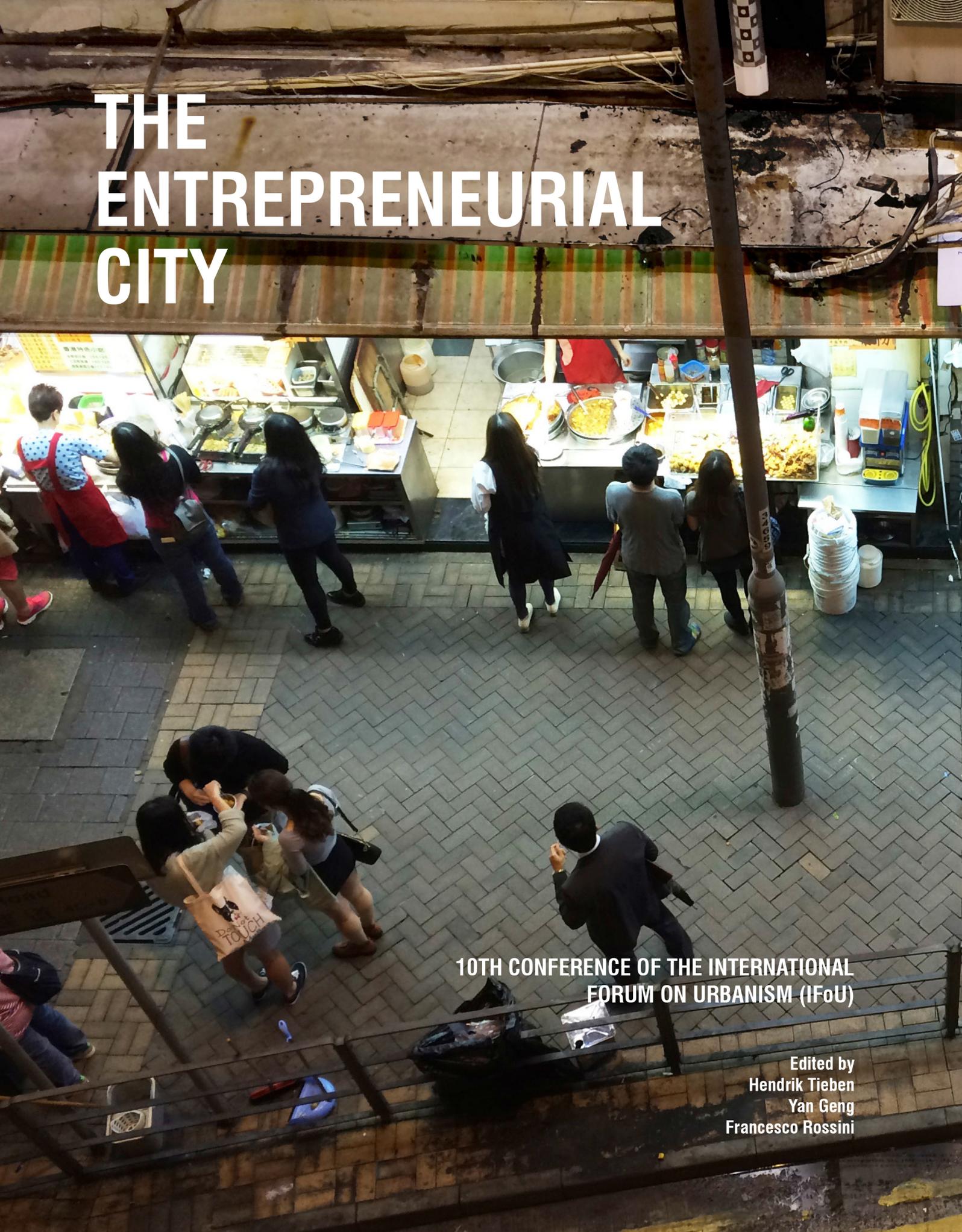


THE ENTREPRENEURIAL CITY



10TH CONFERENCE OF THE INTERNATIONAL
FORUM ON URBANISM (IFoU)

Edited by
Hendrik Tieben
Yan Geng
Francesco Rossini

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'Made in Hong Kong'- From Entrepreneurism to '(In)trepreneurialism'

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During her tenure as the United States Secretary of State, Hillary Clinton referred to 'The Hong Kong Special Administrative Region' (HKSAR) as an 'island of entrepreneurship' (Clinton, 2014).

When the British secured the island of Hong Kong from the Chinese under the treaty of Nanking in 1842, they found a sparsely populated landscape dotted with small settlements and a few natural fresh water resources. However, already prominent at this time, was the fragrance of incense, looming over the island's naturally formed coves and small harbours. Emanating from the various incense producing factories of Kowloon and further afield, Hong Kong's Cantonese name - hēunggóng (香港) or fragrant harbour – is a direct reflection on a territorial nomenclature exposing a regional economy part of pre-industrial entrepreneurialism at the core of Hong Kong's very conception.

In this light, Hong Kong saw its second wave of entrepreneurial focus in a colonial context. All colonies were speculative territories, undertaking entrepreneurship at a large scale, and harnessing the land as medium for trade and exchange. British policy viewed territories under the British flag as malleable resource, exclusively meant to supplement colonial coffers. The deliberate fragmentation of territories, the scheduling of plots and land allotments, primarily facilitated infrastructure development whilst emplacing administrative powers onto the land for capital gain.

