

URBAN REDEVELOPMENT
IN A CAPITALIST SOCIETY:
PROCESS, EVALUATION
AND IMPLICATIONS

A Case Study
of Causeway Bay
in Hong Kong

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Workshop Report

Urban Redevelopment in a Capitalist Society:
Analysis, Evaluation, and Implications
A Case Study of Causeway Bay in Hong Kong

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PART ONE

"Tyre, the crowning city, whose merchants are princes."
Isaiah 23:8

CHAPTER 1

INTRODUCTION

1.1 Definition

1.1.1 Urban Redevelopment

The development of the city can be considered as an evolutionary process which responds to the impact of economic, social and political forces. The city itself is a product of the interactions among the three forces. The spatial arrangement of the city is structured according to the needs of the society; it is therefore not static. Transformation will occur, which takes the form of redevelopment, whenever new economic, social and political conditions emerge. Hence, urban redevelopment should not be treated in isolation. It has to be conceived as part of the overall chain of urban evolution. In fact, urban redevelopment is an ongoing process in which the built environment is continuously structured and restructured by private developers and/or the government.

In this study, urban redevelopment is defined as any change in the physical structure and the resultant

intensification of land use. The conversion of parks and roads into other uses is within our definition of urban redevelopment since such land uses are already well integrated within the urban areas. However, any development on virgin land and reclaimed land is considered as development. In other words, any first time change of land use from rural to urban is known as development, whereas, any subsequent change is treated as redevelopment.

1.1.2 Urban Redevelopment compared with Renewal and Revitalization

The term urban renewal connotes the meaning of direct government intervention in the spatial structure. The aim of urban renewal is to improve the physical and environmental conditions of slum areas. Problem areas are identified in accordance with the housing and environmental standards laid down by the government; plans are then drawn up to tackle the defined problems. In most urban renewal projects, a bulldozer approach is adopted to remove the slums or any sub-standard housing. In slum clearance programmes, low income households living in dilapidated housing are forced to move out. The cleared sites are then resold in the market to private developers for redevelopment. Therefore, through government sponsored urban renewal programme, slums are

turned into middle class residential or commercial areas. Revitalization is a recent government policy to tackle the problem of economic decline in western cities. High rate of unemployment, poor housing, inadequate community facilities and racial inequality are the symptoms of the decline of the inner city. Hence, the objective of revitalization is to regenerate the inner city economy, and so job creation and community facilities provision are the major concern of the government. In regenerating the inner city economy, public and private partnership is formed in which the resources and expertise of the private sector are tapped. In the U.S.A, the private sector is encouraged to reinvest in the downtown area so as to bring economic activities and businesses back to the city.

1.2 Goals and Objectives

1.2.1 Understanding the Redevelopment Process

While the government has in the last three decades engaged heavily in urban redevelopment through its public housing programme, most of this redevelopment has been on land originally relatively undeveloped (such as squatter areas and land in the New Territories); thus, the main "facilitator" of urban redevelopment has been the private developer. Therefore, to understand why urban

redevelopment takes place, and why the city, or more specifically, a part of the city changes as it does, one has to understand the motivations which drive the private developer to invest in the built structure in a particular area at a particular time.

Most studies of urban redevelopment, we feel, concentrate too much on the physical/environmental problems in a certain decaying area of the city, as well as how to rectify those problems. But an analysis of that nature, though useful, does not contribute towards an understanding of the whole process. After all, a particular, decaying part of the city does not exist in isolation; if that part is decaying, there are probably many others which are vigorously being renewed. And to merely ameliorate the physical problems of a certain area only means curing the symptoms--the causes of decay surely do not lie simply in the fact that the area has an old built structure, poor sanitation, and the like.

To put it in another way, before we can do something about the perceived physical problems of the city, we have to understand how it got to be like that in the first place; then, and only then, can we begin to think about how the physical problems themselves might be rectified.

1.2.2 Reasons for selecting Causeway Bay

Causeway Bay has undergone massive redevelopment in the last three decades--and unlike Central, the redevelopment has not only involved more concentrated land use but also a change in land-use patterns-- from warehousing to middle-class residential to commercial. How exactly does this fit in within the overall change in the Hong Kong economy, and what were the factors motivating this phenomenally fast rate of change? Since the accent of this Report is on understanding the urban redevelopment process, an area such as Causeway Bay is almost ideal for this study.

Of course, Causeway Bay has other interesting features that seem worthy of study. For example, why did Causeway Bay develop as an Outlying Business District? The logical step for the expansion of the CBD would have been from Central towards Wanchai, or in the opposite direction; instead, though Wanchai also developed, a lot of the Business District seems to have "jumped". Then there is its growing importance as a shopping/entertainment centre; what were the factors that contributed towards this growth?

Causeway Bay, it might be noted, does not have the sort of physical problems that a "decaying" area of the city (such as Western) might have; but it does have problems,

very physical, and which have very much arisen from the fact of its redevelopment, just as those of Western have arisen from the fact that there has been very little redevelopment. There is here the beginning of a different approach to defining the meaning of "physical problems" within the context of the city, an approach which perhaps could emphasize that redevelopment might solve some problems, but also has the potential to create others.

Finally, a quick walk through Causeway Bay will show that the pattern of development in the last two decades, though phenomenally fast, has been very uneven--there are still fairly substantial pockets of "underdeveloped" (i.e not built up to the maximum allowable levels) land. The reasons for this unevenness, which should not exist according to neo-classical theory (since the whole area is basically the same in terms of locational advantages, etc.), will also be explored in this Report.

In this Report, the boundary of Causeway Bay is defined by Gloucester Road in the north & east and Leighton Road in the south, while the boundary in the west is set by both Marsh Road and Tin Lok Lane (Fig.1.1).

CHAPTER 2

THE THEORETICAL FRAMEWORK

2.1 The Neo-Marxist Approach

2.1.1 Basic Elements

Unlike alternative viewpoints such as the neo-classical one, Marxist analysis begins with a belief in the inherent dynamism of the world around us--nothing, least of all the social and economical systems, is static. Furthermore, such an analysis looks for explanations with reference to the materialistic base of any society, in particular, in the way that the production of commodities is organized.

In any capitalist society, the means of production--tools and machinery that utilize natural resources and turn them into commodities--are owned and controlled by a few people. The majority of people, thus, have no option except to sell their labour power in return for wages. It is labour power (variable capital) combined with means of production, raw materials, tools of production, etc. (constant capital) which produces value during the process of production of commodities; however, even

after the returns to labour (wages, fringe benefits, etc.) and expenditure on constant capital (depreciation, interest payments on machinery, etc.) have been accounted for, there is still part of the value created which is left over. This is the surplus value which is expropriated by capital.

However, production of commodities alone is not enough; it has to be sold, or exchanged first. This function, the decrease in the circulation time of capital through rapid realization of exchange value, is performed by commercial capital. Furthermore, the production process takes place within a spatial, built environment-- the provision of which is done by property capital. And finally, the process of capital movement through the economic space of a society brings into being, sooner or later, a "class" of capitalists concerned exclusively with the flow of capital, and only indirectly, for example by lending out capital, with the process of production itself. This is finance capital.

Surplus value is created by labour and labour alone, but in the process of extraction within the complicated interactions among the different capitals, ultimately comes to exist in various "transmuted" forms, such as rent for property capital and interest for finance capital. Into this relationship enters the capitalist state, whose exact role is a matter of debate; however,

it can be generally assumed to be working for the long-term interests of capital (Fig.2.1 gives a simplified picture of the entire "system").

Such a relationship, based on the exploitation of the many by the few, creates tensions and contradictions within the capitalist mode of production. These contradictions are inherent within this mode of production, in the sense that they cannot be fully resolved except by a fundamental transformation of the entire mode of production into a new one.

In the meantime, however, those who control this mode of production will try to create conditions which allow this mode to stay in existence; this involves reproduction of labour, legitimation of the whole system, a continuous tendency to innovate and so counter the falling rate of profit, a relentless search for new markets as well as outlets for expansion, and the like. At times, the process of change of the mode of production will make necessary institutional changes which can greatly transform the nature of society, without any fundamental transformation of the mode of production.

2.1.2 A Spatial Perspective

The capitalist system is characterized by a continuous drive for further accumulation, which can only be

achieved through extraction of surplus value and exploitation. On an international level, there will be a geographical transfer of surplus value (conventionally called investment) from the core to the semi-peripheral/peripheral economies in order to maximize the opportunity for capital accumulation, so that commodity production can be sustained and the capitalist system stabilized. The semi-peripheral and peripheral economies are restructured by this transfer; this restructuring has social as well as spatial implications.

Assuming that the semi-peripheral/peripheral economy is a capitalist one, local capital will work with international capital to alter and modify the spatial structure of a particular city within the economy, in order to facilitate the international accumulation of capital. It is in the interest of local capital to work with its international counterpart, because part of the surplus value extracted by the latter can be siphoned off by the former in the form of rents, etc. Of course, all these functions can be performed directly by local capital, international capital itself, and/or by a combination of both local as well as international capital. Investment will occur not only in the production space, but also in transport and reproduction space (Fig.2.2). The state will intervene to work for the long-term interests of capital, and, in general, spatial changes will occur to further capital accumulation.

Overall, this whole process of accumulation has three features of significance to this framework for analysis. Firstly, the capitalist system is now a system encompassing most of the non-socialist world--except perhaps for a few areas where pockets of subsistence agriculturists survive. This global system is characterized by inequality, in the sense that the extraction of surplus value is predominantly one way--from the peripheral to the core countries. Moreover, this system seeks to restructure the social and property relations of all areas within it to further the overall aim of international extraction of surplus value.

Secondly, commodity production, exchange, reproduction of labour power, and so on--in other words, the process of accumulation--take place within a spatial context; this context, therefore, requires suitable modification in order to facilitate this accumulation process. But being a part of the capitalist system, space itself becomes a commodity like any other; this tends to place an obstacle in the path of the modifications constantly needed to further capital accumulation. Thus to the contradictions inherent within the capitalist mode of production is added the contradiction arising from the low convertibility of the spatial context relative to the constantly changing, non-spatial accumulation process (Fig.2.3).

Thirdly, the city within the capitalist system is a place where the forces of production are concentrated. Hence, it is a place where capitalist accumulation is the most active, and where the inherent contradictions of this mode of production are the most obvious. However, the city--a spatial structure--exists within the context of its non-spatial social and property relations which are themselves embedded in the larger context of the global system. Therefore, the city can only be understood by a simultaneous analysis at two distinct levels: at the level of the global system, to understand the role of the city in the international process of capitalist accumulation; and at the level of the city itself, to understand how the role of the city in the global system requires a certain kind of spatial structure, and how different areas of the city will be altered in different ways in order to further capital accumulation. In other words, a non-spatial differentiation of the global system has a consequent effect on the spatial structure of a city within that system, altering it but not uniformly, so that spatial differentiation occurs at the level of the city.

CHAPTER 3

HISTORICAL SURVEY

3.1 Hong Kong in the Global Economic System

3.1.1 Trading Port

From its occupation in 1841, Hong Kong was considered as merely a trading outpost, a place where British merchants could stay in relative safety. This function of Hong Kong, as a trading city through which surplus value was extracted from China and, later, other parts of SE Asia, remained basically unchanged until the beginning of World War II. Hong Kong was a city of merchants; and even though disturbances in China caused periodic influxes of refugees, and though the population of Hong Kong grew steadily from around 15000 (1841) to just under a million at the beginning of World War II (Table 3.1), the majority of the people were almost inconsequential, as far as Hong Kong's economic role in the world system was concerned.

Year	Population
1872	121,985
1876	139,144
1881	160,402
1891	221,441
1897	241,762
1901	283,975
1906	319,803
1911	456,739
1921	625,166
1931	840,473
1941	1,639,337
1961	3,129,648
1966	3,708,920
1971	3,936,630
1976	4,402,990
1981	4,986,560

Table 3.1: Population Growth in Hong Kong
Source: Annual Digest of Statistics - Various Years
(Census and Statistics Department)

With such an over-supply of labour, and given that commercial capital did not need any skilled or dedicated workforce, it is not surprising that simple reproduction of labour sufficed for the needs of capital. Basic educational, medical and housing provisions were almost non-existent, and labour was left to fend for itself as best as it could.

In spatial terms too, the needs of commercial capital were relatively simple; a lot of warehouses, some office buildings to house the financial services sector, palatial houses for the merchants as well as any

facilities (such as schools for their children) that might be required, with the vast "pre-industrial" reserve army concentrated in dense conditions, living for the most part in cocklofts and cubicles.

3.1.2 Manufacturing Locale

After World War II, a series of almost incidental factors sparked off a rapid change in Hong Kong's economic status. The first factor was the massive increase in the number of refugees flowing into Hong Kong as a result of the 1949 Revolution in China. The net effect of this was the creation of a vast proletariat (just like the enclosure movements in 17th century England had driven peasants off the land and into the city) which quite literally had nowhere to go. The second factor was the massive inflow of capital, coming in both from China as well as from other parts of SE Asia, the latter fleeing racialistically inspired violence.

At the same time, the rise of USA as the hegemonic power within the world system (a process which had begun before World War II and drastically been reinforced by the massive devastation of Europe's economic structure as a result of the war) meant that the world system entered a period of relative stability, a period of not only high average growth rates, but also of restructuring. Older industrial technologies (such as textiles), which could

no longer be produced at cheap rates in the core countries, were farmed out towards the peripheral countries, to be replaced (in the core countries), by newer technology.

Hong Kong, because of its readily available labour as well as capital, started to industrialize, with the prosperity in the core countries facilitating the growth of a manufacturing sector devoted to producing for export. Once the process had begun, more capital started to flow in, this time from the core countries.

With local labour now more important, due to the growing requirements of industrial capital, simple reproduction of labour was no longer sufficient. Capital now had to resort to relative rather than absolute extraction of surplus value, allowing a real gain in labour's wages (which was, however, smaller than the gain in productivity). The state was forced to intervene, facilitating the extended reproduction of labour by the provision of more educational facilities, public housing, etc. The period until about 1971 was also one of dropping income inequality; the Gini coefficient, for example, dropped from 0.487 to 0.411 (Hsia and Chan 1978: 115) even as the GDP per capita was rising; specifically, while the highest 20% of the population (in terms of income) saw their share of the national income drop from 58.0% to 51.1%, that of the next three quintile

groups increased from 37.3% to 43.2% (Chan 1983: 3)--indicating the rise of a growing middle class.

Spatially, there was not only a drastic increase in the demand for industrial land, but also for more middle-income housing, more public facilities, better infrastructure, less urban concentration around the harbour, and the like.

3.1.3 Manufacturing/Financial Centre

Since the early 1970's, there appears to have been another shift in Hong Kong's role in the world system. This shift is not as drastic as the first one (from commercial to industrial) but has been of great significance for Hong Kong's spatial structure; this has been the increasingly important role of Hong Kong as a regional financial centre, as well as a centre for the administrative functions for the multinationals whose manufacturing operations are located in the region, but not necessarily in Hong Kong. The reasons for this are related to the emerging New International Division of Labour (NIDL), which has arisen because of the gradual worsening of conditions for valorisation and therefore, of capitalist accumulation in the core countries. This has arisen both because labour is relatively (i.e. compared with the semi-peripheral/peripheral economies) more expensive, as well as because it is better organized

in the core countries.

At the same time, improvements in transport and communications technology, combined with the creation of manufacturing processes which can be split up into a few steps requiring skilled labour with the rest of the steps requiring unskilled or semi-skilled labour only, has meant that even within one region, capital can split up the manufacturing process so that the cheapest unskilled labour can be used. As far as SE Asia is concerned, this has meant the increasing use of cheap labour in Thailand, Malaysia and the Phillipines, with the semi-skilled/skilled labour "centres" being Singapore and Hong Kong.

As the multinationals move their regional administrative headquarters to Hong Kong, this move is followed by the firms which provide the corporate services for the multinationals-- accountants, lawyers, and the like.

The growing importance of the financial relative to the manufacturing sector can be readily observed from Table 3.2; in particular, it is the growth in international banking services that show Hong Kong's growth as a world financial centre (Table 3.3). Another important development, arising out of the previously begun process of industrialization, has been the continual growth in per capita GDP as well as income; increasingly, in the last few years, local labour has become important not

only as a producer, but also as a consumer (Tables 3.4 & 3.5).

Year	Manufacturing	Wholesale, retail import/export restaurants and hotels	Financing, insurance, real estate, business services
1970	30.9	19.6	14.9
1971	28.1	19.5	17.5
1972	26.9	20.1	20.5
1973	26.5	21.5	19.2
1974	25.8	20.8	17.6
1975	26.9	20.7	17.0
1976	28.3	21.1	17.9
1977	27.2	21.6	19.6
1978	26.7	21.0	20.7
1980	25.1	19.2	25.9

Table 3.2: Contribution of Selected Economic Sectors to the GDP (%)
Source: Annual Digest of Statistics - Various Years
(Census and Statistics Department)

Year	Liabilities	Assets	
	Balance due to banks abroad	Balance due from banks abroad	Loans abroad
1961	370	1,371	
1962	303	1,688	
1963	410	2,070	
1964	580	1,745	
1965	836	2,912	
1966	994	3,814	
1967	1,199	3,534	
1968	1,415	5,238	
1969	1,845	5,722	
1970	2,212	7,099	
1971	3,000	9,384	
1972	5,428	10,616	
1973	8,911	10,201	
1974	15,460	14,726	
1975	21,243	21,045	10,077
1976	27,598	25,749	13,255
1977	36,850	34,152	18,793
1978	51,385	50,806	16,411
1979	73,685	66,435	20,778
1980	117,704	90,893	29,433
1981	42,550	134,863	33,586

Table 3.3: The Growth of International Banking Activities (HK\$ million)
Source: Annual Digest of Statistics - Various Years
(Census and Statistics Department)

Year	Consumer Goods	
	Imported	Retained
1959	985	732
1960	1,214	915
1961	1,321	1,004
1962	1,498	1,132
1963	1,631	1,186
1964	1,787	1,311
1965	2,169	1,524
1966	2,553	1,716
1967	2,566	1,546
1968	2,864	1,909
1969	3,595	2,285
1970	4,352	2,863
1971	5,049	3,240
1972	5,446	3,271
1973	7,370	4,006
1974	7,280	4,006
1975	7,235	3,831
1976	9,265	5,188
1977	11,436	7,140
1978	16,757	10,975
1979	21,530	12,915
1980	29,469	16,359
1981	37,070	19,788
1982	38,614	20,540

Table 3.4: Consumer Goods Imported into Hong KONG (HK\$ million)
Source: Annual Digest of Statistics - Various Years
(Census and Statistics Department)

Year	Amount	Year	Amount
1966	24,900	1975	46,002
1967	25,185	1976	49,297
1968	27,763	1977	58,090
1969	30,109	1978	69,215
1970	33,167	1979	75,650
1971	37,499	1980	85,349
1972	40,110	1981	91,878
1973	45,502	1982	95,625
1974	44,619	1983	104,670

Table 3.5: Private Consumption Expenditure (HK\$ million, 1980 prices)
Source: Annual Digest of Statistics - Various Years
(Census and Statistics Department)

Spatially, this continuous growth process has created the expected steep rise in demand for office space, as well as for centres of exchange which can be used by commercial capital to realize surplus value within Hong Kong.

3.1.4 The International City

Hong Kong always has been a fairly international city, in the sense that it has, since its founding, been almost completely dependent on economical forces that are external to it. Thus, when it was primarily a trading port, the markets as well as the sources of goods to be re-exported were all in other places; likewise, even when it became more important as an industrial centre, its only local "component" in the production inputs has been labour-- practically everything else has to be imported.

This degree of "internationalization" has been even further reinforced by the growing importance of international finance activities within the local economy, all of which tend to create a situation where the local economy is more and more attuned to the needs of other places. The stock market receives capital flowing from across half the world, the forex dealers take pride (and profits) from the fact that Hong Kong markets are the first to open during the daytime

(relative to other financial centres such as London and New York), and so on. For a growing proportion of people in Hong Kong, namely those who are involved in international finance activities, physical boundaries have come to mean very little.

This "perceptual internationalization", of course, comes out in other areas too; the world of fashion, of architectural styles, of popular songs (which might be American, English, Japanese, Mandarin, or Cantonese), even of hairstyles. It provides more incentive for consumer spending, for flashier shops, for higher quality office buildings, for shopping areas which might be the equivalent of the latest thing in New York, or Tokyo, or London, or Paris. It creates a demand for a particular type of arrangement of spaces, with larger atriums, more larger department stores, and the like.

3.2 Urban Development in Hong Kong

3.2.1 The Mercantile City

In this period Hong Kong served principally as a trading outpost of the British, so urban development was shaped by the needs of the merchants. Initially, development started on a narrow strip of coastal flatland between Possession Point and the present Ice House Street. All the flat land along the waterfront was used for the

construction of godowns and offices. At East Point and Wanchai, small reclamation projects were carried out to obtain flat land for the erection of godowns. Development spread rapidly westward, and soon a cluster was formed in Western District with shops and tenement buildings. By 1860, Sheung Wan had become the core of the then City of Victoria, where the central business district was located.

The ceding of Kowloon Peninsula to the British in 1861 provided further opportunity for the city to expand. Active reclamation was started in the 1880s and proceeded down the century along the coastal strips of Yaumati, Tai Kok Tsui, Ma Tau Kok and Hung Hom (Figure 3.1). Tenement buildings were erected in the districts of Yaumati and Mongkok to cater for residential and commercial uses. Tsim Sha Tsui was developed into a warehousing area with landing piers and jetties because of deep water off the coast. The number of godowns in Tsim Sha Tsui was further increased after the Kowloon-Canton Railway was opened in 1910.

Shipbuilding and ship-repairing were the major industrial activities in this period, and their development was closely related to the entreport trade. By 1910 there were two dockyards in Hong Kong - one in Hung Hom and the other in Quarry Bay.

In the first quarter of the twentieth century, active

reclamation went on to provide more land for storage and residential uses. In 1929, the Praya East Reclamation Scheme was completed, and a large tract of land was formed in Wanchai between the Naval Yard and East Point. On the Kowloon side, further reclamation took place on both the west and east coast of the Peninsula. The reclaimed sites were soon occupied by four-storeys high tenement buildings.

Up to the eve of the Second World War, development was concentrated on the coastal belts on both sides of the harbour. On the north shore of Hong Kong Island, the built-up area extended haphazardly from Kennedy Town to Shau Kei Wan. The older part of the city (Western district) became too crowded, and the central business District shifted to Central District. On the other hand, Kowloon Peninsula was studded with tenement blocks, and Yaumati became the sub-centre of the city.

