"One Country, Two Systems" Successful in Hong Kong, Macao

The success of China's "one country, two systems" policy in Hong Kong and Macao proves the policy is a great one, said Russia's consul-general in Hong Kong, Konstantin Vnukov. "The policy is proceeding smoothly in Hong Kong and Macao, leading to an obvious improvement in Macao's social security and growth in its economy for the first time in four years," said Vnukov.

He has just returned to Hong Kong from Macao where he attended the celebrations marking the first anniversary of the Special Administrative Region (SAR).

He said the successes in Macao show the "one country, two systems" policy, under which two different social systems co-exist and complement each other, is a wise and healthy strategy.

Hong Kong is an international commercial, financial and IT centre, Vnukov said. "To continuously push forward the relationship between Hong Kong and Russia is of great importance to the future development of both sides," he said.

Figures show that since the founding of the Consulate of the Russian Federation in Hong Kong in 1994, trade between the two has grown by 40 per cent each year. In 1997, bilateral trade reached US$1.3 billion.

Vnukov noted that there is still room for more development as the figure is too small compared to the mammoth trade between Hong Kong and other places, such as the United States and Europe.

"We still have a long way to go when it comes to trade relations between Russia and Hong Kong, but we have already made a good start," the consul-general said.

Vnukov, who lived in Beijing for 15 years and served three terms at the Russian Embassy there, is an expert on China-related issues and can speak fluent Chinese.

Although now stationed in Hong Kong, he visits Beijing every month and says the changes he sees in the capital are very impressive. "Recently, I went to Wangfujing Street in Beijing and found it was completely different," he said.
"There are so many new buildings and there are also many buildings financed by businesses from Hong Kong. I am happy to see the ties between Hong Kong and the Chinese mainland getting closer and closer," Vnukov said.

The changes taking place in China since the nation's reform and opening-up policy was introduced are also amazing, said Vnukov. And he said the biggest change is that living standards are much higher.

Vnukov said that 25 years ago, when he came to China for the first time, the country was experiencing extremely tough economic difficulties, and commodities were few and far between.

"As a foreign diplomat, I could only buy towels from the Friendship Department Store, the only shop in Beijing open to foreigners," he recalled. "That may sound unbelievable to people now."

China's economy has made rapid progress since the reform and opening up policy was introduced and China is now playing an increasingly important role in the international arena, Vnukov said.

The nation's success is a direct result of the policy, which, although it has strong Chinese characteristics, can be seen by other countries as an example.

Russia, which shares a 4,300-kilometre-long boundary with China, has many similarities with it in terms of its history and natural conditions. So China's successful experiences in reform and opening up can also be used for reference by Russia, Vnukov said.

China is an important trade partner for Russia and trade between the two countries is expected to be US$7 billion this year, according to Vnukov.

The two countries are also important political partners, he said, noting that contact between the two governments was further strengthened this year. Leaders had six meetings and there were more than 40 ministerial visits.

The two countries are considering signing a new bilateral agreement next year, which will make co-operation even better, Vnukov said.