Hong Kong's pre- and post-World War II enterprises, and third entrepreneurial wave, are credited for its transformation from a colonial territory to an industrial powerhouse. Carrying labels as a 'market city' (Ohno, 1992) the

territory's prominent industrial trajectory secured Hong Kong position amongst Asia's biggest markets, and subsequently staking its claim as one of the four 'Asian Tiger' economies. Hong Kong's pre-war entrepreneurial undertakings capitalised on shipping and trade. Post-war endeavours intensified the production of goods, manufacturing household commodities whilst taking full benefit from the low tax rates and Hong Kong's well-connected port for international distribution. During the early 1950's the Korean War and the trade embargo placed on China, further supported Hong Kong's rapid industrialization, boosting the territory as trade and industry entrepôt. As mediating point Hong Kong was unique, relaying skills and workforce from the Chinese mainland through locally manufactured goods. The well-known 'Made in Hong Kong' label, created an inerasable legacy through the industries of plastics, electronic goods and clothing, establishing 'Hong Kong' as both a brand as well as a household name in all corners of the world, big or small.

Presently Hong Kong relies on a knowledge economy as its main entrepreneurial focus. Its global trade and the opening of the Chinese Mainland has forced the SAR to reposition its forms of industrialisms to maintain its competitive edge amongst other and newly formed Asian hubs. Under the 'one-country-two-system' Hong Kong's entrepreneurial position has once again come under question. The 'emptying out' (Yeh: 2006, Lin: 2011) of manufacturing services to Shenzhen has, since 1997, impacted all facets and aspects urbanity for, both the city and the Guangdong Regional Economy. With the flight of industries, Hong Kong's 'territorial status' has irreversibly become Mainland dependent. Financial systems, production services,

consumption area, consumerist infrastructure, work and labour force have become part and parcel of a highly speculative processes of generation revenue through buying and selling of property.

In this shift, the embrace of consumerism and a neoliberal free market with little state control - has not only made Hong Kong unaffordable, it has effectively dematerialised the importance of products in favour of the production of fluid capital. In support, Hong Kong boasts the most expensive commercial properties globally. In 2017 a 5-story car park sold for 3 billion US dollars, totaling 1 042 028 US Dollars per square meter of space (Hughes, 2017). A territory once known for its goods has become a city-state at the global front of financial management, directing all entrepreneurial attention at luxury goods and wealth management. With 219 authorized banking institutions (Hong Kong Monetary Authority, 2017) represented through more than 1372 branches (2015), Hong Kong can boast with a financial presence of two branches per square kilometre. Convenience stores are following suit, with the city containing 1,1 7-11 stores per square kilometre.

Yet, in contrast, Roy (2005) classifies Hong Kong amongst other Asian cities as a Third World landscape that is experiencing increasing levels of urban and spatial informality. First, the lock down of available land for property development, coupled to Hong Kong's density standards, have pushed all forms of entrepreneurial incentives 'inwards'. Dwindling industrial expansions and the emphasis placed on either high-end commercial enterprise mechanises each square foot for capital gains (Bruyns, 2016). Of this, the mall and podium typologies are indicative of the expulsion

of lower-end retail from within the enclaves of luxury. The emergence of commercial informality has therefore proven to be a lifesaving mechanism for many affected by the emphasis on luxury.

Secondly, and coupled to the aforementioned, the instability of tenancy has disempowered entrepreneurship incentives. With landlords possessing the right to increase rental prices at will has left many enterprises no choice but to become 'informal'. As consequence, various commercial store fronts across territory are left vacant, in what Bruyns, Elkin and Hasdell (2017) referred to as the phenomena of urban 'erasure'. What was once static and visible has commercially transformed into the cyclical invisible, hidden form sight, operating behind a number of spatial layers. The extensive trade occurring around the second-hand mobile phone industry that supplies most parts of Africa - located in Kowloon - is only one example of hidden industries amongst many.

Thirdly, small to medium sized business are therefore increasing forced to become tactical in their commercial approach. Operating within the concepts of Sundaram's 'Pirate Modernity' (2011) entrepreneurs are activists performing experiments to impact commercial territories. Densification of business endeavours results in the sharing, crossover and co-production of enterprises at all levels, spatially, structurally as well and in terms of commercial resources. The sharing of alleyways, the overloading of shops with a multitude of goods or co-renting of floor spaces within one tenancy agreement find ground in enterprises at 3 – 5 m² in size, establishing new norms for clustering on many commercial fronts.

Fourthly, commercial informality has in this light

provided a fluid alternative reminiscent of the 'Made in Hong Kong – 1980's' era. What high-end commercialism rejects, urban informality absorbs. The skills and historical knowhow associated with specific industries of crafting, metal work or weaving industries take on new life in places where space, rent and control are less restrictive, germinating parallel life worlds. Here the metal working villages of Tai O becomes knowledgeable centres, clustering skills and knowhow that effectively reframes social life, outside of dense urban landscapes (cf. Elkin, 2017), whilst at the same time they manifest industrial skills as cultural heritage.

Overall, the premise of Hong Kong's entrepreneurial legacy is not lost. Not so much an 'island of entrepreneurship,' Hong Kong's position has transformed into a landscape of '(in)trepreneurism'. The shifting of industry, the emphasis of commercial enclaves and the compression of production centres collectively combine and inwardness at all levels of its urbanisms. With the rise of the creative class (Florida, 2002) the shift is made towards design as a domestic product and service industry. Design, not as a mass production of goods but as synthesis of skills, knowhow and knowledge driven by small-scale collectives. In the paradigm of the 'collective' (Sohn, et.al.) design takes on a new position, through the home, the three-person office, the two-man family-run shop or in the organization of individual street vendors. Whether echoed within the disciplinary approaches of architecture, urban, product or communication design, the future premise of the any entrepreneurial city need to question how and in what forms 'design social', 'design economies' and 'design making' grounds itself in both social urban capital, in or exterior, as future prospect of,

not only Hong Kong, but other urbanisms further afield.

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