3.2.2 The Industrial City

Urban development was slow in the immediate post-war years because Hong Kong's economy was recovering from the destruction of the war. At this time, a huge amount of migrants flooded into Hong Kong, and squatter huts sprang up on the hillslopes in the peripheral areas. On the Christmas eve of 1953, a fire broke out in Shek Kip Mei squatter area in which thousands of people were made

homeless. The government decided immediately to clear some of the squatter areas to make room for the erection of resettlement blocks e.g. Shek Kip Mei and Tai Hang Tung.

Growth of Hong Kong's manufacturing industry in the 1950s led to an increase in the demand for industrial land. The government responded to the situation by designating two satellite towns in the urban fringe - one in Kwun Tong and the other in Tsuen Wan. In these two satellite towns, industrial development was integrated with residential development, and a large proportion of the housing in the two towns was provided by the government at low cost to the workers.

In the main urban areas, redevelopment took the form of vertical expansion. The relaxation of the Buildings Ordinance in 1955 sparked off a building boom which led to land use intensification. In the redevelopment process, pre-war tenement buildings of four storeys high, were replaced by high rise buildings. Industrialization in Hong Kong also had its effect on the main urban areas as flatted factory buildings began to emerge in various districts, such as Lai Chi Kok, Tai Kok Tsui, Cheung Sha Wan, Hung Hom and Ma Tau Kok.

The provision of public housing by the government continued in the 1960s which resulted in the appearance of several large public housing estates, in the fringe of

the main urban areas. These estates were located in the urban fringe because most of the land south of Lion Rock was already fully developed.

After almost two decades of active redevelopment, the main urban areas became more compact and dense. While the Central District has remained the central business district of Hong Kong, retail activities began to grow along the major thoroughfares e.g. Nathan Road, Yee Wo Street and the eastern section of Hennessy Road.

3.2.3 The Industrial/Financial City

Urban development in this period was characterised by the effort of the government to decentralise population and economic activities to the New Territories. In late 1960s, two areas in the New Territories were designated for the development of new towns - Shatin and Tuen Mun. Further impetus for the new town development came when the government launched the Ten-Year Housing Programme in 1973. The programme which aimed at providing self-contained accommodation units to low income families created a heavy demand for developable land, which of course could only be met in the New Territories. The two new towns are planned to be balanced and self-contained communities which combine residential with industrial development. In the late 1970s, four more new towns were designated i.e. Tai Po, Junk Bay, Yuen Long and Shueng

Shui-Fanling.

Land use in the main urban areas was further intensified in the 1970s which was due to the effort of private developers. The rise of Hong Kong as a world financial centre created a large demand for office space, and a new trend of development was thus set off. Shortage of office premises in Central induced private developers to redevelop some of the sites in Central as well as other districts, such as Wanchai, Causeway Bay, Tsim Sha Tsui and Mongkok so as to maximize the full development potential of the sites. Hence, it resulted in a significant increase in the number of office buildings in the main urban areas. Since the early 1970s, the release of valuable sites from old uses, like storage and military uses, had also played a part in land use intensification. The development of Tsim Sha Tsui East from a barrack into a commercial, office and tourist area is a case in point. In the same manner, the godowns in Tsim Sha Tsui, Causeway Bay and North Point were all demolished to make room for new developments. These changes reflect the response of the spatial structure to the changing needs of the economy.

PART TWO

"Study the past if you would divine the future."
Confucius

CHAPTER 4

THE REDEVELOPMENT PROCESS IN CAUSEWAY BAY: ANALYSIS

4.1 1841-1945

The most important function of Hong Kong in this early period--indeed, the very reason for it's existence--was to serve as a transshipment point for goods originating from elsewhere. Feeling unsafe in China, the opium traders needed a relatively safe place where goods such as tea from China could be offloaded and stored until the arrival of a ship from England or other parts.

However, while Hong Kong had an excellent, well-protected harbour, most of the north shore of Hong Kong Island was lined with mud banks, making it difficult for large boats to come right against the shore. Practically the only exception to this was East Point, a thin peninsula of land sticking out into the sea, which was a minimum of 1 and a 1/2 fathoms deep in the area (1845 Ordinance Survey Map)--deep enough for fairly large boats to come in very close to the shore.

Not surprisingly, the first lot of land to be sold in Hong Kong was Lot No. 1, East Point (later, it became Marine Lot 52). Jardines was the successful bidder,

acquiring this plot of land on June 14, 1841 (Yeung 1954: 4)--before England had formally annexed the territory, which gives an idea of the urgency with which Hong Kong was required by commercial capital. Subsequently, Jardines built a promontory (quite illegally) at the tip of East Point, allowing large ships to come in right against land--a luxury which Jardine's chief competitor, Lindsay and Co., did not have. A causeway was built to the east of East Point in 1842, linking it with North Point. By 1845, Causeway Bay was a microcosm of the spatial structure that commercial capital requires: warehouses and wharfs on East Point, staff quarters on the top of East point Hill, and the labourers left to fend for themselves as best as they could below East Point Hill and in other areas (Fig.4.1).

The first reclamation in the area was completed in 1858 (Bristow 1984: 28), extending the coastline upto the middle of present-day Hennessy Road west of Percival Street, and right upto the edge of present--day Gloucester Road in the east (Fig.4.2, see also Fig.4.3). This area, present-day Marine Lot 231, was used for warehouses, a sugar refinery, a distillery, and an ice-making plant. During this period, upto the end of World War 1, the present-day Jardine's Bazaar and Crescent were also built up, albeit lightly, with many vacant lots in-between buildings. Meanwhile, the western part of Causeway Bay was developing into a predominantly

residential area with a few industrial looking buildings (whose purpose we have been unable to determine). The subdivision of lots in this part--of great significance in affecting its future redevelopment--followed the standard Hong Kong pattern, with most lots having a frontage of 4.0 to 4.8 metres and a depth of between 9.1 to 18.2 metres (Pryor 1978: 8) (Fig.4.3).

Most of the original leases in Hong Kong had been granted for a period of 75 years only, and when, in 1916, Jardine's leases expired, the lease for East Point Hill was not renewed. In 1923, Lee Hysan, a very rich dealer in opium who was known as the "Opium King of Hong Kong", bought East Point Hill as well as the buildings on the top, and converted it to an amusement park.

Meanwhile, fuelled by demand generated by the post-war boom, the government, in partnership with various property capital concerns such as Hong Kong Land, embarked on a massive reclamation scheme running across a large part of the northern shore of Hong Kong Island. The Praya East Reclamation Scheme, which was started in 1921, was completed in 1929--just after the worldwide economic depression had begun. The various private interests involved, however, managed to extricate themselves from the scheme, leaving the government with a loss (Hudson 1977: 25). But this land, too, slowly filled up with residential and industrial/warehousing

structures, until the beginning of World War 2.

In a sense, the period that we have looked at represents a "prehistory" of Causeway Bay--it would be more accurate to call it the development rather than redevelopment process. Overall, the whole area was low-key and far removed from the centres of urban concentrations, which were more towards Wanchai, Central, Western, and beyond. As Leeming (1977: 95) puts it:

"Yee Wo Street, now the heart of the whole area, was in 1930 little more than the tram route running through a quiet district of godowns, tips and yards, suburban housing, small bazaar and tenement developments, and vacant sites. Most of Yee Wo Street, itself.....had no permanent buildings."

But it was precisely this lack of development which, with changes in the economy, would serve as less of a barrier to spatial restructuring, as compared with areas like Western and Wanchai. Causeway Bay had developed as a relatively new area, with large lots in its eastern parts, arising from its industrial/warehousing origins (Fig.4.4). Moreover, ownership of these lots was not as fragmented as in other parts of Hong Kong--in particular, Marine Lot 52 and Inland Lot 2836 were both owned by Jardines; Inland Lot 29, the site of East Point Hill, was owned by Lee Hysan; and Marine Lot 231 was split up

between only two owners--Jardines and Dairy Farm.

Thus, by the end of the Second World War, Causeway Bay was set for a period of explosive growth--with a little help from the state.

4.2 1946-1970

The period up till 1950 was one of gradual recovery and revitalization after the destruction of World War 2, and included the sudden increase in population that followed the establishment of a new government in Mainland China in 1949. As explained earlier, this was also the period during which industrial capital rose to significance within Hong Kong.

Warehousing and storage space became less important, while the demand for industrial land increased. The government commissioned Sir Patrick Abercrombie to draw up a comprehensive planning guide for the whole of Hong Kong; his report, the Hong Kong Preliminary Planning Report, released in 1948, proposed that Causeway Bay be turned into a light and heavy industrial area (Fig.4.5). In the meantime, however, the massive influx of population had generated a huge demand for housing, and Jardines started selling off Marine Lot 52 and Inland Lot 2836 to developers, who subdivided it in the standard Hong Kong pattern and put up residential buildings, never

mind what Abercombie had proposed (Fig.4.6). Redevelopment also started taking place along Jardines' Bazaar and Crescent as well as Irving Street, all in response to the demand for residential housing.

Lee Hysan started flattening East Point Hill in 1953, subdividing the land and selling off the lots to individual developers, who promptly put up residential buildings. The Lee family retained only the portions to the north of East Point Hill (present-day Hennessy Centre) as well as the southern part (most of the property along Hysan Avenue including present-day Sunning Plaza, the Lee Gardens Hotel, etc.). An important feature of these residential developments was their high rents--making them middle-class rather than lower-income housing. This can be readily observed from a comparison of residential rents in the early 60's in Tai Hang (including Causeway Bay) as compared with Wanchai, Central, and Western (Fig.4.7).

But how was it that an industrial/warehousing area, not too attractive, could be turned so easily into a middle-class residential area by property capital? The answer to that, we feel, is strongly related to the state decision in 1951 to reclaim the Causeway Bay typhoon shelter and turn it, not into a heavy industrial area as suggested by Abercombie, but into a park--present-day Victoria Park. This state decision was greatly aided by

the Royal Hong Kong Jockey Club, which donated 150,000 pounds (one-sixth of the reclamation cost)--on condition that the reclaimed land be used as a park (HK Govt. Annual Report 1951).

Like Central Park in Manhattan, the effect of Victoria Park was to immediately raise land values all around it--but it was primarily in Causeway Bay, rather than on the North Point side, that there was sufficient redevelopable land available; thus it was mostly Jardines, Dairy Farm and the Lee family that benefited from this decision. Victoria Park also very effectively served to cut off Causeway Bay from North Point--which was already a low- to middle-income residential area; the land in between Causeway Bay and North Point was reclaimed without any urban development linking the two districts, thus keeping their identities very clearly separate. This whole process of conversion of an industrial/warehousing area into a residential area was further facilitated by the zoning of most sites in the area as C/R--which meant, in effect, that the state was making sure that no industrial buildings would be put up in the area, assuming that there was some landowner who would want to do such a thing in the first place.

There were other state decisions, operating at the level of Hong Kong rather than simply Causeway Bay, which greatly facilitated the redevelopment process. The

first decision was the enactment of the Landlord and Tenant Ordinance in 1947, which controlled rents of pre-war buildings but not of buildings constructed after the war. Moreover, it gave security of tenure to tenants in pre-war buildings, protecting them from eviction. However, another provision in the Ordinance gave power to the Governor-in-Council to exclude, at his discretion, any premises from the Ordinance i.e allow the tenants to be evicted. This was clearly designed to allow landlords to repossess the premises and redevelop the site; but because the whole process was complicated and time-consuming, it was rarely used.

Accordingly, in 1955, the Ordinance was altered, permitting the payment of compensation to the tenants in proceedings for the exclusion of controlled premises; a Tenancy Tribunal had the final say in determining the extent of compensation. As Hopkins (in Dwyer 1972: 208-209) puts it:

"It was fairly easy to get permission from a tenancy tribunal to evict tenants who were paying restricted rents provided two conditions were met: compensation was to be paid and redevelopment was to take place within a brief specified period, which depended on the size of the development but was generally less than two years.....well over 300,000 people were evicted in the years 1962-65, evidence of the ease of

the legal procedure and incidentally, of a considerable increase in the number of potential customers for new living space. Rates of compensation were based predominantly on the area occupied by the tenant and in general rose with market prices. For typical cubical dwellers compensation averaged HK\$ 1,028 (1965-68), equal to about seventeen months rent. Clearly, developers could pay it and still expect to make a profit."

The second state decision of important effect on the redevelopment process in general was the relaxation of the Buildings Ordinance in 1955, which allowed plot ratios of upto 12 for residential buildings, and 15 for commercial buildings--some of the highest in the world. It suddenly became extremely profitable to redevelop old properties-- gross floor areas could now be much, much greater, rents could be higher, while the amount of compensation to be paid to the evicted tenants remained more or less the same.

The result was an unprecedented building boom, further intensified by the government's announcement (in 1962) that the Ordinance would be "retightened" slightly once again--but only for building plans submitted after 1965. The result was a long queue of developers rushing to meet the deadline; by the time the overheated property market

collapsed, in 1965, large parts of Causeway Bay--in particular the parts owned by Jardines and the Lee family (ML 52 and IL 29)-- had been altered beyond recognition. Causeway Bay was now predominantly a middle-class residential area, with most redevelopment having taken place between 1950 and 1965--as can be seen from the plan showing building ages in 1970 (Fig.4.8). The land use pattern by 1970 was mostly residential with quite a few cinemas, with the only reminder of Causeway Bay's warehousing past being the storage shed on the site of the original East Point, soon to be redeveloped into a Convention Centre and the Excelsior Hotel by Jardines (Fig.4.9). The ground floor land use, however, was still not what one would expect of a shopping area. There were large numbers of "industrial" (workshops) establishments and transient residences occupying the ground floors, with only two department stores--Daimaru and Wing On (Fig.4.10). On the whole, Causeway Bay had not yet become the shopping centre that it is known as today.

The most ironical thing, of course, is that Causeway Bay was an industrial/warehousing area when Hong Kong was not an industrial city, and stopped being one when Hong Kong started industrializing.

4.3 1971-1985

The key changes during this period have been almost fully

limited to the eastern part of the study area, i.e the part east of Percival Street. These changes have involved Causeway Bay's growing importance as a shopping area, as well as its growth as an "outlying business district."

The first step in Causeway Bay's growth as a shopping area, in retrospect, seems to have been Daimaru's decision to open a department store there in 1960. But that decision was taken mostly because Daimaru needed a cheap space where it could "store" goods imported from places other than Japan for six months, and then ship them to Japan. Under Japanese Customs regulations, such merchandise, that an overseas branch of a Japanese company had not managed to sell off for six months, could be imported into Japan at vastly reduced Customs taxes. Daimaru, we guess, must have been extremely surprised when its store actually started to make money from local sales, though it is difficult to know when that started happening.

The real growth of Causeway Bay as a shopping area for local people-- Causeway Bay is not so important as a tourist shopping area, as Tsimshatsui and Central are--started during the early 1970's, and is very strongly related to the vast increase in consumption power in Hong Kong in the last fifteen years (Table 3.5), arising from industrialization and the consequent

relative rather than absolute extraction of surplus value.

But why specifically Causeway Bay? The answer to that lies in the relative newness of the building structure, as required by a flashy, consumer goods-oriented area, and, most important of all, large lots allowing the opening of department stores--which are absolutely essential for a shopping area, serving as "magnets" for attracting people. Since 1975, no less than seven such stores--Matsuzakaya, the Chinese Merchandise Emporium, Mitsukoshi, Lane Crawford, Klasse Grande, Daimaru's new branch, and Sogo--have opened their branches in this area. The change, and its great benefit to property capital, can be most readily appreciated from an analysis of the rate of growth of the rateable value of ground floor shops in the area in the last ten years as compared with similar values in Sheung Wan, Central and Wanchai (Fig.4.11). It is interesting to note that this increase in rates has occurred in spite of the fact that the supply of shopping space in Causeway Bay has increased faster than in the other areas, 4.1), indicating that even the phenomenal growth of shopping floor space in Causeway Bay has been unable to quite meet the demand for such space.

The fact that this conversion into a shopping area has been almost completely limited to the area east of Percival Street can be easily seen from the map showing

lower floor land use (Fig.4.12). The area west of Percival Street is still very similar to what the area east of Percival Street was like in 1970 (Fig.4.10). Once again, the importance of high convertibility and non-fragmented lots to property capital becomes apparent.

The growth of office space in the area follows a similar pattern; factors external to Causeway Bay--in particular the growth of Hong Kong as a financial centre--pushed up the demand for office space. The highest rents, of course, could be appropriated in the Central Business District--which finance capital could afford, but less "productive" users (in terms of money earned per unit floor area rented) could not. These users were pushed out to Tsimshatsui East, Wanchai, Causeway Bay, etc. The continuing process of redevelopment in Causeway Bay simply shifted in emphasis from residential to commercial (Fig.4.13), increasing office floor space in the area by 200% from 1970 to 1984 (Fig.4.14), while residential floor space increased by only 20%.

But Causeway Bay also had certain extra advantages, arising from the provision of infrastructure by the state. Firstly, the completion of the Cross-Harbour Tunnel in 1970 made the area much more central with respect to Kowloon. And secondly, the vast reclamation of land to the north (around the Cross-Harbour Tunnel) provided space for expressways-- Victoria Park Road,

Gloucester Road, and later, the Eastern Island Corridor--all of which drastically improved the accessibility of Causeway Bay.

A large proportion of the office space--such as Hennessey Centre, Windsor House, Leighton Centre, Sunning Plaza, etc.--was in the form of large buildings, very different from the fragmented, small office buildings so prevalent in Wanchai. Large lots allowed the building of upgraded, more luxurious ("Grade A") office buildings; combined with the generally newer surroundings, this served to push up rents and purchase prices for office space in Causeway Bay to a level almost that of Central, and far ahead of equivalent spaces in Western and Wanchai (Figs.4.15 & 4.16). During the same period, the vacancy rates for office space in Causeway Bay dropped to a level lower than even that of Central (Fig.4.17), reflecting increasing demand for office space in the area.

Overall, however, Causeway Bay still remains a predominantly residential area--even the eastern part (Fig.4.18); a reflection of the fact that most redevelopment took place before 1970, when creating residential space meant more profits for property capital. Most of the area is relatively new, with only a few pre-war buildings here and there (Fig.4.19); and almost all the post-1955 development has been high-rise, reflecting the relaxation of the Buildings Ordinance in

that year (Fig.4.20).

The end of this brief, fragmented, but intense redevelopment process has left Causeway Bay with a curious combination of environments--it includes the gracious, exclusive-looking, tree-lined Hysan Avenue, the hectic, congested entertainment- and shopping-oriented Paterson Street, the slightly less congested area around Lockhart Road (most of which was redeveloped before 1956), and the old, seedy-looking areas around the Tram Depot, which seem a world apart from the elegance of Hysan Avenue, though all that separates them is a block (Fig.4.21).

4.4 The Future?

One important element, the Island Line of the MTR, to be opened this year, is going to further increase the accessibility, and presumably, the congestion, in Causeway Bay. But the effects, we feel, will be short-lived.

The reason is simple: Causeway Bay has been redeveloped almost to the fullest possible extent that property capital can manage, the only sizeable piece of land still left being the Tram Depot. This does not mean that the area is fully redeveloped to the fullest extent allowed under the Buildings Ordinance, only that all the land

with high convertibility has been converted. And most of this land, with a few exceptions such as Leighton Centre, the Excelsior Hotel, Sunning Plaza, and so on, has itself come under multiple ownership.

Causeway Bay redeveloped fast, because it was relatively undeveloped to start with, and because its land use function had been such that excessive fragmentation of lots did not occur; thus, previous rounds of capital accumulation in the built fabric had not left insurmountable barriers to further accumulation. But that is no longer the case; slowly but surely, the area will decay, as property capital moves elsewhere. In twenty years' time, the glittering lights and flashy shops will be elsewhere, and Causeway Bay will have become like Western.

CHAPTER 5

THE REDEVELOPMENT PROCESS IN CAUSEWAY BAY: EVALUTION

5.1 Superficial Problems

The explosive growth of Causeway Bay, especially its change to a shopping/commercial area in the last few years, has created a large increase in the demand on the infrastructure--as can be seen, for example, in the growth of vehicular traffic coming into Causeway Bay (Table 5.1).

Year	741: Yun Ping Rd. (north of Lan Fong Rd.)	742: Paterson Street (north of Great George St.)
1972	1830	9610
1973	2890	9770
1974	1560	7560
1975	1750	11750
1976	1690	12530
1977	1640	13830
1978	1720	15400
1979	7140	15980
1980	6990	17370
1981	7940	15810
1982	5480	16630
1983	6710	17180

Table 5.1: Annual Average Daily Traffic

Source: Transport & Traffic Survey

Moreover, because of Causeway Bay's function as an

important shopping centre, this congestion does not decrease appreciably after office hours, in fact continues well into the late evening--this can be seen from the time series of the major pedestrian crossing on Yee Wo Street (Fig.5.1). During peak hours, and often during the non-peak period too, the pedestrian traffic density is very high--the pavement is simply not enough, so that we have pedestrian jams, even as we have traffic jams (Table 5.2).

Year	Great George Street (next to Dalmaru) (person)	Yee Wo Street Pedestrian Crossing (person)
1974	849	
1976	1679	
1985	2542	9982

Table 5.2: Pedestrian Movement During Peak Hours

Source: Traffic & Transport Survey Unit, PWD and Fieldwork (1985)

If we divide Causeway Bay into four quadrants, using Hennessy Road and Percival Street as the separators (Fig.5.2), the distinctive nature of each quadrant becomes readily apparent. Quadrant 1 is the oldest part, including the Tram Depot. Quadrant 2 is the part that was developed mostly in the early 50's, while quadrant 3 was developed mostly in the early 60's; both are beginning to look aged, but quadrant 3 is more congested, reflecting the fact that most of it was

redeveloped after the relaxation of the Buildings Ordinance in 1956. Quadrant 4, on the other hand, includes the older areas of middle-income housing (developed before 1956) with fancy boutiques and restaurants on the ground floor, as well as the newer, more elegant developments by the Lee family (Sunning Plaza, etc.) on the southern side. Furthermore, as can be seen in the accompanying photographs (Fig.5.3), the newer portions of Causeway Bay (i.e. roughly quadrants 3 and 4) are not necessarily physically unpleasant--rather, they show all the problems that arise from too much redevelopment, rather than too little.

