Hong Kong over the age of 18 years. The courts operate under a common law system, afford trial by jury in criminal cases, and include an appellate process.
Economy

Hong Kong census economic indicators from 2010 are as follows:

Gross Domestic Product (GDP): $224.1 billion
GDP real growth rate: 6.8%.
Per capita GDP: $31,709
Natural resources: Deep water harbor.
Industry: Types--textiles, clothing, electronics, plastics, toys, watches, clocks.
Trade:

- **Exports**--$388.6 billion: clothing, electronics, textiles, watches and clocks, office machinery, electrical machinery, telecommunications equipment. *Major partners*--Mainland China 52.7%, U.S. 11.0%, EU 11.2%, Japan 4.2%.
- **Imports**--$431.4 billion: consumer goods, raw materials and semi-manufactures, capital goods, foodstuffs, fuels. *Major partners*--Mainland China 45.1%, Japan 9.6%, Taiwan 7.6%, Korea 4.8%, U.S. 4.7%.

Work force by occupation:

- **Wholesale, retail, and import/export trades and restaurants and hotels**--32.4%
- **Finance, insurance, real estate, and business services**--14.1%
- **Manufacturing**--3.5%.

As a separate economic entity from PRC and able to enter into international economic agreements on its own, Hong Kong is a free port with an open-door trade policy. It is a founding member of the World Trade Organization. As a free-trade economy, there are no tariffs on imported or exported goods. It has one of the world’s largest trading economies and is a major commercial center for mainland China and the Asia-Pacific region. In addition to a thriving system of trade, Hong Kong has virtually no public debt, a strong anti-corruption regime, and a solid banking system.

The United States maintains significant economic ties with Hong Kong, with approximately 1,400 U.S. firms and over 60,000 American residents in Hong Kong. According to U.S. Government statistics, the U.S. exported $26.6 billion of goods to Hong Kong in 2010, including aircraft and spacecraft, diamonds, telecommunications equipment, and computer processors. According to Hong Kong statistics, the United States as of 2009 was one of the largest investors in Hong Kong (along with China, the British Virgin Islands, Bermuda, Japan, and the Netherlands).