On the other hand, the older parts of Causeway Bay--in particular, the area around the Tram Depot (quadrant 1) exhibit an entirely different set of superficial problems--those arising from physical deterioration and inappropriateness of an old urban area. Thus, for example, as one indicator of congestion, we can look at noise levels at a typical street (Great George Street) in quadrant 3, and compare it with the equivalent situation in a typical quadrant 1 street (Tang Lung Street). The noise levels in Great George Street can be seen to be continuously high throughout the day--much higher than what would be considered acceptable in most other countries (Table 5.3).

Time	Noise Level (dBA)			
	Tang Lung Street Low	Tang Lung Street High	Great George Street Low	Great George Street High
9:00-9:05 am	67	72	75	81
1:00-1:05 am	72	77	79	84
5:00-5:05 am	73	76	79	85
9:00-9:05 am	68	71	76	80

Table 5.3 : Lowest and Highest Noise Levels over a 5-minutes Period on a Weekday
Source: Fieldwork, 1985

While the problems of physical deterioration in the older parts of Causeway Bay might not be as great as equivalent problems in the older areas of Hong Kong (such as Western), they certainly exist--as can be seen from the photographs. Moreover, we can see the great lack of open space and recreational activities in these older areas. The area around the Tram Depot has been further affected by the problems of incompatible land uses crowded together. Redevelopment in the newer eastern parts of Causeway Bay has resulted in higher rents, forcing hawkers and the ground floor light industrial establishments to move to the older part. Russell Street has its own hawkers problem, with a fairly dirty environment. One result of this has been that the new office building at the junction of Russell Street and Canal Road is completely empty, and has never had a single tenant since its completion two years ago; the

reason is not that there is no demand at all for office spaces, but that the external environment--over which the developers had little control--is simply not suitable for this sort of function. As it stands, that office building represents a large misallocation of resources.

Overall, Causeway Bay exhibits a strange combination of problems-- superficially, one set of problems arising from too much uncoordinated development, and another set of problems, right next to the first, arising from too little redevelopment. Overall, both of them represent different sides of the same capitalist redevelopment process.

5.2 Structural Problems

The superficial problems mentioned above in fact are the problems described only at the "superficial" level. These problems are not the roots of the problems per se. They are nothing more than the manifestations of capitalist logic. In other words, they are derived from the deep structure of the capitalist system. The whole redevelopment process that has taken place in Causeway Bay has been the spatial reflection of economic growth which is powered by the engine of capital accumulation, i.e. the realization of surplus value. Hence, the system's contradictions certainly manifest themselves in the spatial dimension, and Causeway Bay is no exception.

Two main types of structural problems are identified for the evaluation of the redevelopment process in Causeway Bay in general and the explanations of the superficial problems in particular. These are the non-parallelity of the spatial and economic structures and the finite nature of urban land.

5.2.1 Non-parallelity of Economic and Spatial Structures

The capitalist mode of production has, as its very nature, the socialization of production (SOP) and privatization of means of production (MOP) which becomes the intrinsic contradiction of the capitalist system. The reason for this is that the nature of SOP in capitalist society needs objectively that the whole process of production in the society should be under the guidance of unified planning; however, the privatization of MOP tends to impede the achievement of such a requirement. In order to survive under competitive conditions, every capitalist is in search of maximum profit through the realization of surplus value. Since space is the place where the production process is carried out, the capitalist system forms a permanent force which continuously and constantly reshapes the spatial structure according to its own requirement. When the economy is changed by the need for further search of

profit, it necessitates a change in the spatial structure.

However, the change of spatial configuration with the rise of capitalism is not a contradiction-free process. Spatial structures are developed through the historical process. "These spaces are expressed... in the fixed and immovable form of transport facilities, plant, and other means of production and consumption... Capital thus comes to represent itself in the form of a physical fabric based on its own image in order to perform as use values to enhance the ongoing accumulation of capital on an expanding scale" (Harvey 1977: 273). The crucial point arising from here is that the "geographical landscape which fixed and immovable capital comprises is both a crowning glory of past capital development and a prison which inhibits the further progress of accumulation since the very building of this landscape is antithetical to the 'tearing down of spatial barriers'" (Harvey 1977: 273). In other words, the spatial structure may not be suitable for present and future capitalist development. Hence, the non-parallelity of the economic and spatial structures appears.

This contradiction is further aggravated by the interaction between the dilemma created from the growing reliance of the capitalist on fixed capital of all kinds and the social and property relations under this system.

"The value of fixed capital is reproduced only insofar as its is used up in the production process. Through disuse it loses its value without its value passing on to the product. Hence the greater the scale on which fixed capital develops,...the more does the continuity of the production process or the constant flow of reproduction become an externally compelling condition for the mode of production founded on capital" (Harvey 1977: 273). As a corollary, capitalist progress has to face a dilemma between preserving the value of past capital investments in the built environment, and destroying these investments in order to open up fresh room for further accumulation. We can therefore witness a perpetual struggle in which capitalism builds a physical fabric fitting to its own condition at a particular moment in time, only to destroy it at a subsequent point in time so as to adapt it to the needs of further accumulation. However, the social and property relations seem to counter the need of reshaping this spatial pattern. It performs in a multiple-ownership way (very significant in Hong Kong) which leads to reduction in the speed of adjusting space and hence aggravates the barrier-like nature of space. Therefore, the non-parallerity of economic and spatial structures becomes more serious. The expected result is that capitalists try to seek out any area which they consider as being less of a barrier (examples of this may be virgin land, or areas with a

smaller comparative level of multiple-ownership), and leave areas with a barrier-like spatial structure. Hence, the deterioration problems in Causeway Bay as mentioned in the preceding section are nothing but the expression of capitalist logic.

5.2.2 Finite nature of urban land

Driven by the perennial search for profits, capitalist seek out more efficient production processes. This tendency promotes agglomeration of production within the urban center so as to minimize circulation costs as well as the turnover time of capital.

"Unlike raw land, urban land is ... serviced land. It is land on which humans have expended labor materialized in the form of infrastructural and structural artifacts" (Dear & Scott 1982: 140). However, infrastructure, especially for means of circulation, since it is made up almost entirely of fixed capital, has its own specific ways of realization which emanate from the fact that circulation is simultaneously produced and consumed at its use moment. The state is often very active in the sphere of its production.

Urban land, needing a collective action of investment, is generally finite due to the limit of producibility of such land on a large scale and the difficult replacement of intrinsic use value of urban land: locational

advantages. Therefore, capitalists tend to intensify their use of capital rooted on its nature of growing dependency on fixed capital. One common manifestation of this process is the continual intensification of land use at certain locations. These locations are usually more accessible, centralized and polarized. But as intensification goes on, these locations become more congested and overloaded, and their transport access becomes less adequate. This in turn call for a response by the State, which will intervene by investing in basic infrastructure so that the problem might be ameliorated. However, once the conditions are improved, it creates another new round of land use intensification. Hence, the State is forced to intervene again. The whole process leads to a self-perpetuating cycle.

Within the context of Hong Kong, there are three contributing factors which aggravate the intensification of land use. First of all, "absolute scarcity" arises from the topographical situation. A large portion of Hong Kong consists of hilly land. Studies have found the proportion of hilly terrain at between 75 and 80 per cent (Pun 1983: 195). Secondly, "relative scarcity" arises from the serious level of multiple-ownership. Most of the buildings and lots are each owned by groups of individuals or companies. This obstructs the whole redevelopment process. Thirdly, land is sold by the government in extremely limited quantities, so as to

drive up the price of land and thus increase government revenue; this creates an "artificial scarcity" of land. The basic finite nature of urban land has thus been enhanced by the three kinds of scarcities, leading to the intensification of land use in Hong Kong. Bearing this in mind, the congestion in Causeway Bay has been nothing more than another manifestation of capitalist logic in the spatial configuration.

5.3 Redevelopment:the Potential

At first sight it might appear that Causeway Bay has been redeveloped to the maximum extent permitted under the building regulations; but detailed analysis shows that this is not the case at all. If we divide the study area into four quadrants, with the boundaries of the quadrants created by Hennessy Road and Percival Street (as before, see Fig.5.1) and compare the existing "site area" (the sum of the areas of each street block within the quadrant) with the existing gross floor area within each quadrant, we find that the maximum plot ratio (in quadrant 3) is only 10.85, and that overall, Causeway Bay has a plot ratio of only 8.93 (Table 5.4). This is far short of the maximum allowed plot ratio of 15 (for offices) and 12 (for residential buildings).

Quadrant	Site Area (m ²)	Gross Floor Area (m ²)	Plot Ratio
1	53700	334765	6.23
2	27800	255817	9.20
3	74800	811254	10.85
4	48300	425764	8.82
Total	204600	1827600	8.93

Table 5.4: Existing Plot Ratios and Gross Floor Areas
Source: Own calculation

How much gross floor area would be added if all the land in the study area were to be fully redeveloped? This maximum gross floor area is heavily dependent on the exact ratio of residential to office development, since much higher plot ratios are allowed for the latter; but we can assume that 50% of the site area is to be redeveloped with residential buildings, and the remainder with office buildings.

Now, the maximum allowable plot ratios for residential buildings vary from 8 to 12, giving an average figure of 10; the corresponding plot ratio for office development is 15. However, residential buildings normally have a podium which is commercial; hence, the average plot ratio for the overall composite building (podium plus residential tower) is higher than what would be allowed for a purely residential building. An analysis of such composite building developments in the study area showed

that their average plot ratio was in the region of 10.5-11.0 , say 10.75.

Thus, the average plot ratio for a 50% residential/50% commercial development would be:

$$(10.75 + 15) / 2 = 12.85$$

This can be used to derive a new set of hypothetical figures for each quadrant, being the "maximum" gross floor area that can be built in each (Table 5.5). In practice, any new developments taking place in Causeway Bay are likely to be commercial rather than residential; thus, these figures can be thought of as being rather conservative.

Quadrant	Site Area (m ²)	Existing Gross Floor Area ₂ (EGFA) (m ²)	Hypothetical Plot Ratio	Hypothetical Gross Floor Area (HGFA) (m ²)	EGFA/HGFA (%)
1	53700	334765	12.875	691835	48.42
2	27800	255817	12.875	357924	71.47
3	74800	811254	12.875	963050	84.24
4	48300	425764	12.875	621859	68.47
Total	204600	1827600	12.875	2634218	69.32

Table 5.5: Hypothetical Maximum Possible Gross Floor Areas
Source: Own calculation

A calculation such as this for gross floor areas and plot ratios within the study area brings to the surface a

couple of interesting points. Firstly, it can be readily observed that the most congested quadrant (3) has an overall plot ratio of only 10.85; what would have been the result if the whole quadrant had been developed to the fullest possible extent? The resulting further intensification of land use would certainly have made the congestion worse than it already is, which is bad enough.

Secondly, if one looks at it from the point of view of capitalist efficiency, the development pattern in Causeway Bay has been fairly inefficient. The "underdevelopment" of quadrants 1 and 2 can perhaps be explained by the fact that it is an old area with consequently higher levels of multiple ownership; but even the newer areas, especially in quadrants 3 and 4, which had no multiple ownership, no lots fragmentation, and no topographical restrictions, have simply not been developed to the fullest possible extent that property capital could have. Assuming that the state only allows plot ratios of 12 and 15 because it has invested in an infrastructure capable of supporting such high plot ratios, the fact that property capital, with its piecemeal redevelopment efforts, has not managed to reach maximum plot ratios would indicate that a substantial amount of infrastructural investment has been wasted and unnecessary. If the aim of the relaxation of the Buildings Ordinance in 1956 was to allow maximum use to be made of urban land, then property capital has been

fairly unsuccessful in achieving that aim, even in an area where the restrictions on redevelopment were not so great.

CHAPTER 6

Implications and Conclusion

6.1 Non-specificity and Inherent Nature of the Problems

In the previous chapter, we have already mentioned that the causes of the superficial problems in Causeway Bay are rooted in the structure of the capitalist system. The unique historical background of Causeway Bay combined with the structural conditions has produced a particular set of superficial problems e.g. landuse intensification, environmental deterioration, and vehicular and pedestrian congestion. According to the same logic, problems of different dimensions are manifested in other districts with completely different historical backgrounds e.g. Yaumatei, Western and Wanchai. Hence, the superficial problems that are observed in Causeway Bay are not specific to that area. In fact, they are the spatial manifestation of the contradictions that are inherent in the logic of capitalism.

In a capitalist society, capitalists define their interests and needs privately. Their decisions are made purely on the ground of private benefits and costs. No

consideration is given by them to the importance of social costs. In Causeway Bay, property capital invested in the built environment in an uncoordinated fashion. Each of them aimed at optimizing the locational advantages of their individual sites. This is especially true in the case of commercial development where favourable location is a definite asset. Private gains are of paramount importance in the redevelopment process, and the impact of private piecemeal redevelopment on Causeway Bay was rarely considered by property capital. Hence, landuse intensification and the accompanying problems like pedestrian and vehicular conflict, noise pollution etc. are unavoidable.

After two decades of active redevelopment, an attractive environment has been created in the eastern portion of Causeway Bay. Superficially, the new environment appears to be an advantage of the redevelopment process. However, a closer look of the situation reveals that it is just an illusion. In the redevelopment process, the locational advantages of Causeway Bay are enhanced which then has the effect of encouraging further redevelopment to take place. This trend is accentuated by the finite nature of urban land. Inevitably, landuse is intensified which aggravates the existing superficial problems. On the other hand, the creation of a better environment in Causeway Bay is at the expense of the old districts. Instead of investing in the old districts, property

capital concentrated its investment in areas where the rate of return on investment was higher. Obviously, Causeway Bay was one of those areas in Hong Kong where the investment opportunity was great. As a result, the built environment of the old districts has changed more slowly in comparison with that of Causeway Bay. In general, they have a considerable number of substandard buildings, and the environment is declining.

The redevelopment process in capitalist society not only has an impact on the spatial and economic structures, but on the social structure as well. Under the current social and property relations, the redevelopment process is against the property-less people. In Causeway Bay, as in other urban districts, property capital can easily evict the tenants once they have acquired the property in the market. All they have to do is to pay a small sum of compensation to the affected tenants. Under the existing legislation, the affected tenants have almost no legal power to defend their own interests. Once they are evicted, they have to look for accommodation elsewhere, and the social ties are broken up. Through redeveloping old properties, property capital can reap huge profits, and the surplus value that is created in the process is unevenly distributed among different classes. In short, the affected tenants are the sufferers, and social inequity is inflicted in urban redevelopment.

6.2 The Role of the Planning System

6.2.1 The Present System of Control Over Redevelopment

Historically, uncoordinated urban development by property capital which aimed at profit maximization has given rise to a range of spatial problems. State intervention in the urban spatial structure is, therefore, required to reduce and/or eliminate the conflicts that are created. Hence, urban planning can be considered as a derivative of the capitalist system, and this relation has serious implications on the role of planning. Because of private ownership of land, state intervention in the spatial structure is always counteracted by the decisions of property capital which tend to lead away from efficiency (Dear and Scott 1981:146). The contradictions between state on the one hand and property capital and property owners on the other, therefore, seriously undermine the effectiveness of planning. The argument can be applied to the situation in Hong Kong, and the present system of control over redevelopment is described below to illustrate the point.

In Hong Kong, there is not a single piece of legislation which gives power over the control of land use development. In general, the present development control system is exercised through a number of related ordinances and some specific administrative measures. By

far the two most important measures which control private redevelopment are the Town Planning Ordinance and lease conditions.

Under the provisions of the Town Planning Ordinance, lay-out plans are prepared for the urban districts which impose legal control over landuse development. On the statutory Outline Zoning Plan, landuses are zoned in broad categories e.g. residential (R), commercial (C), commercial-residential (C/R) etc. Attached to each statutory plan is a Schedule of Notes which sets out the permissible uses for each zoning on the plan. There are two columns under each zone. In the first column, there is a list of uses which are always permitted. In the second column, there is a list which may be permitted with or without conditions upon application to Town Planning Board. Section 16 of the Ordinance sets out the procedure for the Town Planning Board to deal with an application.

The second measure which controls landuse is the set of lease conditions under the leasehold system, when a piece of land is granted to a leasee, certain restrictions are incorporated in the lease term which govern the use of that piece of land. This system of control allows the government to exercise control over individual sites. Modification of an existing lease is possible during the tenure of the lease on condition that a premium

(equivalent to the difference in land value between the development permitted under the existing lease and that permissible under the new lease term) is paid by the leasee.

In practice, the present system of control is not effective, and Hong Kong's planners have little power to control private redevelopment. Basically, there are three major weaknesses in the present system. Firstly, if a proposed redevelopment conforms with the existing lease conditions, and does not contravene a statutory plan, the developer can proceed immediately with the redevelopment. He can submit the building plan to the Building Authority directly. Under such circumstances, planners can set no restrictions on the proposed redevelopment scheme. The second weakness of the present system is that the two measures (i.e. Section 16 application and lease conditions) are under the administration of two organizations. Differences in interest among them are not uncommon. Thirdly, the present zoning system is so flexible that a range of landuses are permitted. This has the effect of facilitating property capital to undertake redevelopment. In addition, if a developer intends to use a site, or parts of the building on it, for uses listed in the Second Column of the Schedule of Notes, he can make application to the Town Planning Board through Section 16. In effect, this provides a channel for property

capital to negotiate with the government. When a proposed development is turned down by Town Planning Board, property capital can submit a fresh application and re-negotiate with the government. In some cases, property capital offered good terms to the government in an attempt to get the approval of the government for their proposed redevelopment. The proposal of Hopewell Holding Ltd. to develop Hopewell Tower II in Wanchai is a case in point (Chan, Ho and Luke 1984:59). Hence, the process is an endless one, and a compromise is reached at the end of the negotiation. Through this process, property capital is able to derive the greatest benefit from the redevelopment.

The failure of the government to control private redevelopment effectively has resulted in numerous small-scale redevelopments which have sprung up almost everywhere in the urban area in a very haphazard fashion. The consequence of this has been a rapid increase of population in a particular area, with greater pressure exerted on the existing transport, social and community facilities, further intensifying the problems created by the inadequacy of such facilities in the first place. On the other hand, the government not only has very little control over these piecemeal redevelopments, it cannot also amalgamate and collect enough land to allow the implementation of comprehensive redevelopment schemes, which might allow the old street patterns to be realigned

in a better way, as well as allow the provision of more social, communal, and recreational facilities. Attempts in the past to create such comprehensive redevelopment (such as the designation in Western as an Urban Renewal District) have not been very successful due to the reluctance of property owners to sell their land; hence, the government is now considering an alternative approach, which will be analyzed in the following section.

6.2.2 Land Development Corporation

Urban redevelopment in Hong Kong in the past was largely the effort of private developers, and it was carried out in a piecemeal way. From the environmental point of view, some of the old districts in Hong Kong are in need of redevelopment e.g. Western, Wanchai and Yaumatei. However, past attempts by the Government to redevelop the old districts comprehensively was hampered by the problems of multiple-ownership, inadequate resources and legal constraints. Two years ago, the Government indicated its intention to carry out a comprehensive urban redevelopment scheme in the old districts by setting up an agency known as Land Development Corporation (LDC). The new organization would be empowered to tackle the problems which have been hindering government sponsored redevelopment programmes

for many years.

Details of the proposal were announced by the Special Committee On Land Supply in February 1985 (S.C.M.Post, Feb. 13 1983). The idea embodied in the LDC is a partnership scheme among the government, private developers and property owners. The LDC would be an independent statutory body assuming the role of a redevelopment agent. It would be empowered to designate special development areas (SDAs) where comprehensive redevelopment is necessary. A number of subsidiary companies would be formed under the LDC which are responsible to undertake redevelopment in one SDA. Property owners affected by the redevelopment scheme would be given two options: they can either sell their property to the corporation but without the right to purchase a unit in the completed development, or surrender the property in return for shares in the LDC subsidiary company and with preferential rights to purchase a unit in the completed development (Figure 6.1).

If 75% or more of the property owners agree to sell or surrender their property to the LDC subsidiary company, the LDC can resume the remaining 25% of the property by using the Crown Land and Resumption Ordinance. Amendments of the Town Planning Ordinance and Crown Land and Resumption Ordinance are necessary in order to

facilitate the process. Private developers will be invited to participate in redeveloping the lands acquired by LDC, and the redevelopment projects will be tendered out to private developers. In rehousiing, only those property owners who have chosen to buy a unit in the completed development will be rehoused. Tenants that are evicted in the process will be rehoused in one of the public housing estates only if they satisfy the existing criteria of the Housing Authority. Alternatively, they can choose cash compensation.

By streamlining the legal and administrative procedure, the proposed LDC would be able to overcome the time-consuming process of land acquisition. However, it is doubtful whether LDC can really carry out comprehensive redevelopment. LDC might still find that less than 75% of the property owners agree to surrender or sell their property to the government for one reason or another. Hence, failure of the LDC to assemble large tracts of land for comprehensive redevelopment might force the government to implement smaller scale redevelopment project instead. Under such circumstances, new high-rise buildings can only emerge on those sites that are acquired by LDC, and they would inter-mix with the existing low-rise tenement blocks. It would also be difficult for the government to provide adequate community and recreational facilities in this form of redevelopment. Hence, land fragmentation will still be

the major obstacle in any government sponsored redevelopment scheme.

However, even if the LDC can successfully carry out comprehensive redevelopment, it can only tackle the superficial problems such as environmental decline, traffic congestion, deficiency of community facilities etc.. In facilitating urban redevelopment, LDC is in fact working for the benefit of property capital and property owners. It is obvious that property capital will not participate in any one of the LDC subsidiary companies if they perceive that the profit from the redevelopment is unreasonable. Further capital accumulation is their goal, so their decision to cooperate with the Government will be based largely on private gains. Profit rather than environmental improvement is the target of property capital. To the property owners, the proposed LDC is advantageous because they will be given some shares of the LDC subsidiary company. This means that they are guaranteed a certain proportion of the profit in the redevelopment. Moreover, they are given preference in purchasing a new unit in the completed development.

However, it can be foreseen that urban redevelopment by LDC will be carried out at the expense of the tenants. The Government has already indicated that rehousing will not be considered as a major issue in LDC redevelopment. The evicted tenants who are not qualified for public

rental units will have to bear the social costs of redevelopment. Tenants living in pre-war premises will no longer enjoy the protected rents once they are evicted. Hence, under the existing social and property relations, the distribution of surplus value in LDC redevelopment will be very unequal. The situation is depicted by Roweis and Scott, (Dear and Scott 1981:144), as they put it: "Attempts to deal with those manifest problems are likely to continue to fail unless the fundamental structural contradictions that underlie them are solved. This can only occur when the existing social and property relations are themselves fundamentally reformed."

6.3 Conclusion

Using Causeway Bay as an illustration, we have seen how important past rounds of physical development/redevelopment in the urban areas are influencing and limiting present and future redevelopment prospects within a particular area. Thus, we have seen how the eastern part of Causeway Bay, with large lots and practically no multiple ownership, underwent intense redevelopment after 1950, while the western part, with more fragmented lots, did not experience an equivalent degree of redevelopment.

Furthermore, we have seen how redevelopment has caused

its own series of superficial problems, just as absence of redevelopment has resulted in an alternative set of superficial problems. It has been argued that both sets of superficial problems are derived from the structural logic of the system, and that these problems cannot be resolved within the system, only ameliorated to some extent.

This brings us to the question of planners and their role in such a system, and the limitations of such a role. It is possible to conceive of, say, pedestrianization schemes in the congested parts of Causeway Bay, shifting vehicles out into the periphery, possibly by the construction of ring roads. That might relieve the congestion temporarily, but only at the expense of increasing vehicular traffic elsewhere; and it would only attract more people into the area, raising the congestion to its previous levels after a certain period. Hence, any planning solutions can only be limited in scope, as well as temporary. And if we look at the superficial problems created by the lack of redevelopment, we can see a similar situation. For example, the government is attempting to resolve the multiple ownership problem through the creation of a Land Development Corporation, but this is likely to result in greater inequity, as well as being fairly unsuccessful.

All this does not mean that planners have no role to play

at all in the system, but it is helpful to be conscious and aware of the real limitations of any roles we might play. Partially ameliorative solutions, even if only temporary, might still be better than doing nothing; but they should not be thought of as getting to the roots of the problems in the urban areas.

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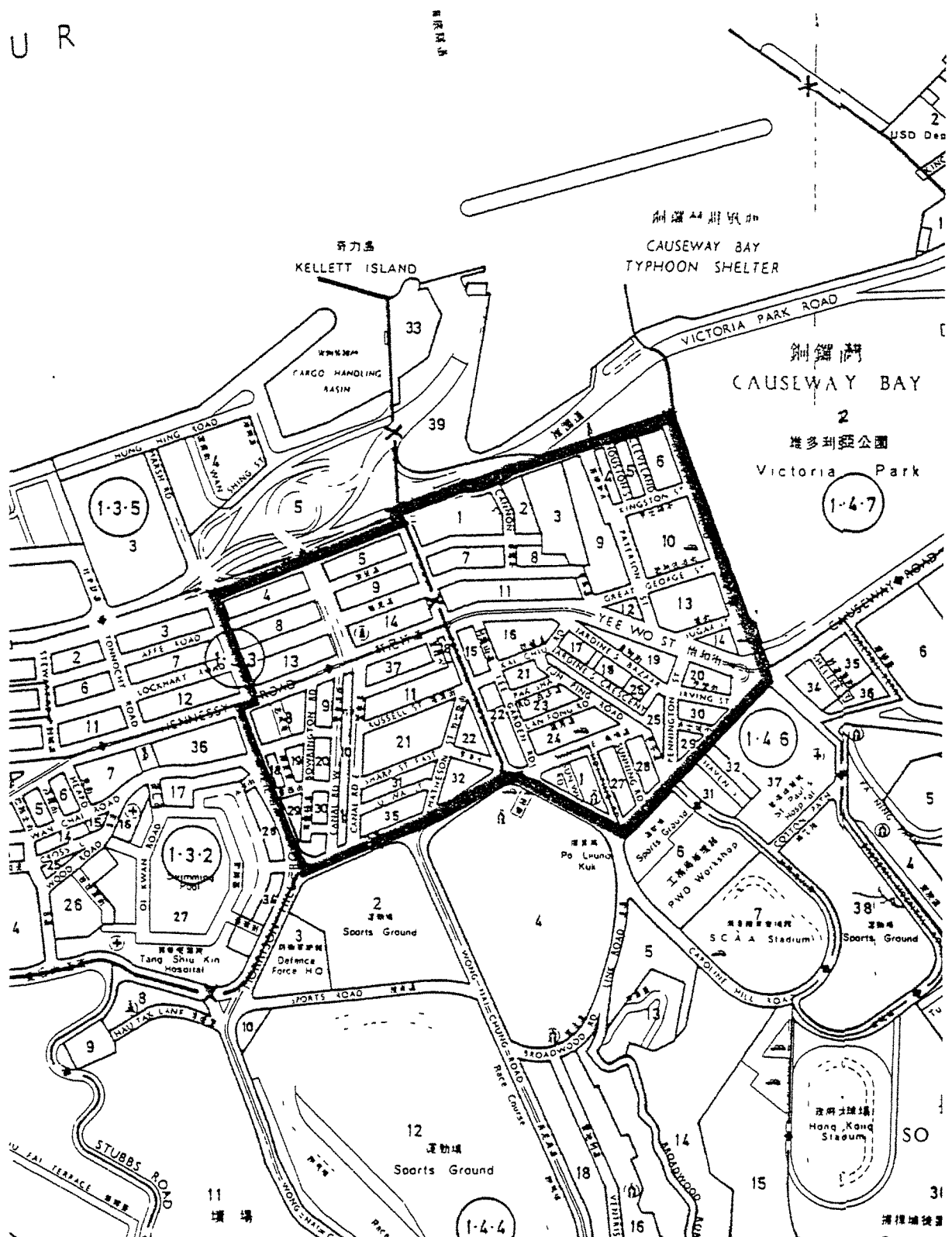


Fig. 1.1: The Study Area

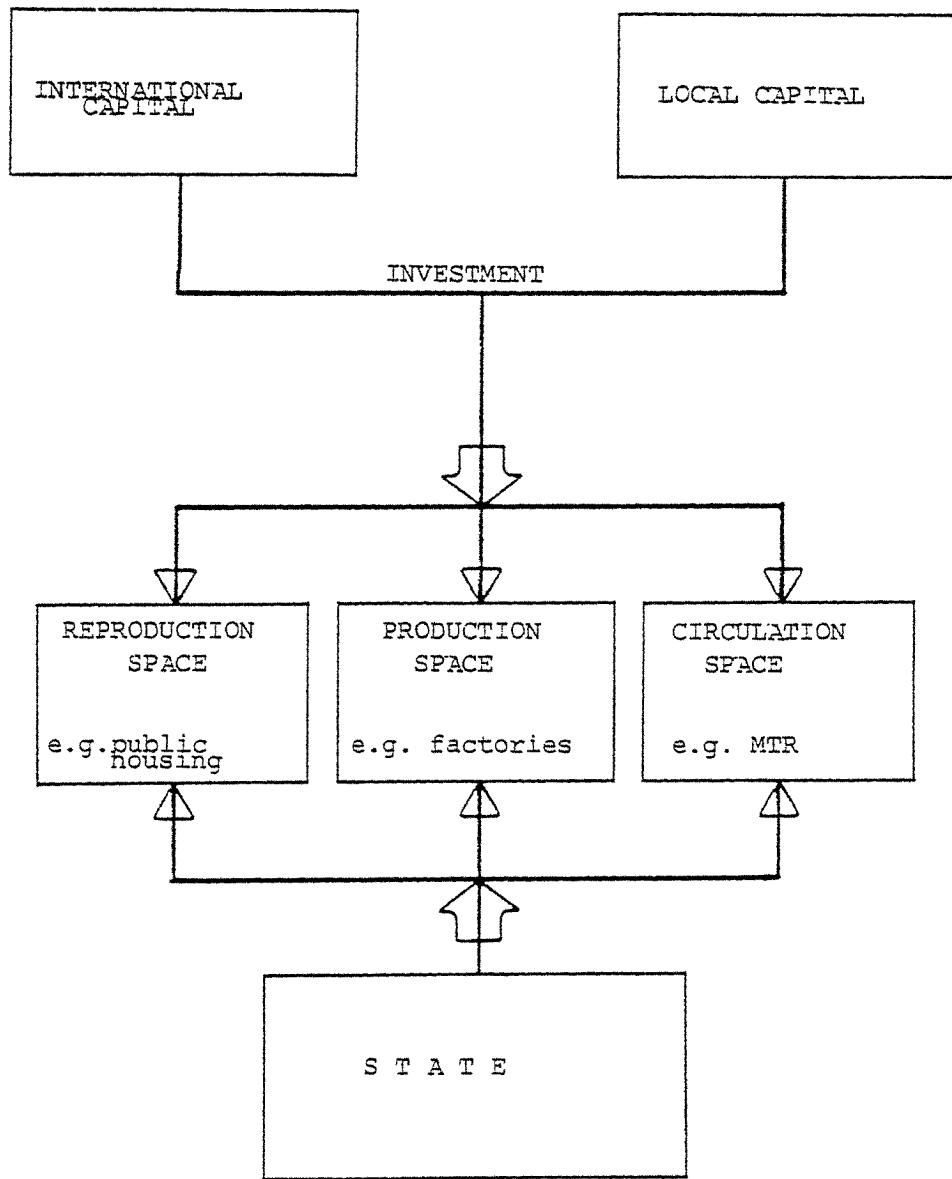


Fig. 2.2: Capital and Its Investment

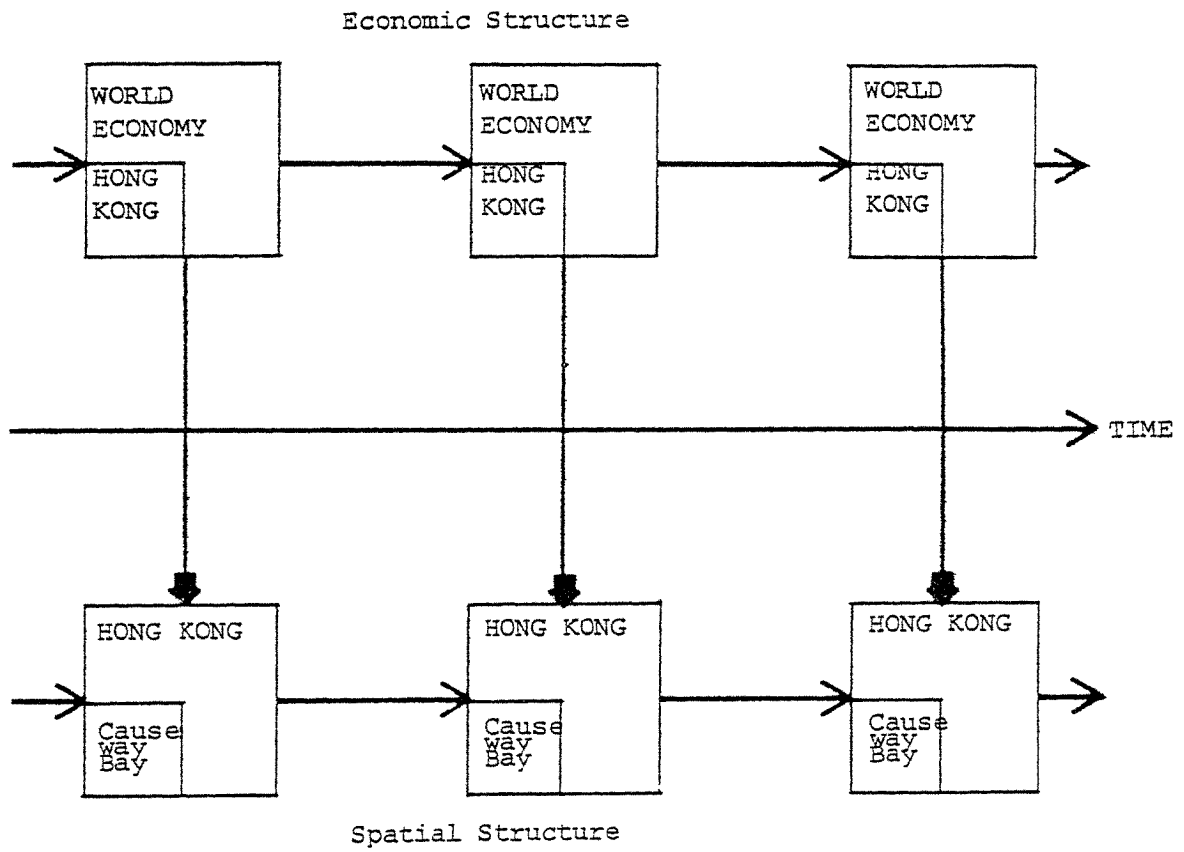


Fig. 2.3: Space as a Response to the Economic Structure

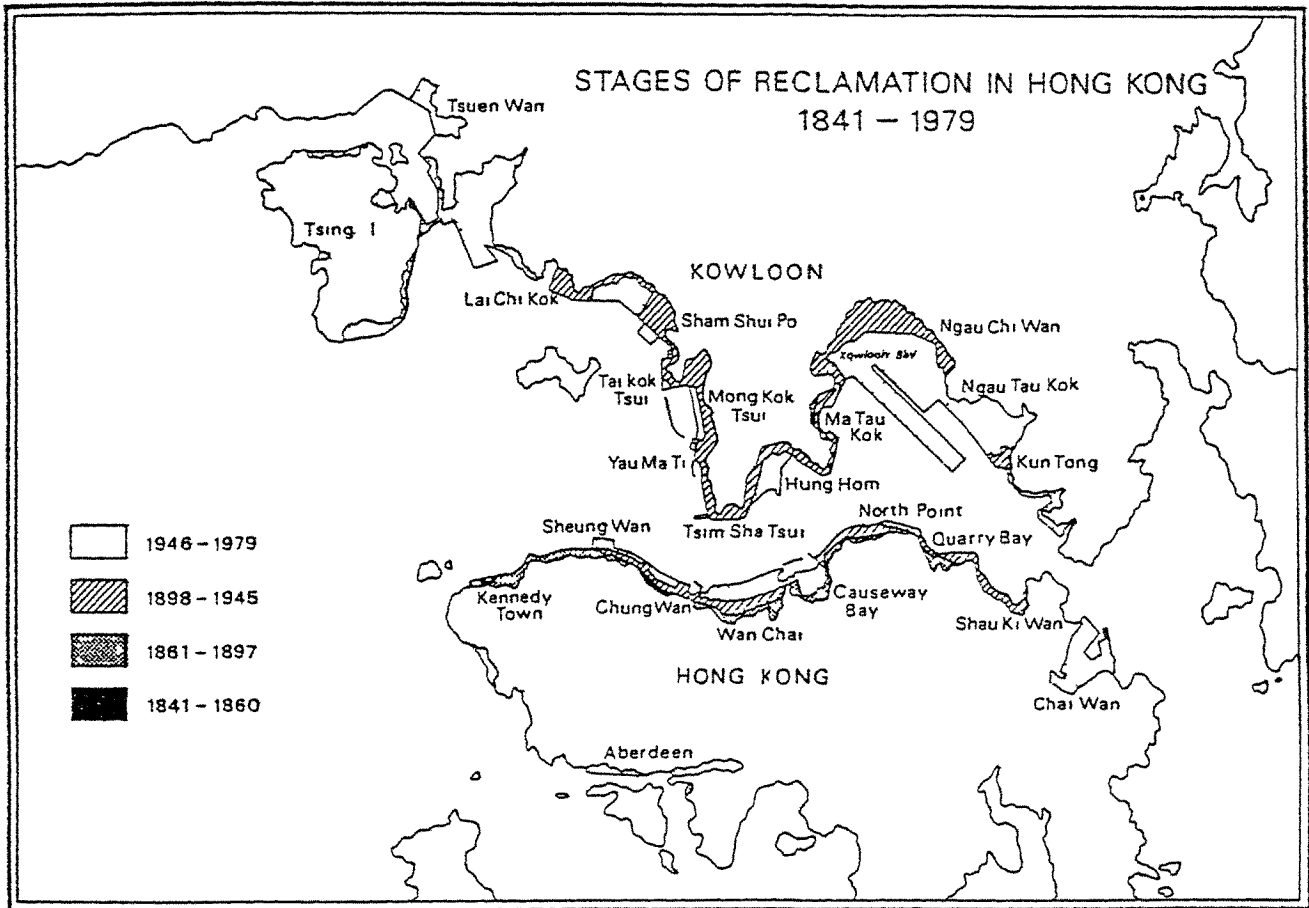


Fig. 3.1: Stages of Reclamation
Source: Leung, Cushman & Wang (1980)

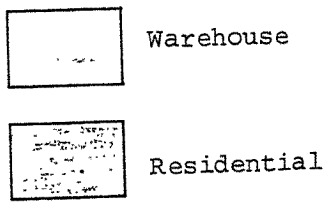
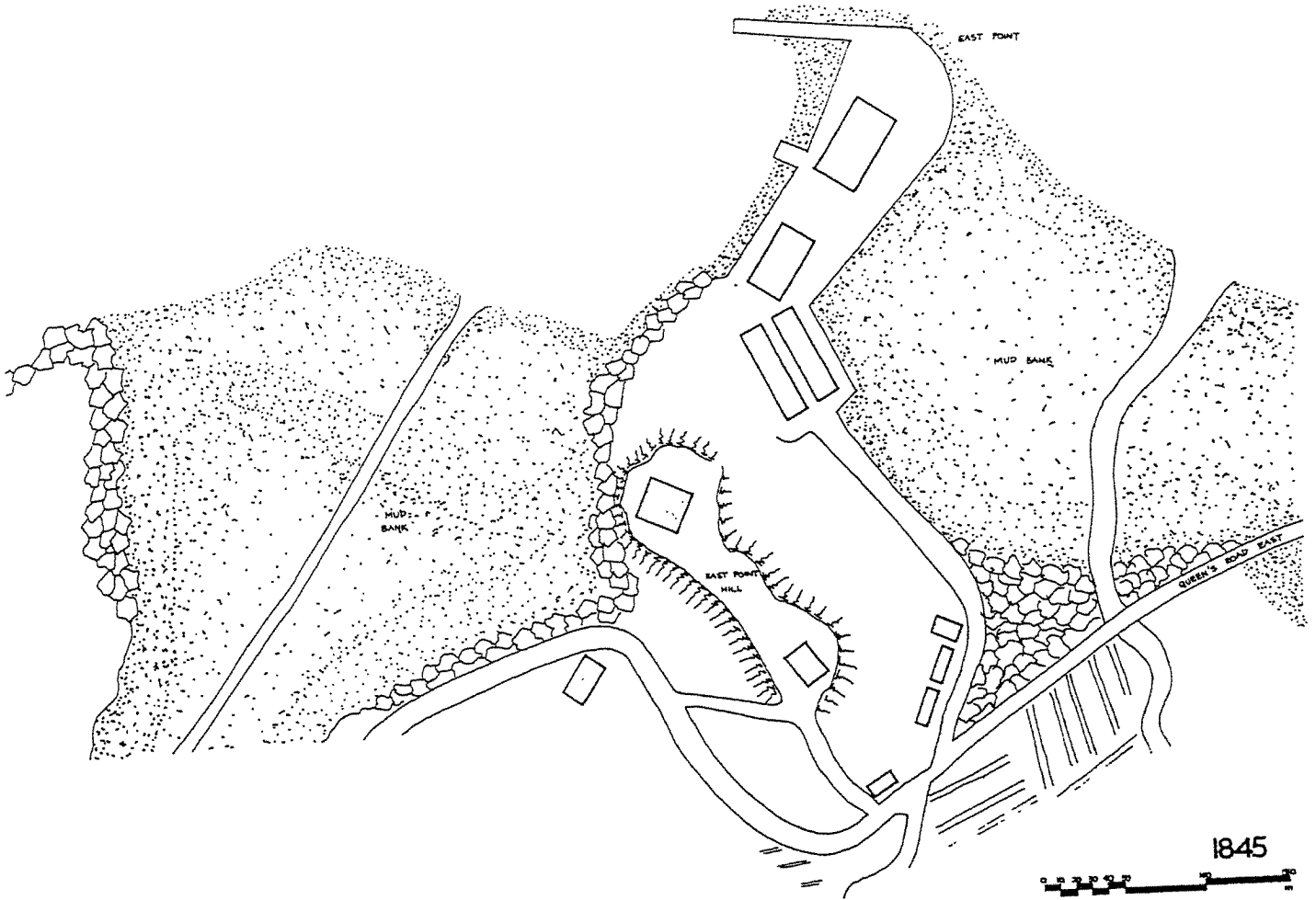


Fig. 4.1: Dominant Land Use - 1845

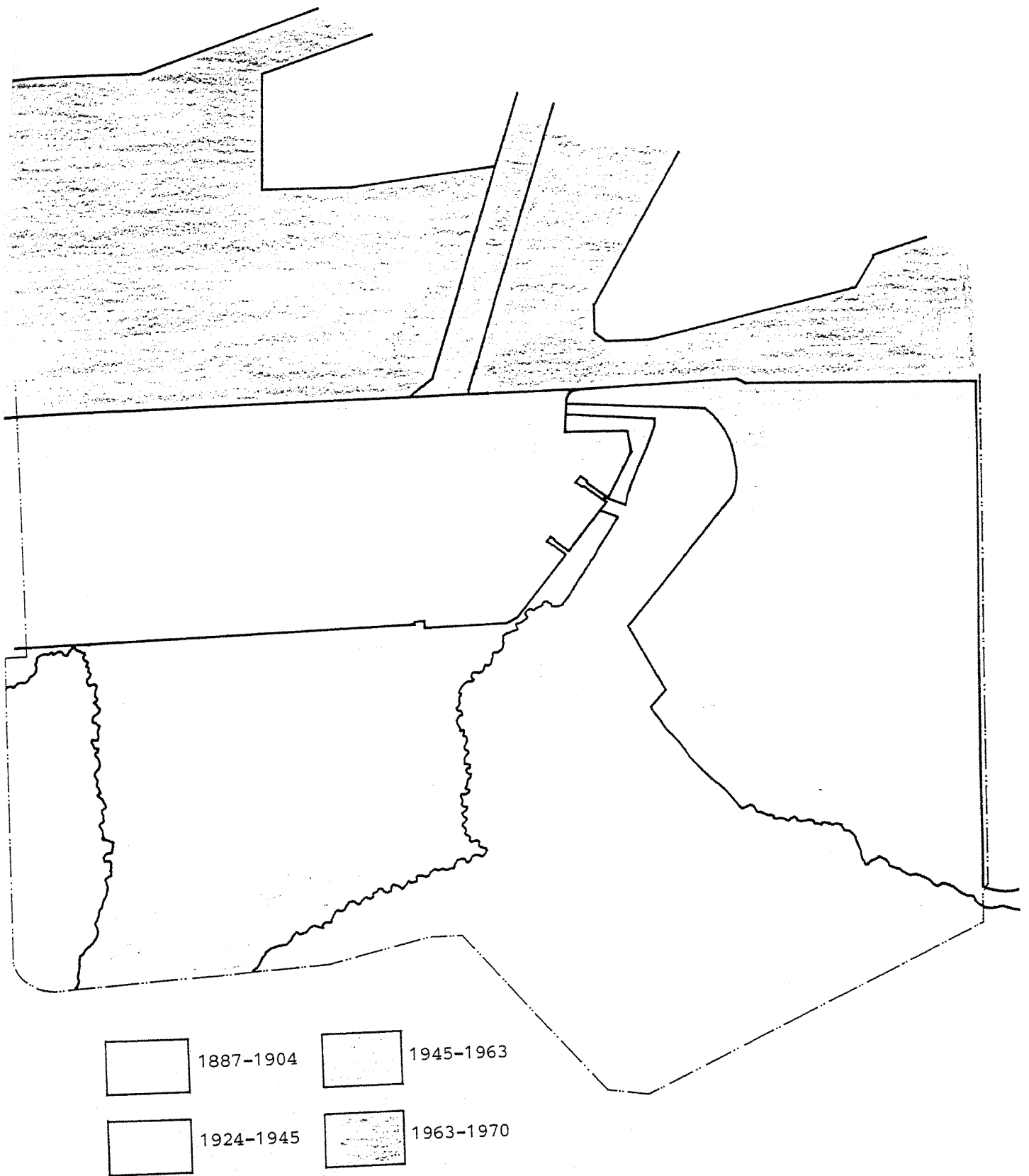
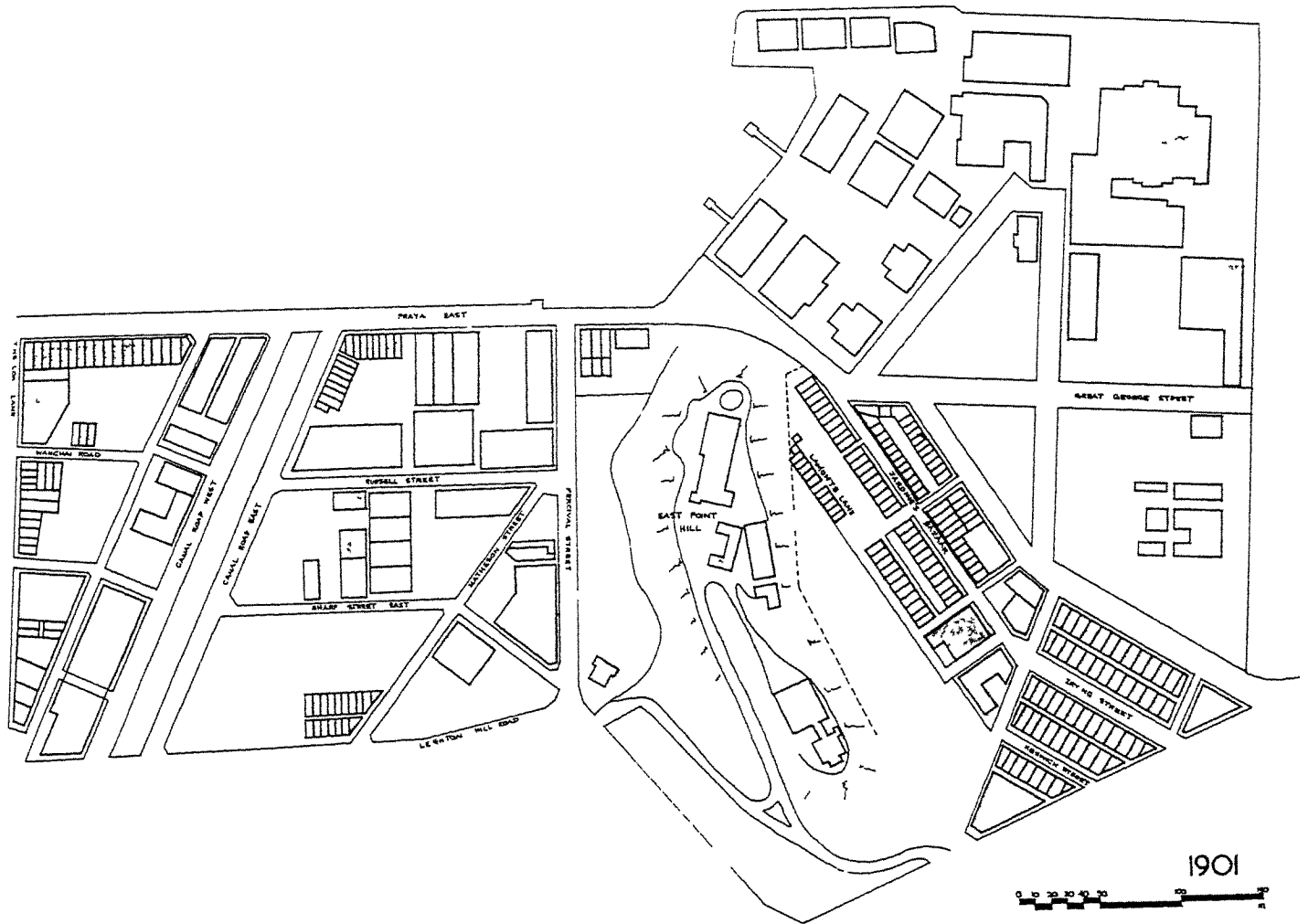


Fig. 4.2: Stages of Reclamation in Causeway Bay








-  Warehouse
-  Industrial
-  Residential
-  Entertainment
-  G/IC

Fig. 4.3: Dominant Land Use - 1901

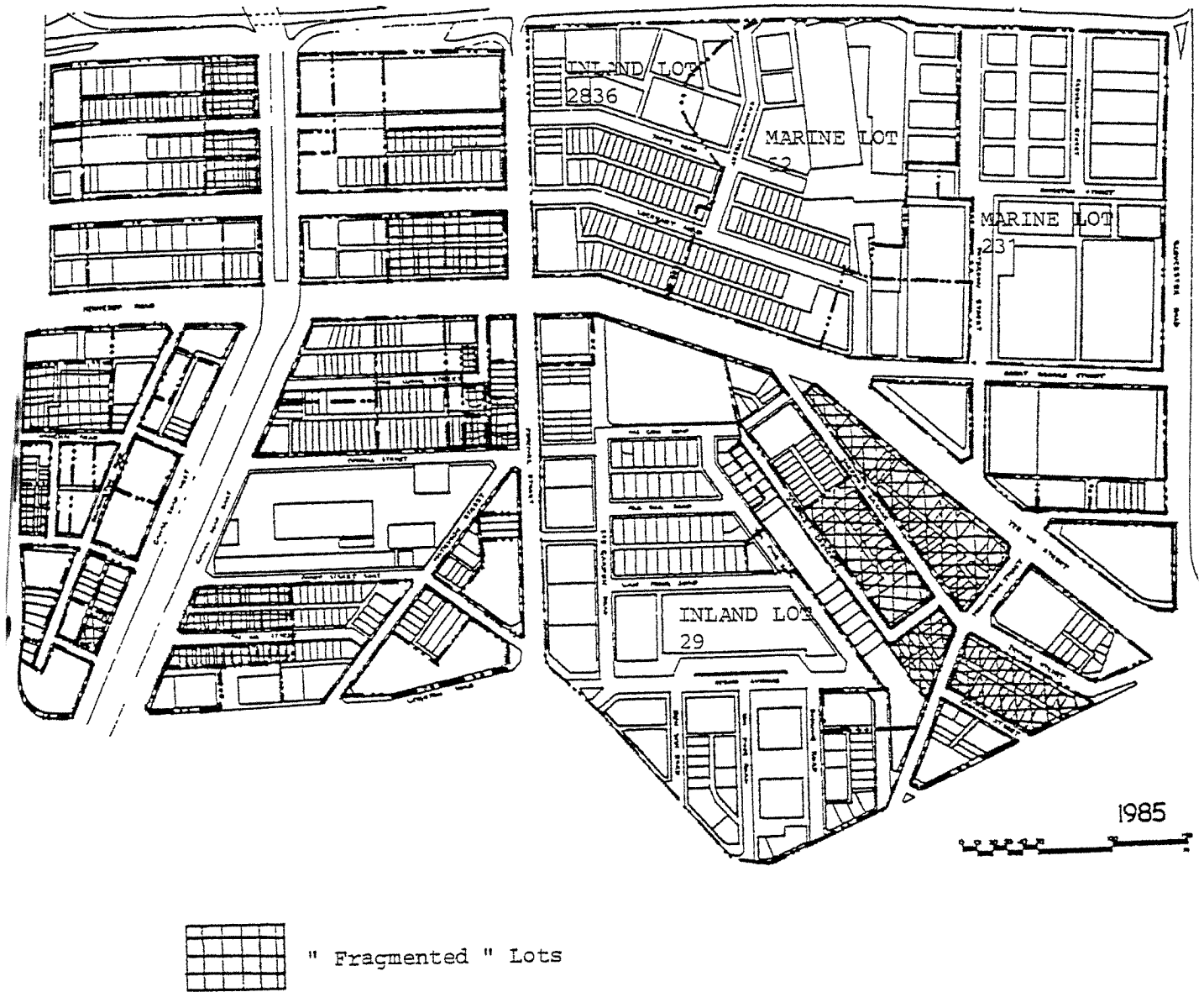


Fig. 4.4: Original Lot Boundaries

Source: Registrar-General's Office

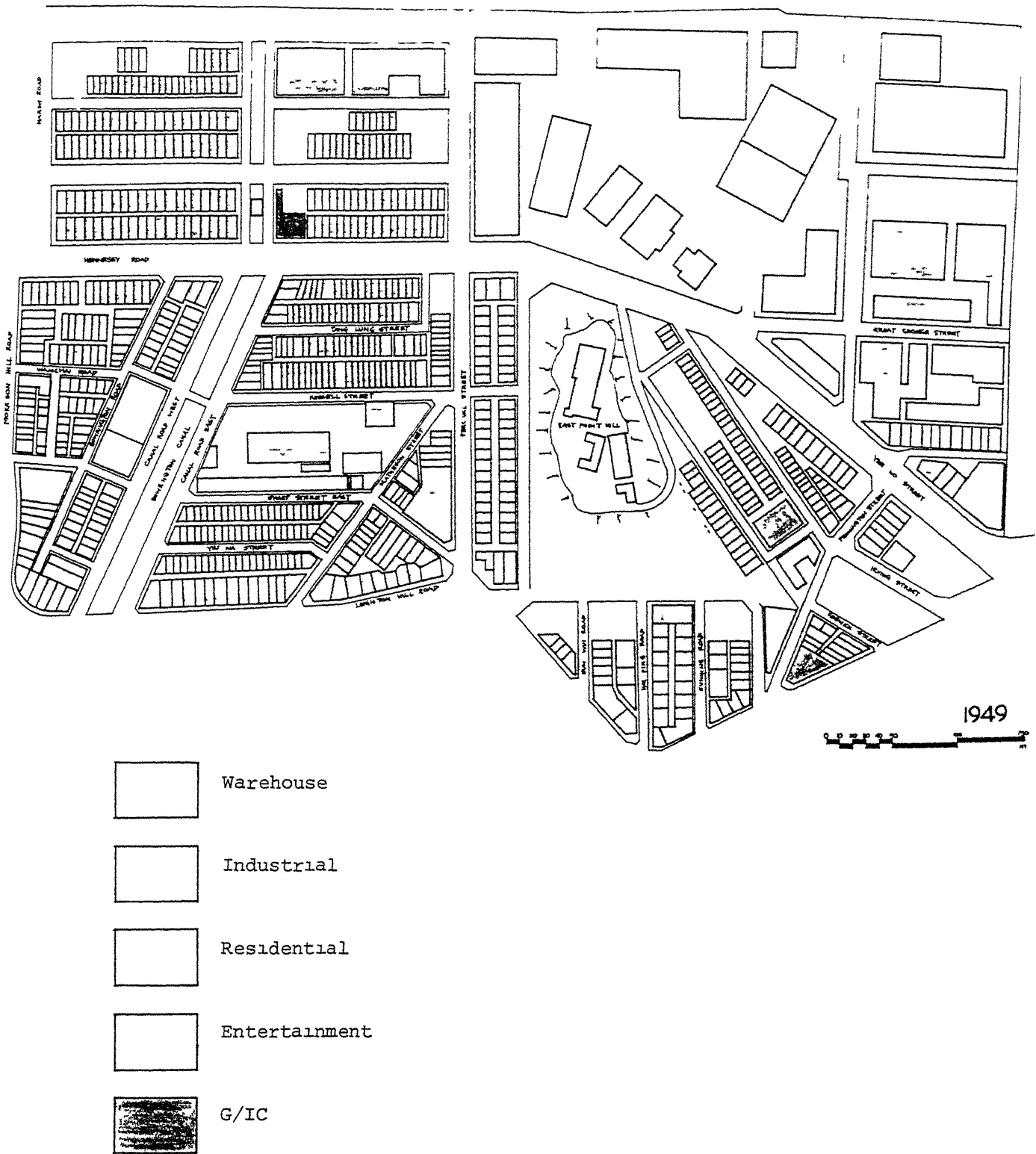


Fig. 4.6: Dominant Land Use - 1949

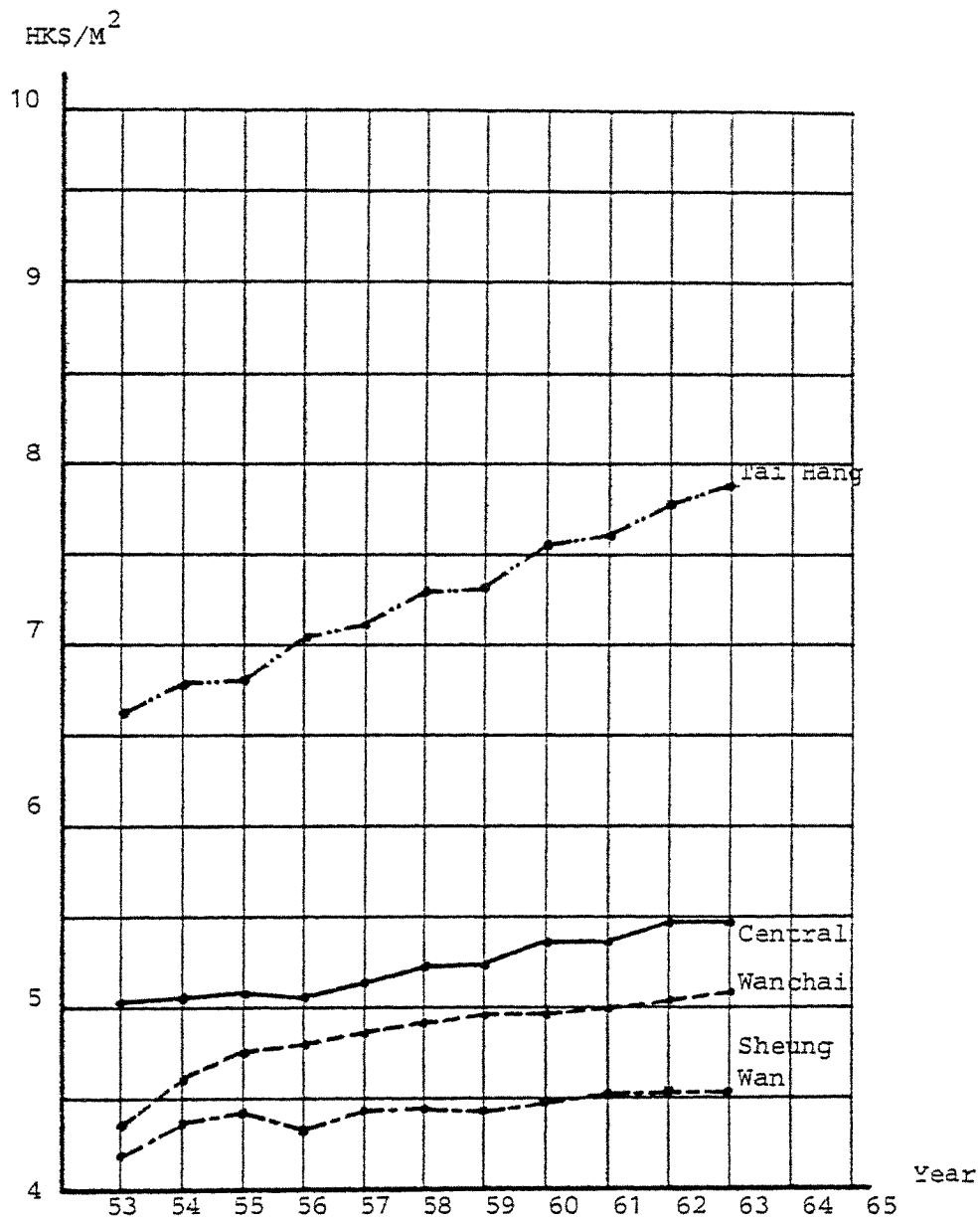


Fig. 4.7: Residential Rents, Selected Districts, 1953-1963

Source: Maunder (1969)

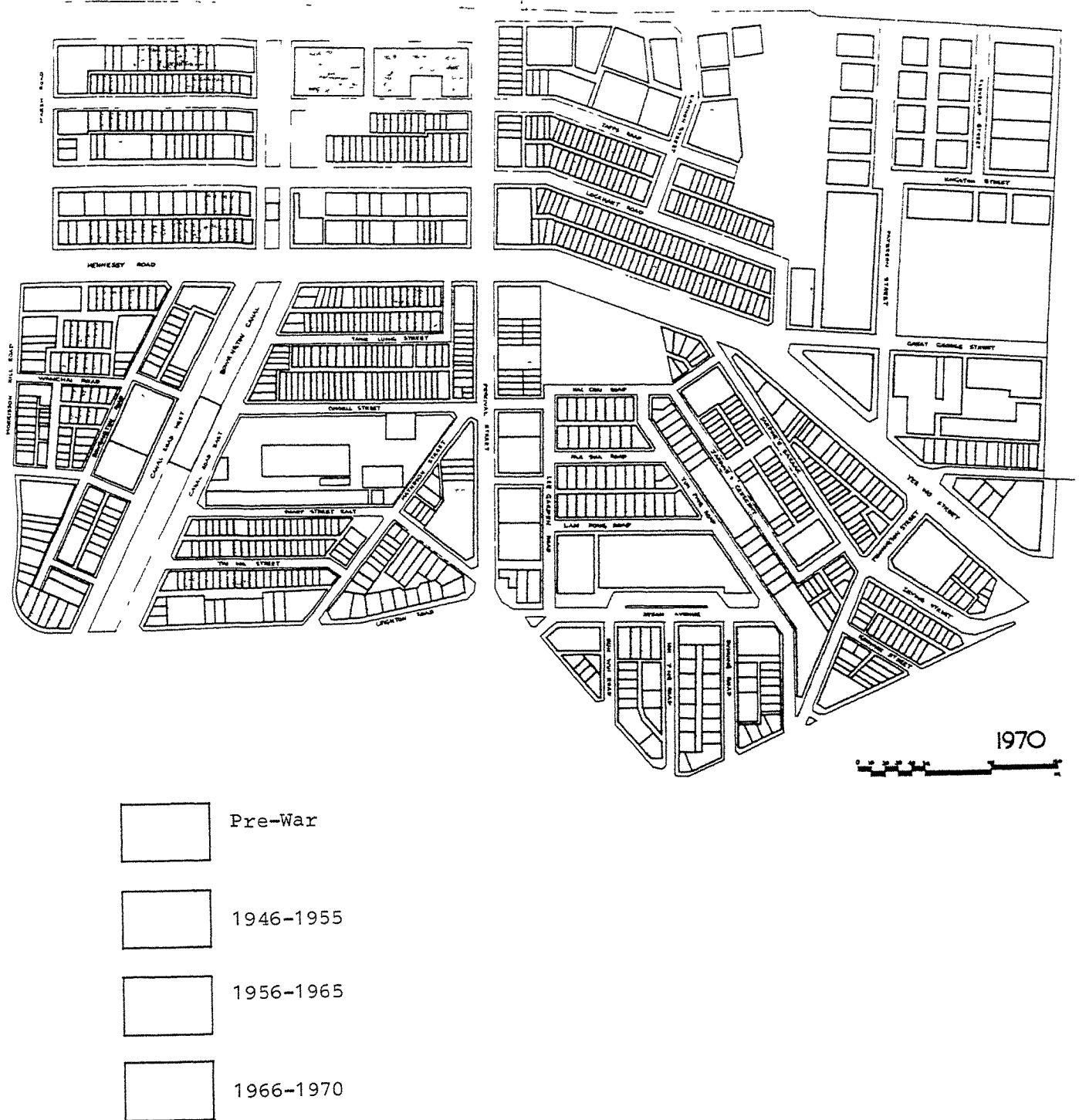


Fig. 4.8: Building Age - 1970

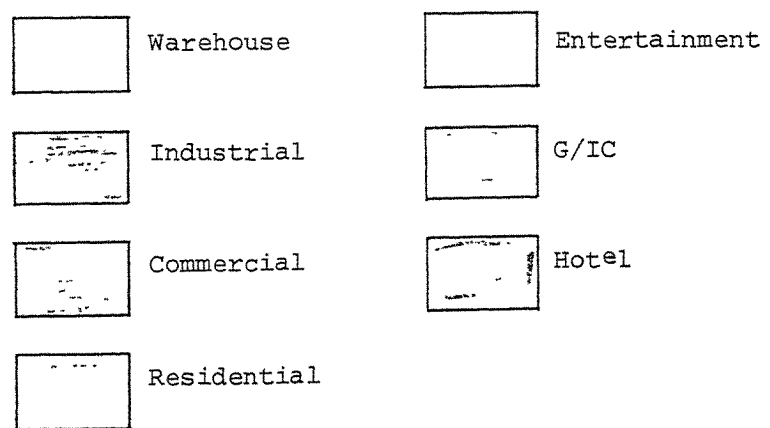
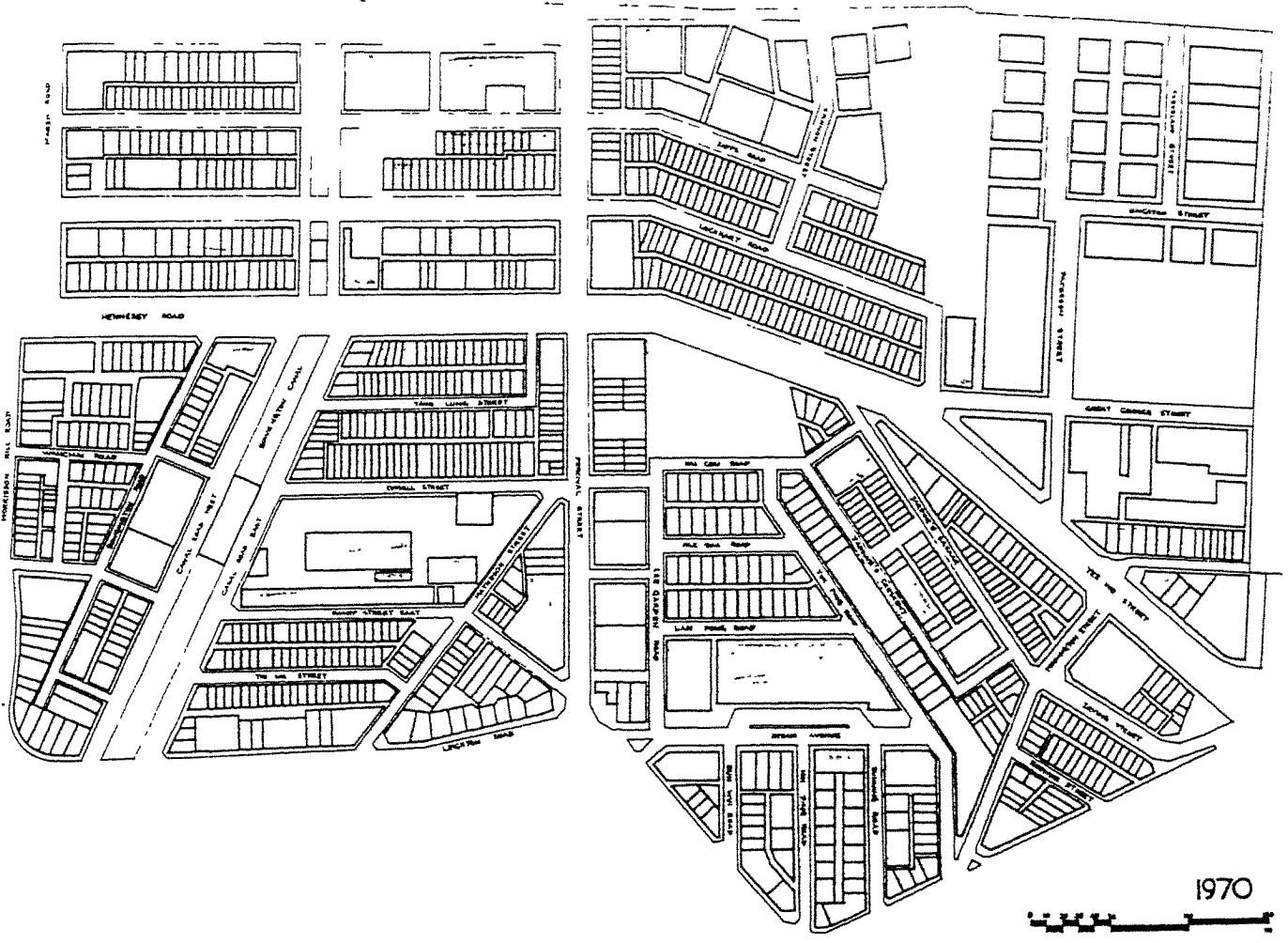


Fig. 4.9: Dominant Land Use - 1970

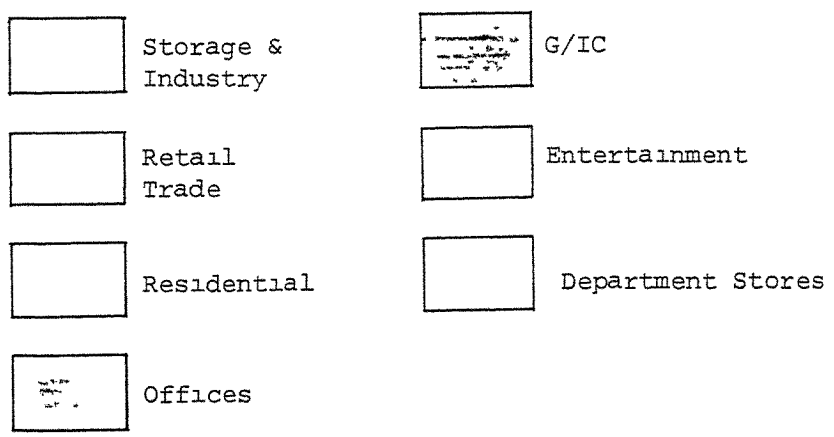


Fig. 4.10: Dominant G/F Land Use - 1970

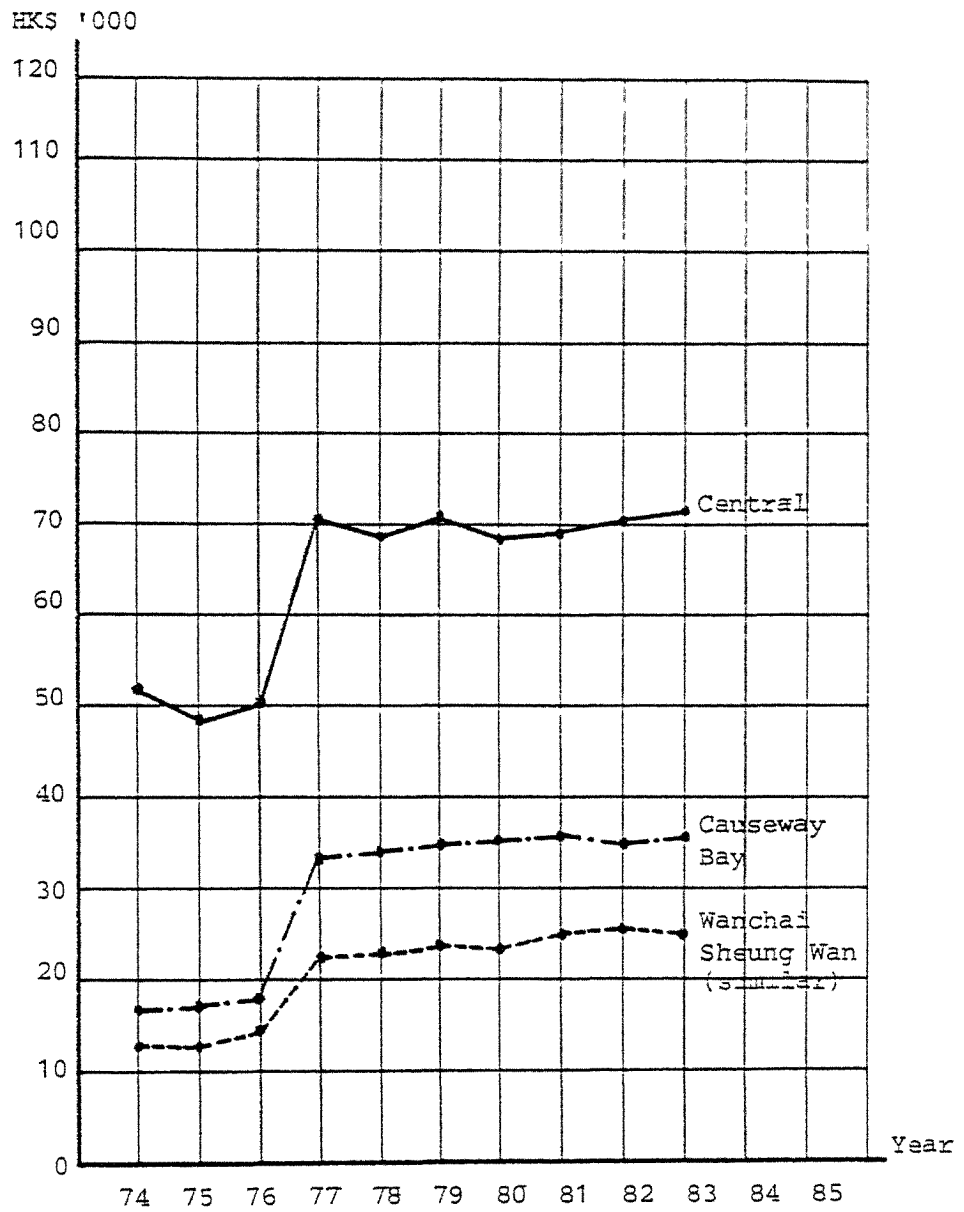


Fig. 4.11: G/F Shops Rateable Value in Selected Districts

Source: Sit (1980)

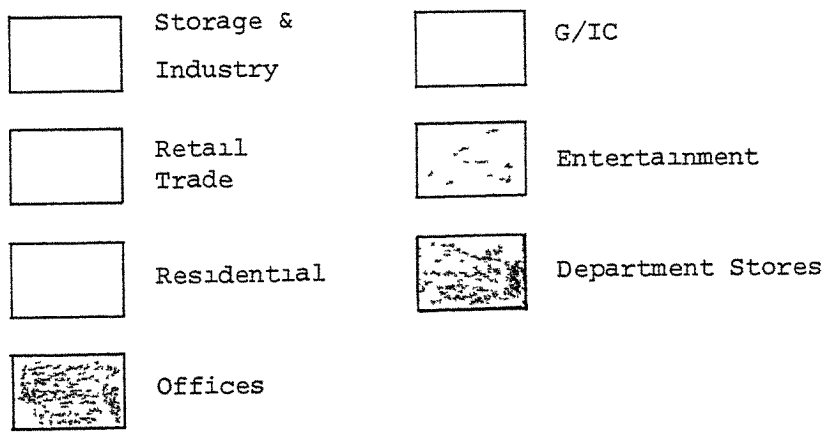
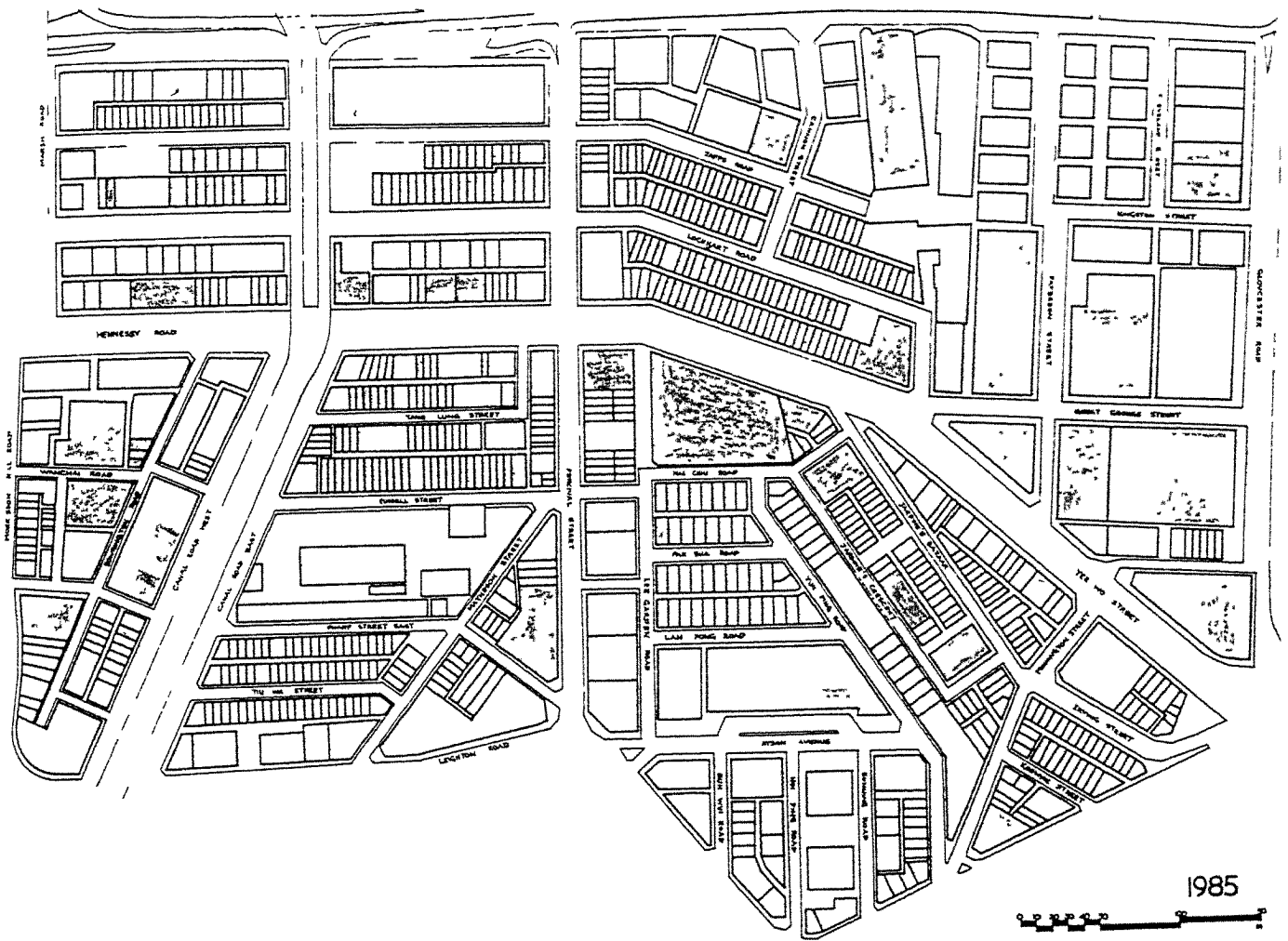


Fig. 4.12: Dominant G/F Land Use - 1985

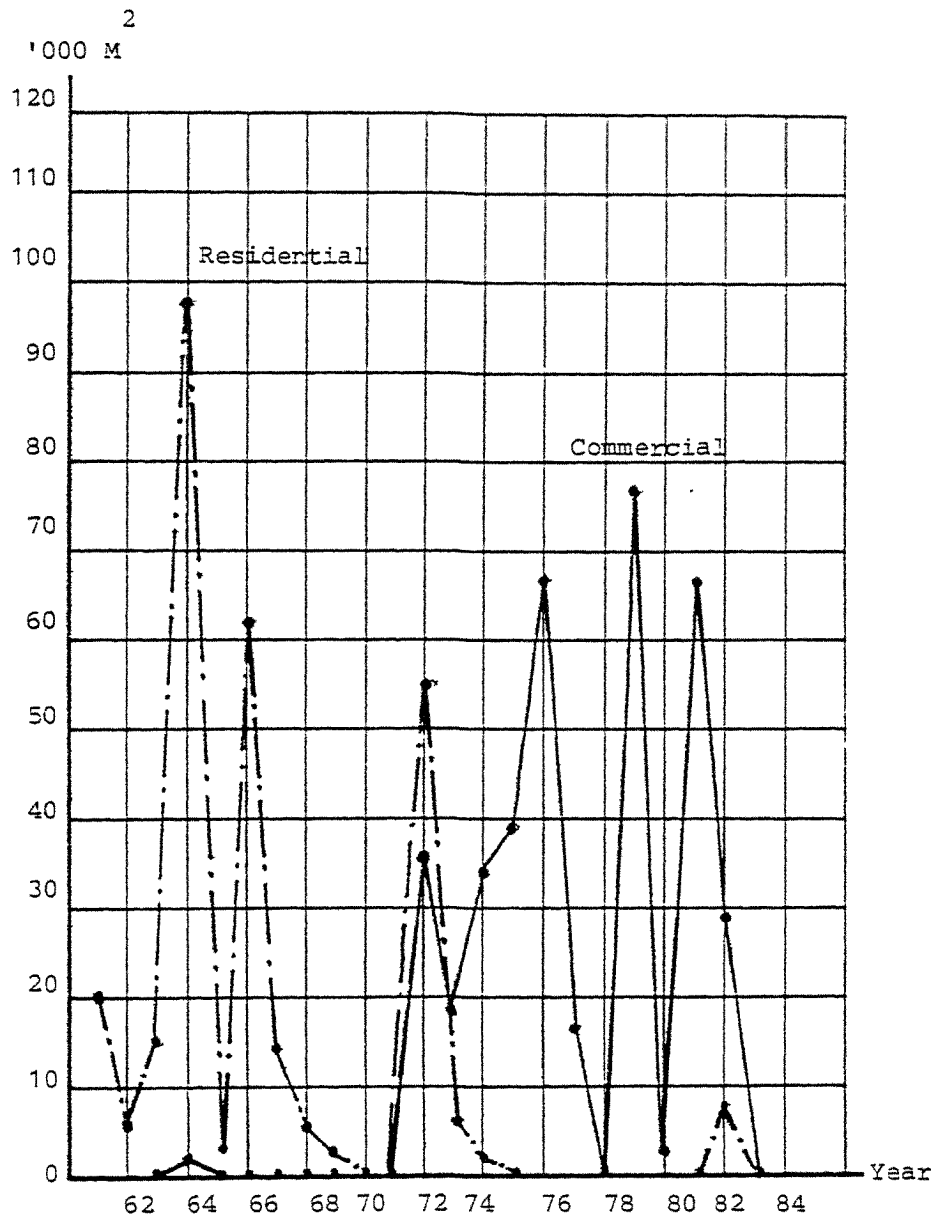


Fig. 4.13: New Floor Space, Causeway Bay, 1961-1983

Source: Town Planning Division, Lands Department, Hong Kong

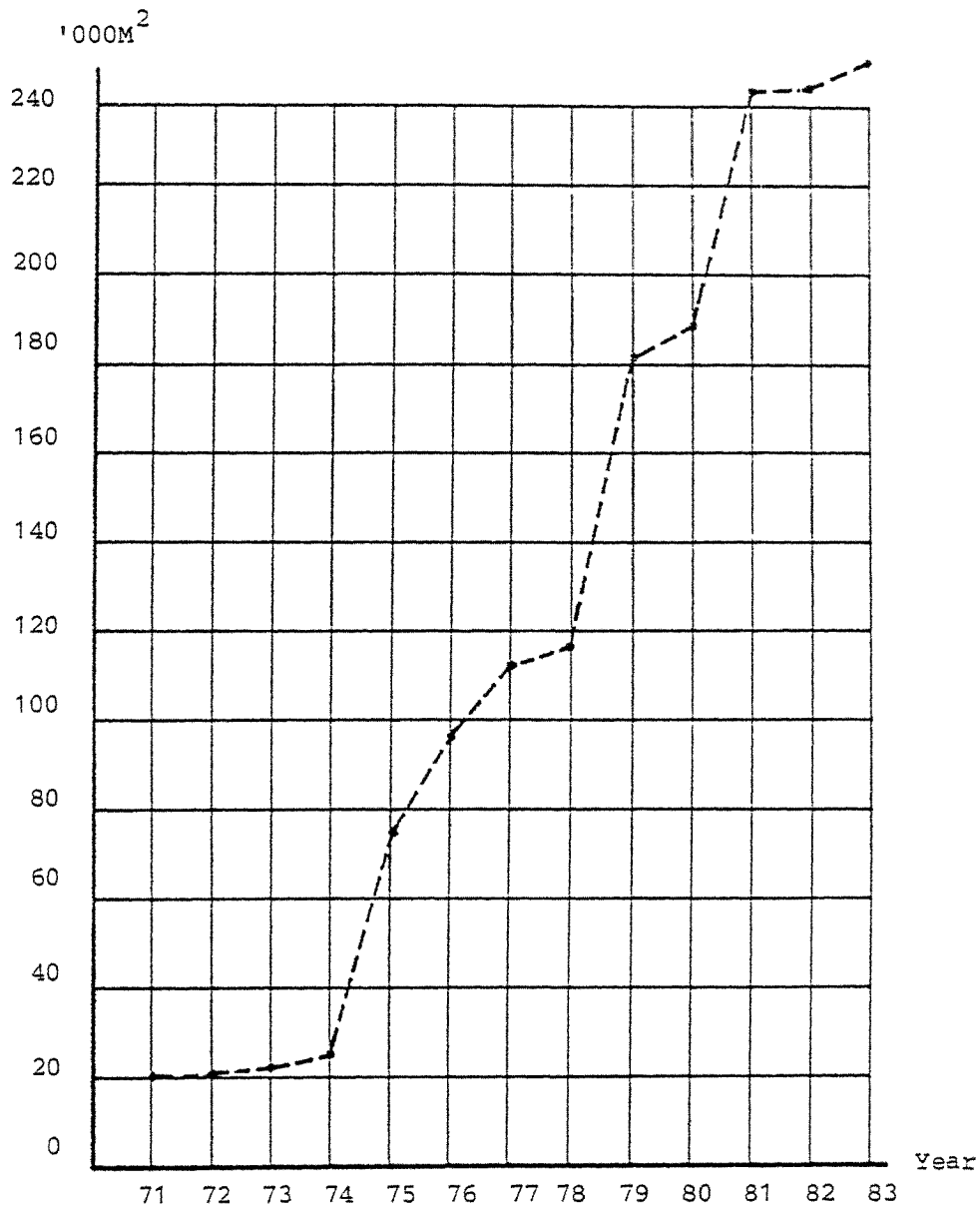


Fig. 4.14: Total Office Floor Space, Causeway Bay, 1971-1983

Source: Town Planning Division, Lands Department, Hong Kong

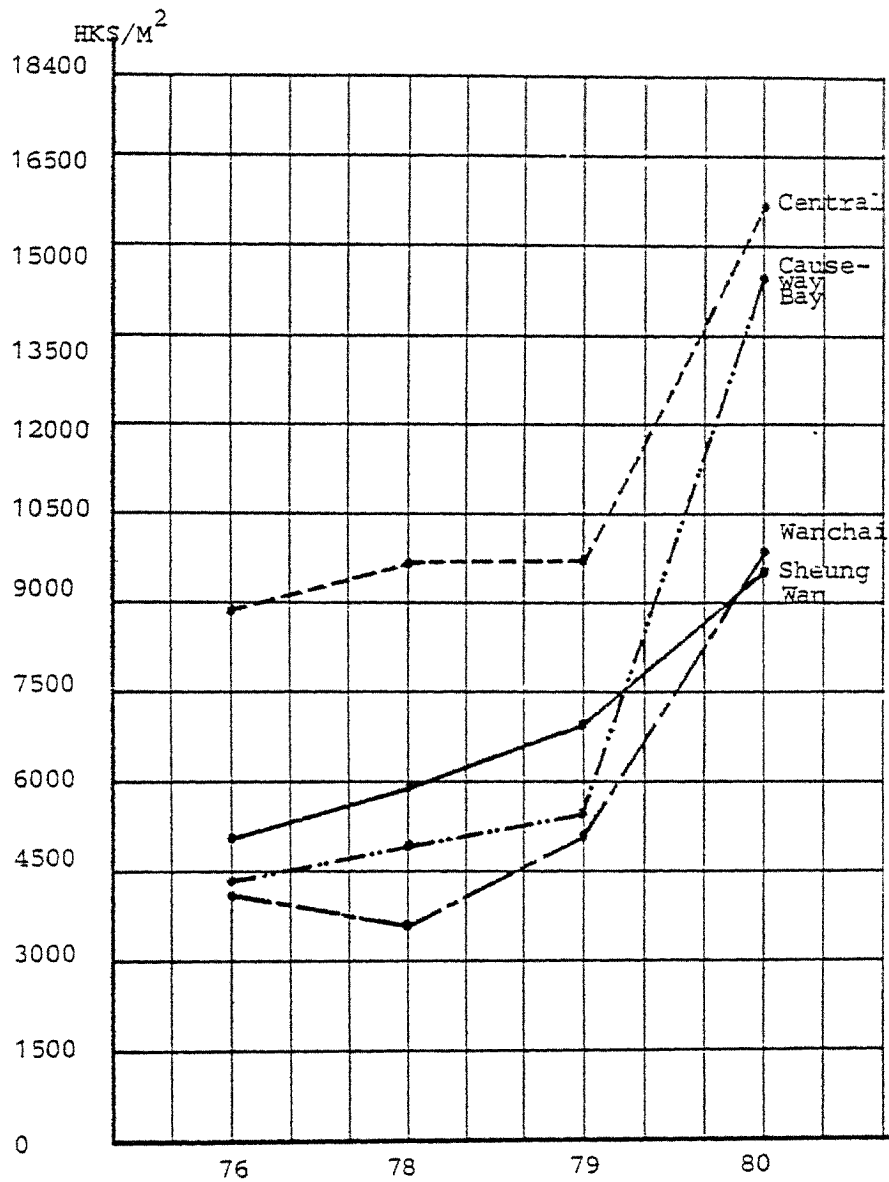


Fig. 4.15: Grade B Office Space Purchase Price, Selected Districts, 1976-1979

Source: Property Review (relevant years)

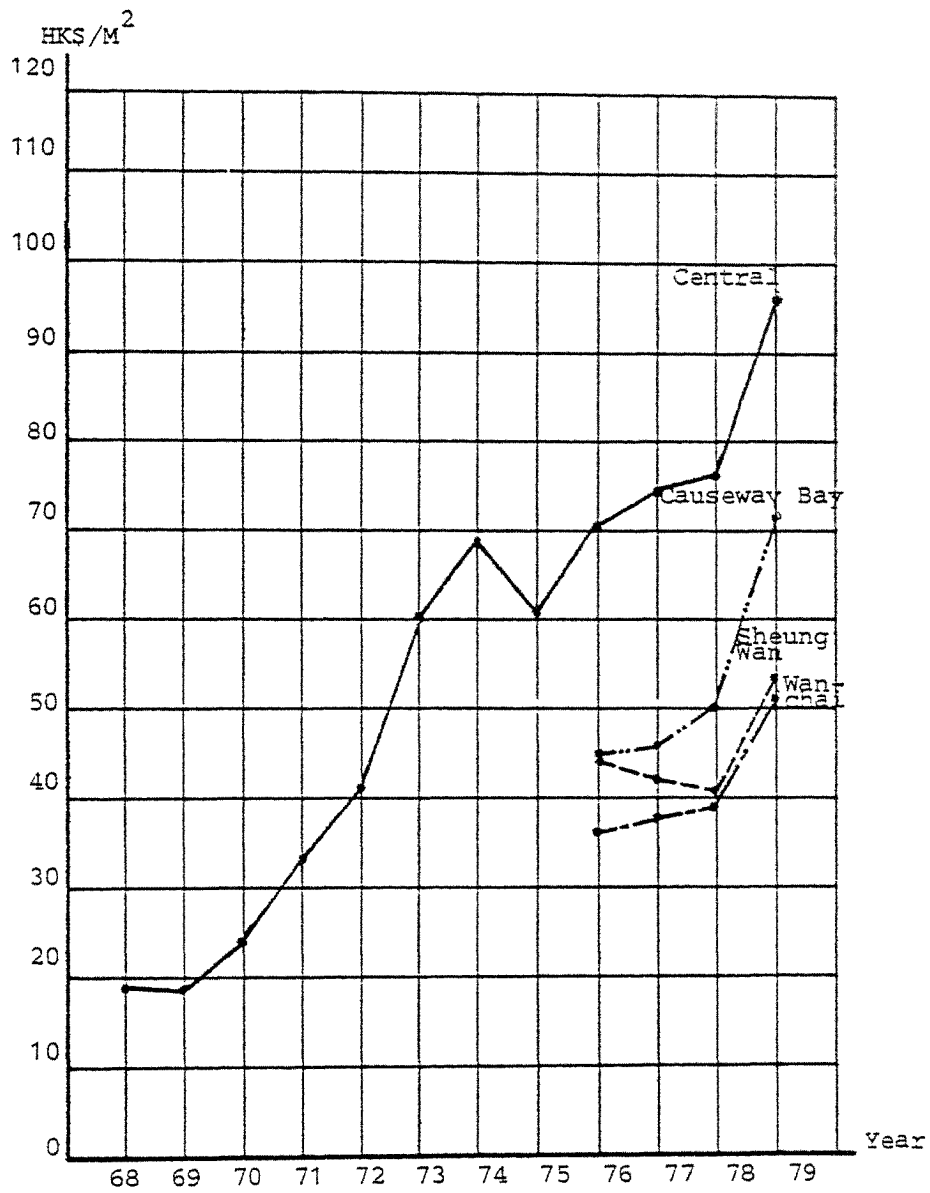


Fig. 4.16: Grade A Office Rents, Selected Districts, 1968-1979

Source: Property Review (relevant years)

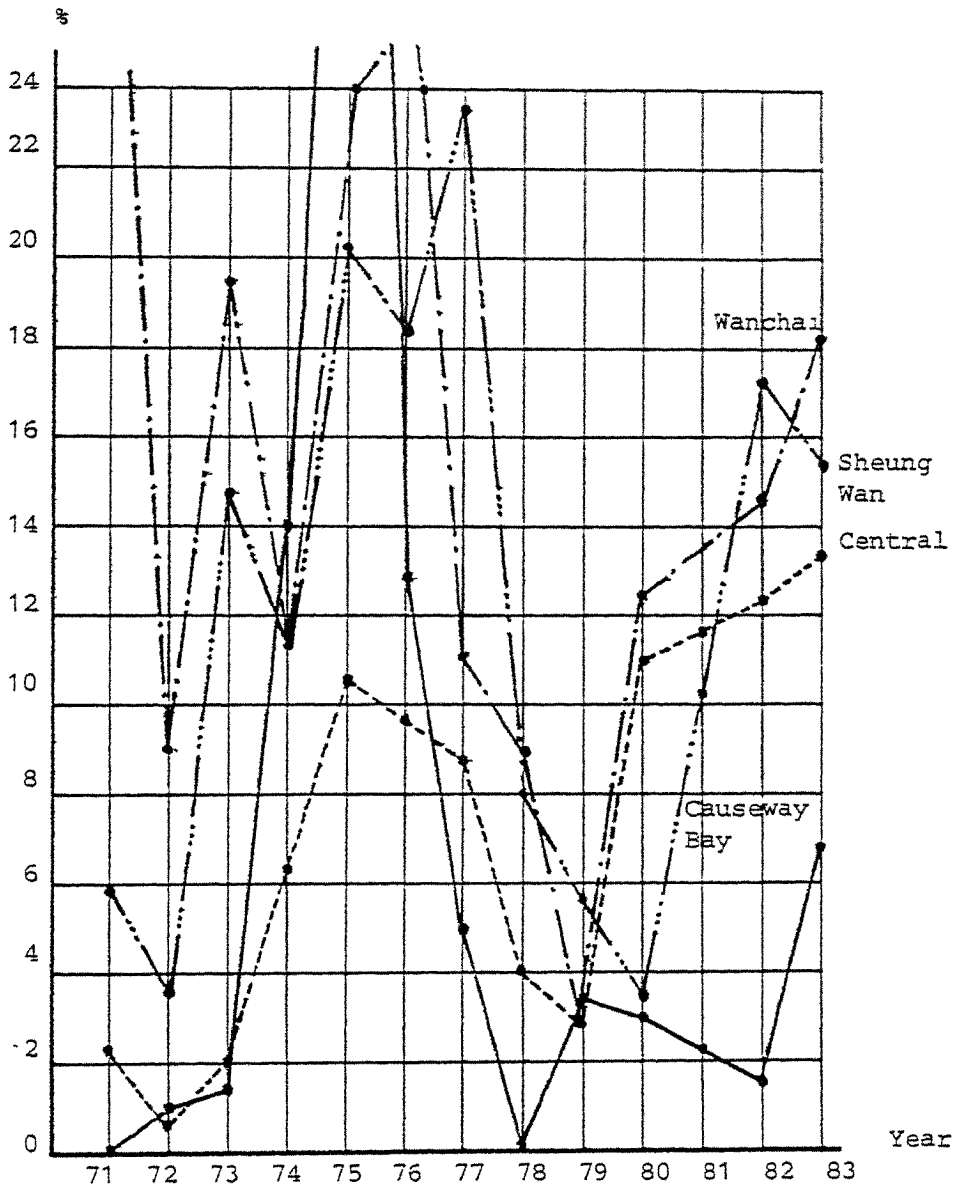


Fig. 4.17: % Office Space Vacancy Rates, Selected Districts, 1971-1983

Source: Property Review (relevant years)

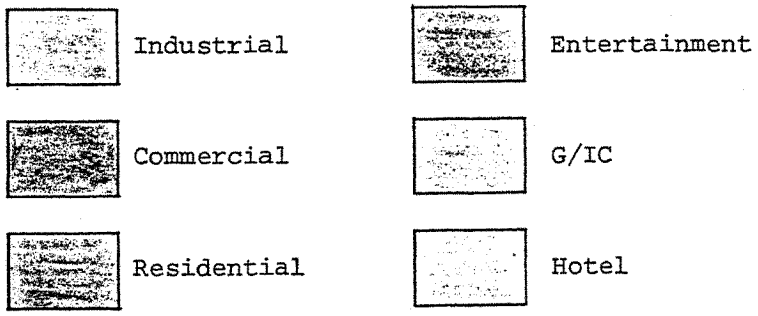
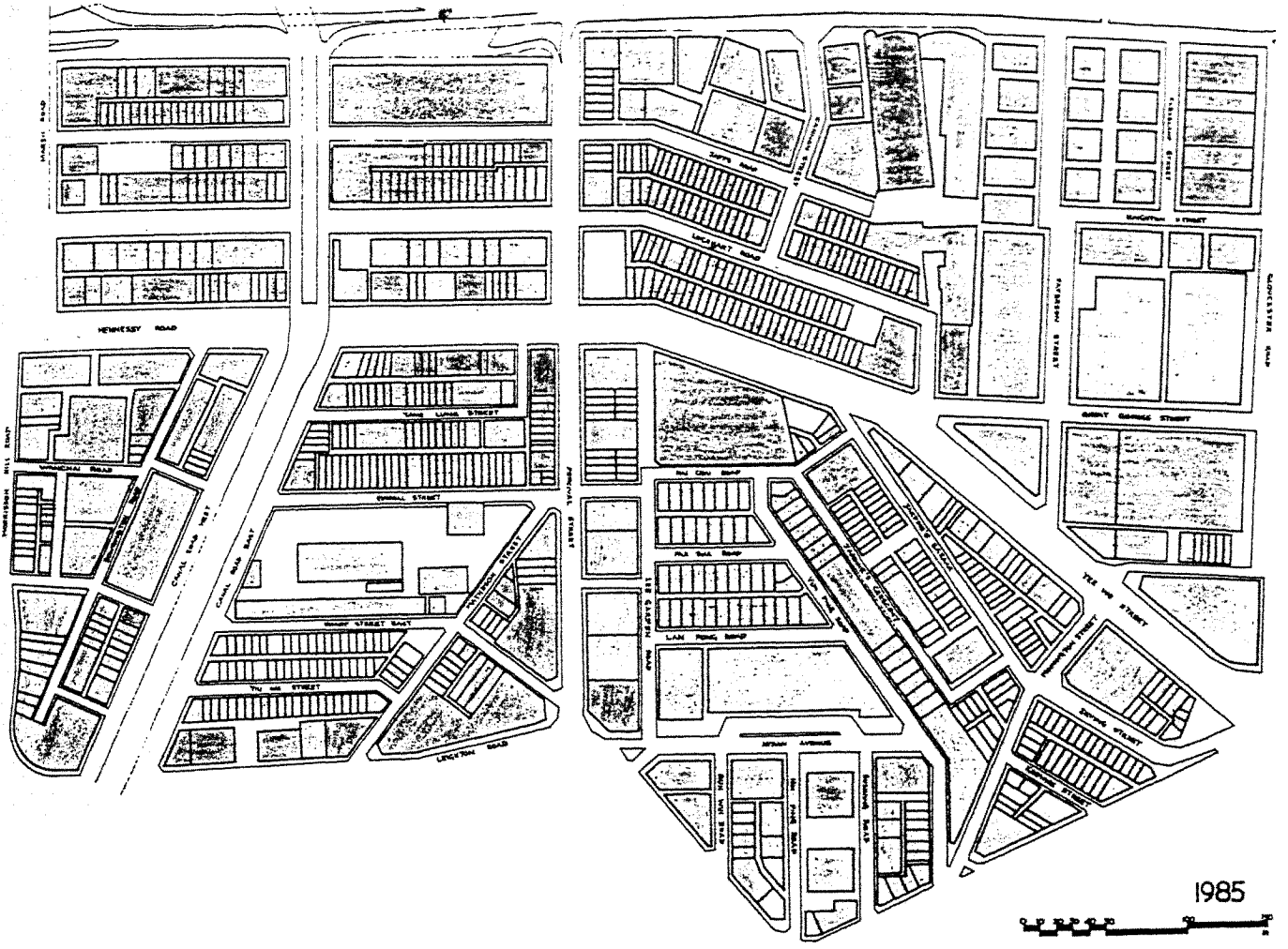


Fig. 4. 18: Dominant Land Use - 1985

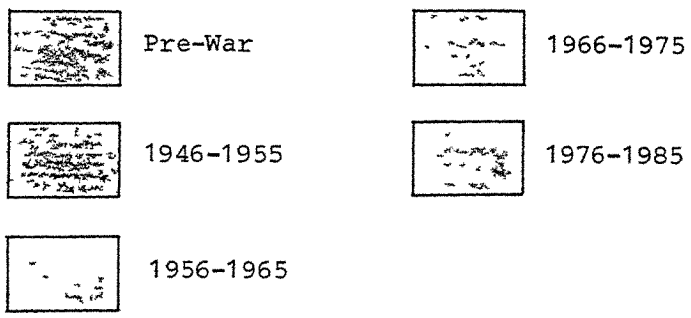
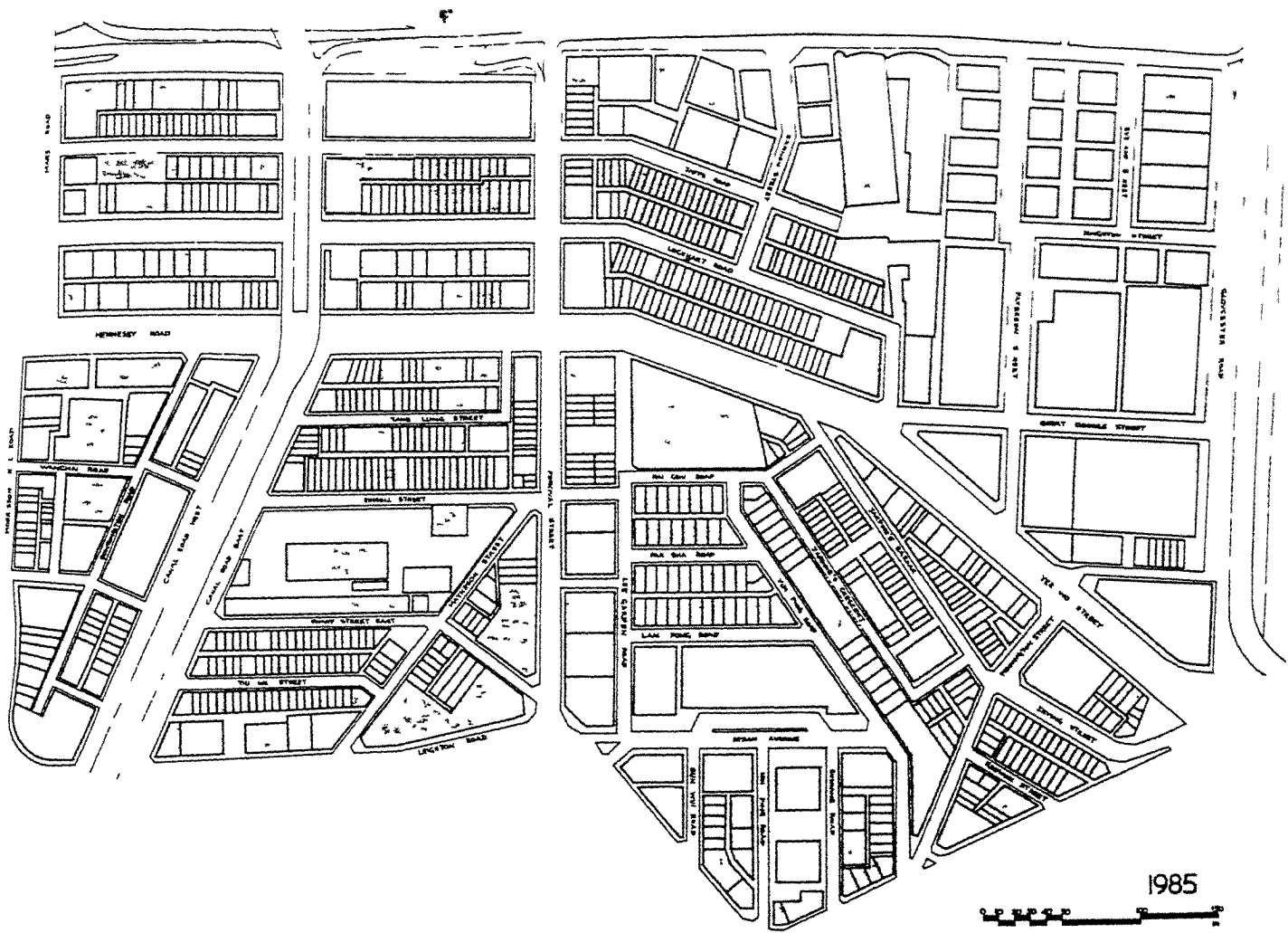


Fig. 4.19: Building Age - 1985

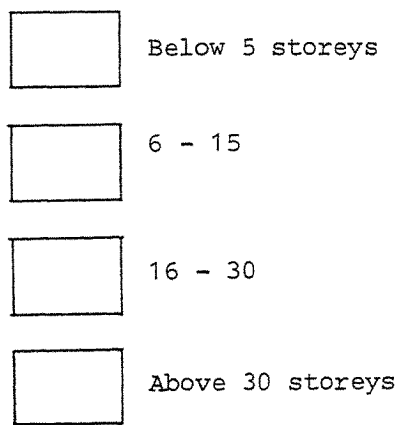
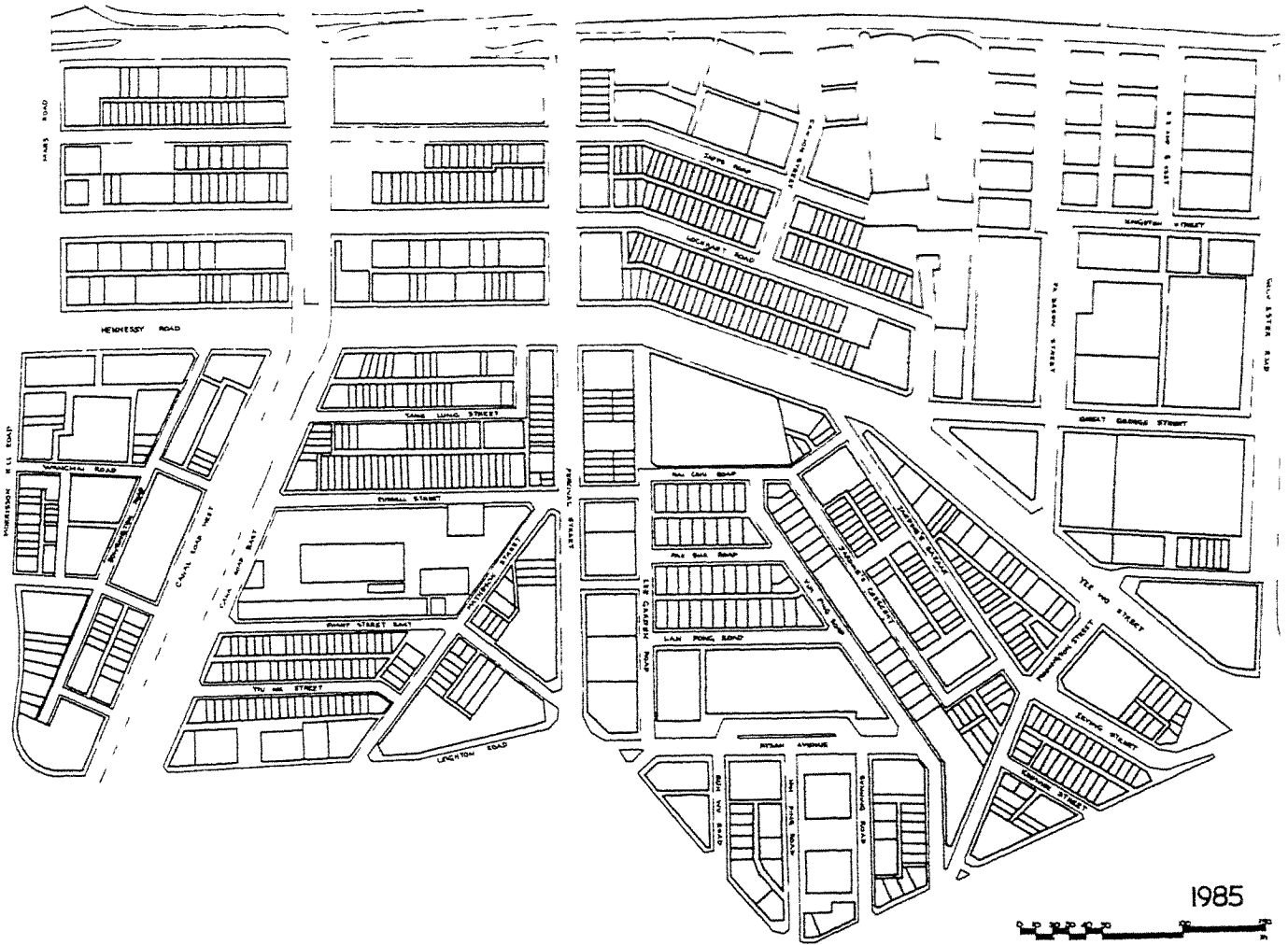
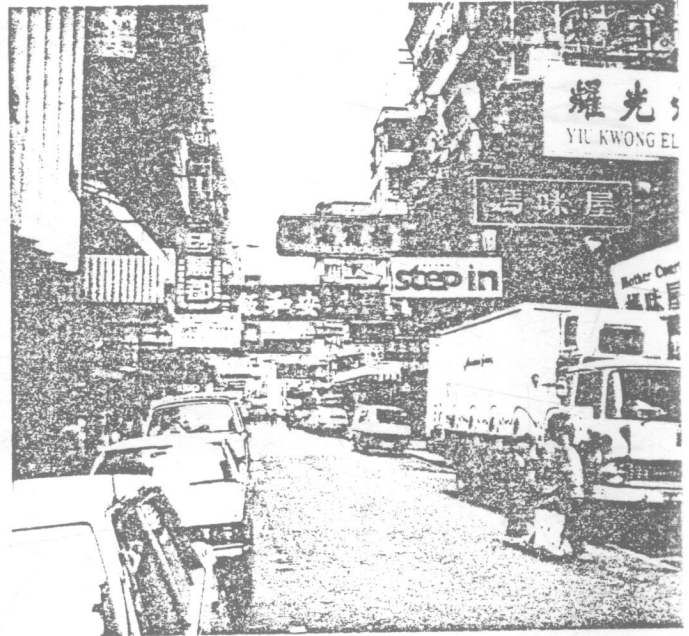


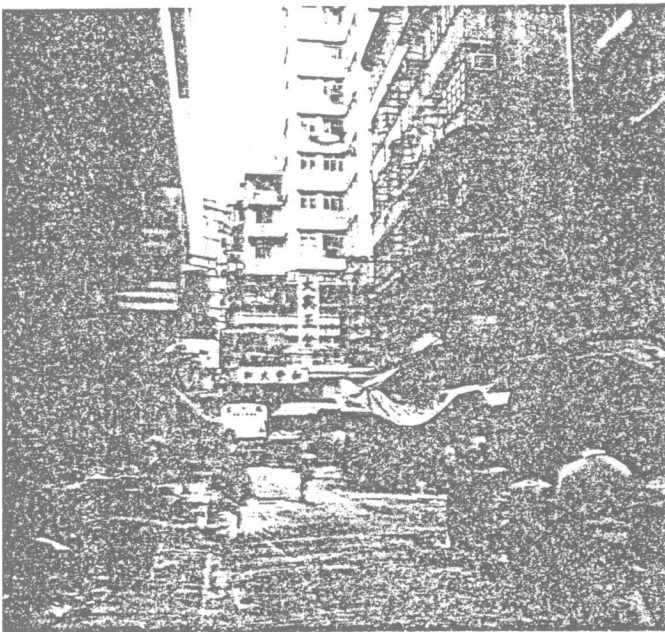
Fig. 4.20: Building Heights - 1985



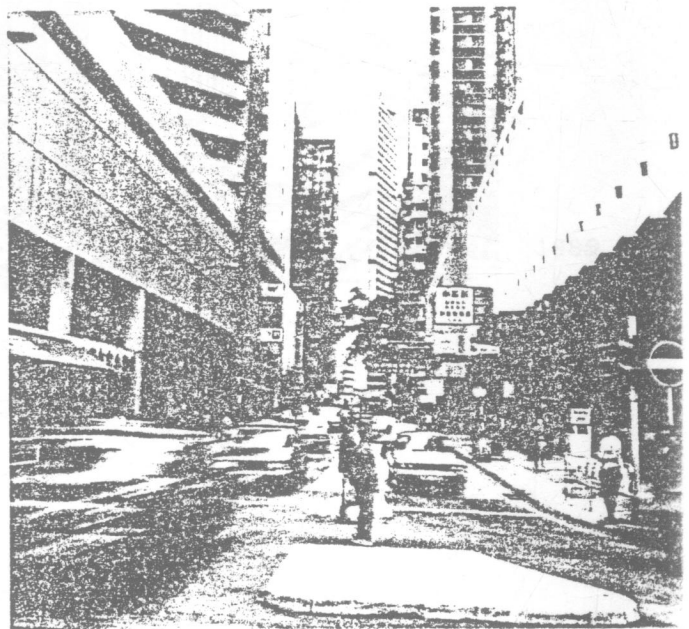
Hysan Avenue



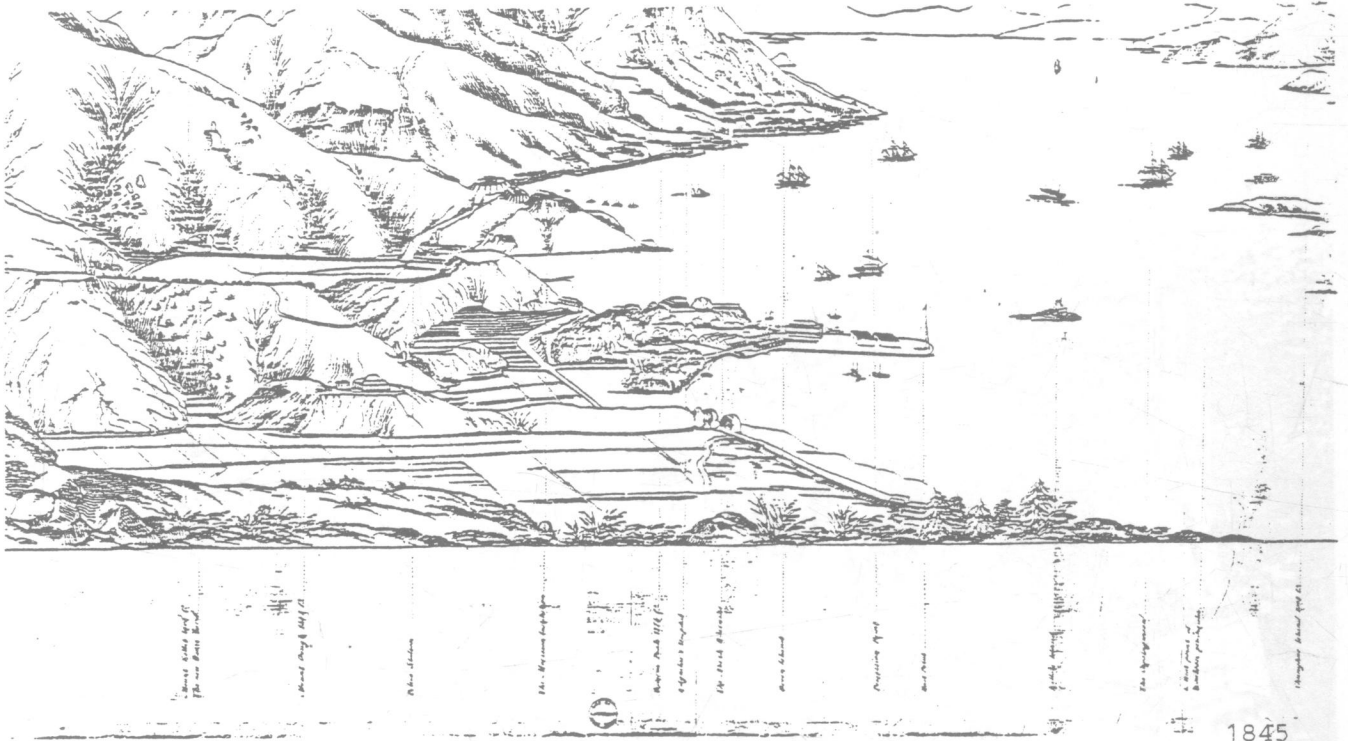
Lockhart Road



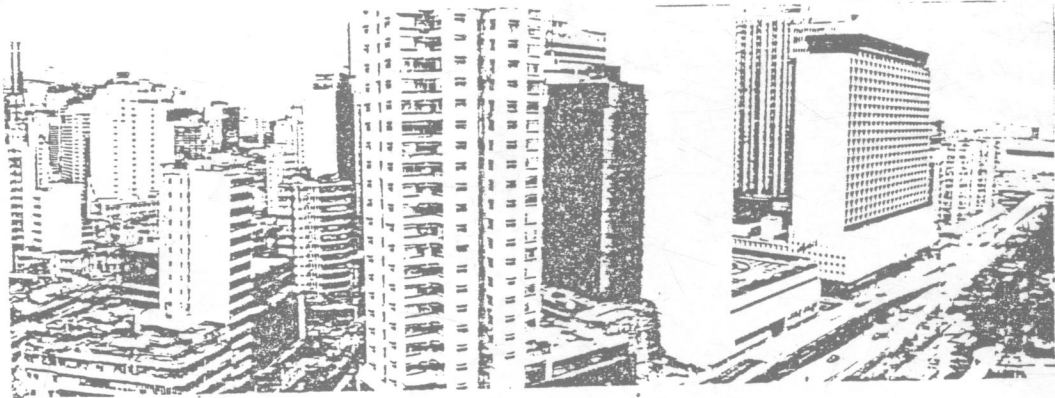
Tang Lung Street



Great George Street



1845



1985

Fig. 4.22: Historical Contrast
 Source: 1845: Collinson (1845)
 1985: Own photo



Fig. 4.23: Aerial View: 1924
Source: Survey Division, Lands Department

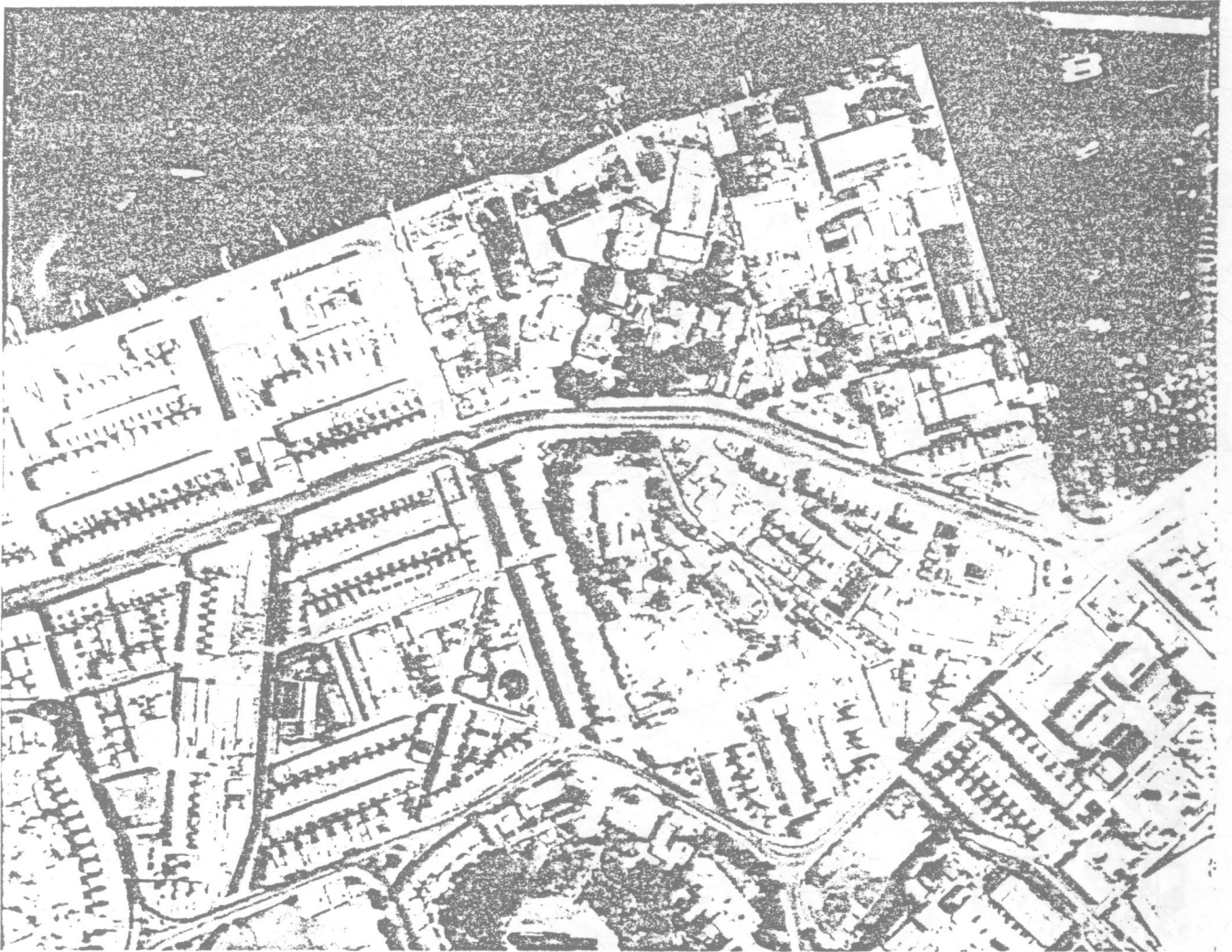


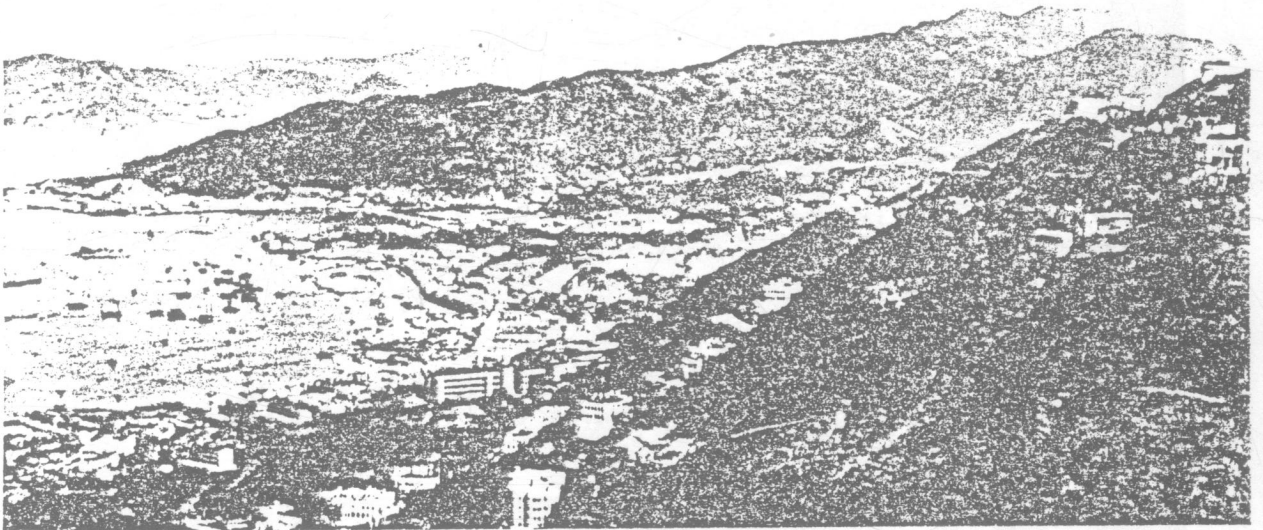
Fig. 4.24: Aerial View: 1949
Source: Survey division, Lands Department



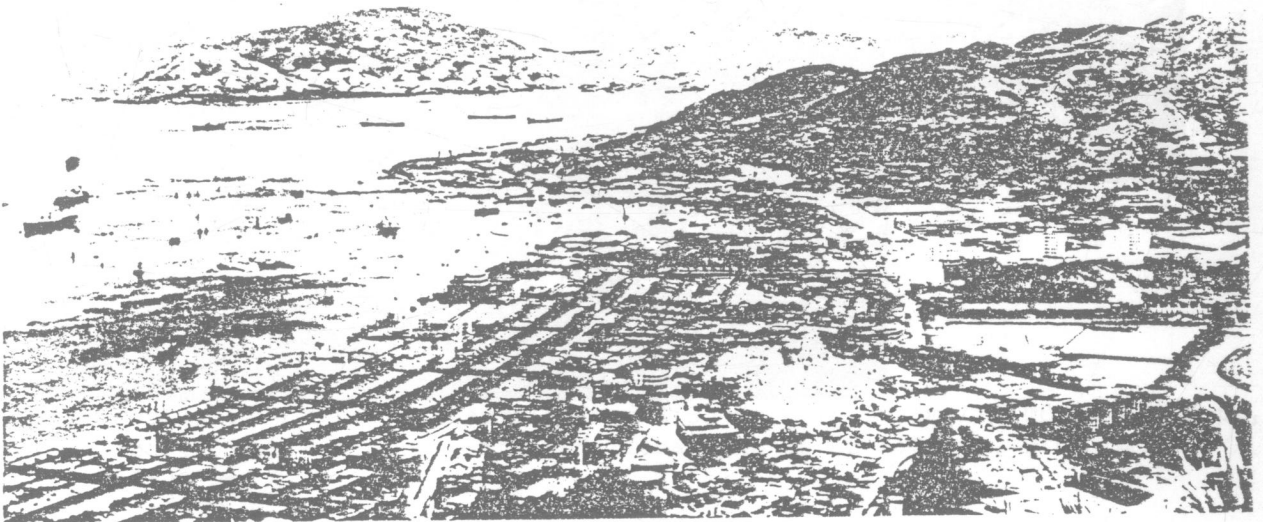
Fig. 4.25: Aerial View: 1963
Source: Survey Division, Lands Department



1905

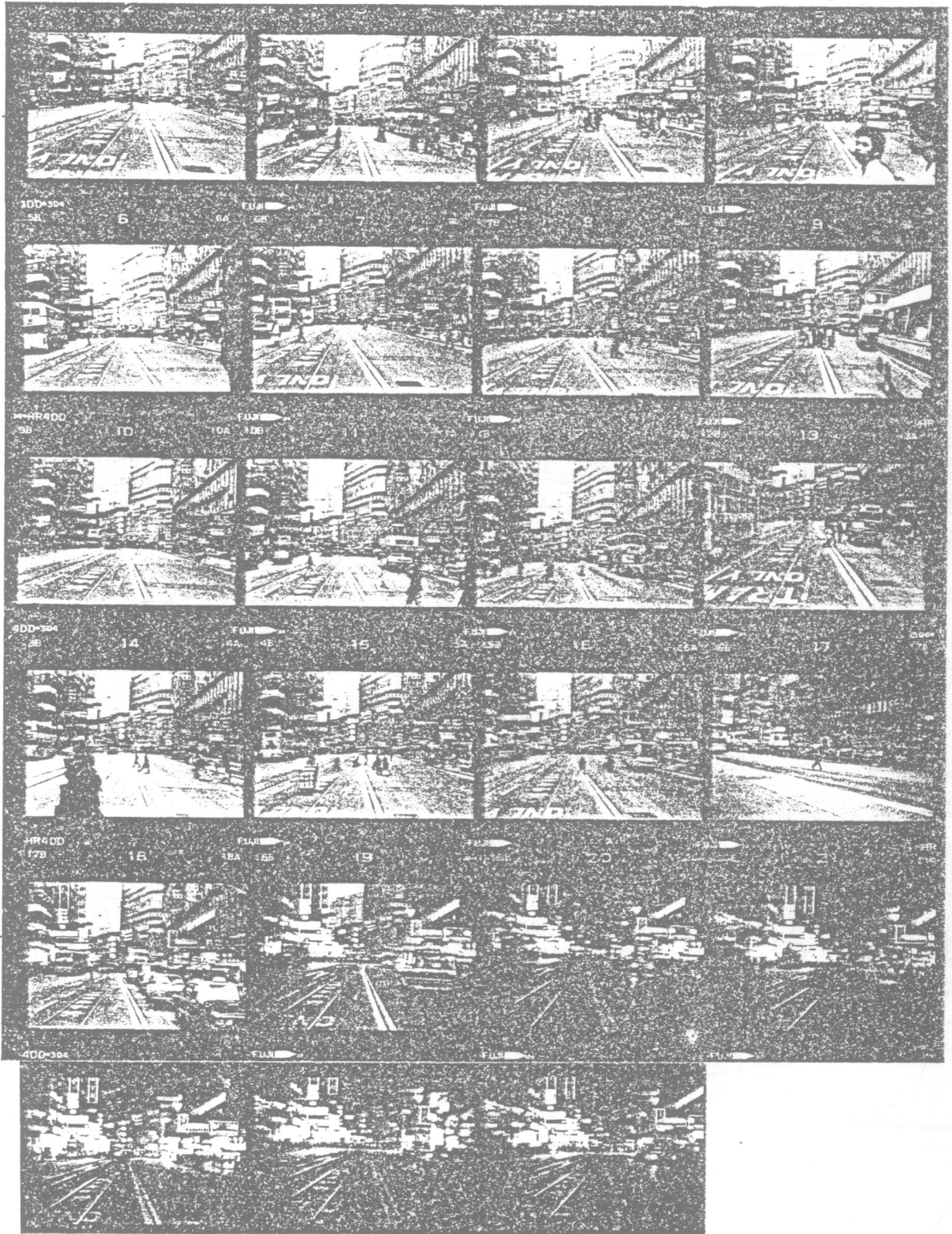


1924



1940

Fig. 4.26: Sequential Views of Causeway Bay
Source: Government Information Services.



Note: Photos at $\frac{1}{2}$ hourly intervals from 8:30 am - 10:00 am, 11:00 am - 2:00 pm, and 4:00 pm - 8:00pm, with additional photos at 3:00 pm, 9:00 pm and 10:00 pm.

Fig. 5.1: Time Series of the Pedestrian Crossing on Yee Wo Street
 Source: Fieldwork (Feb. 28, 1985)

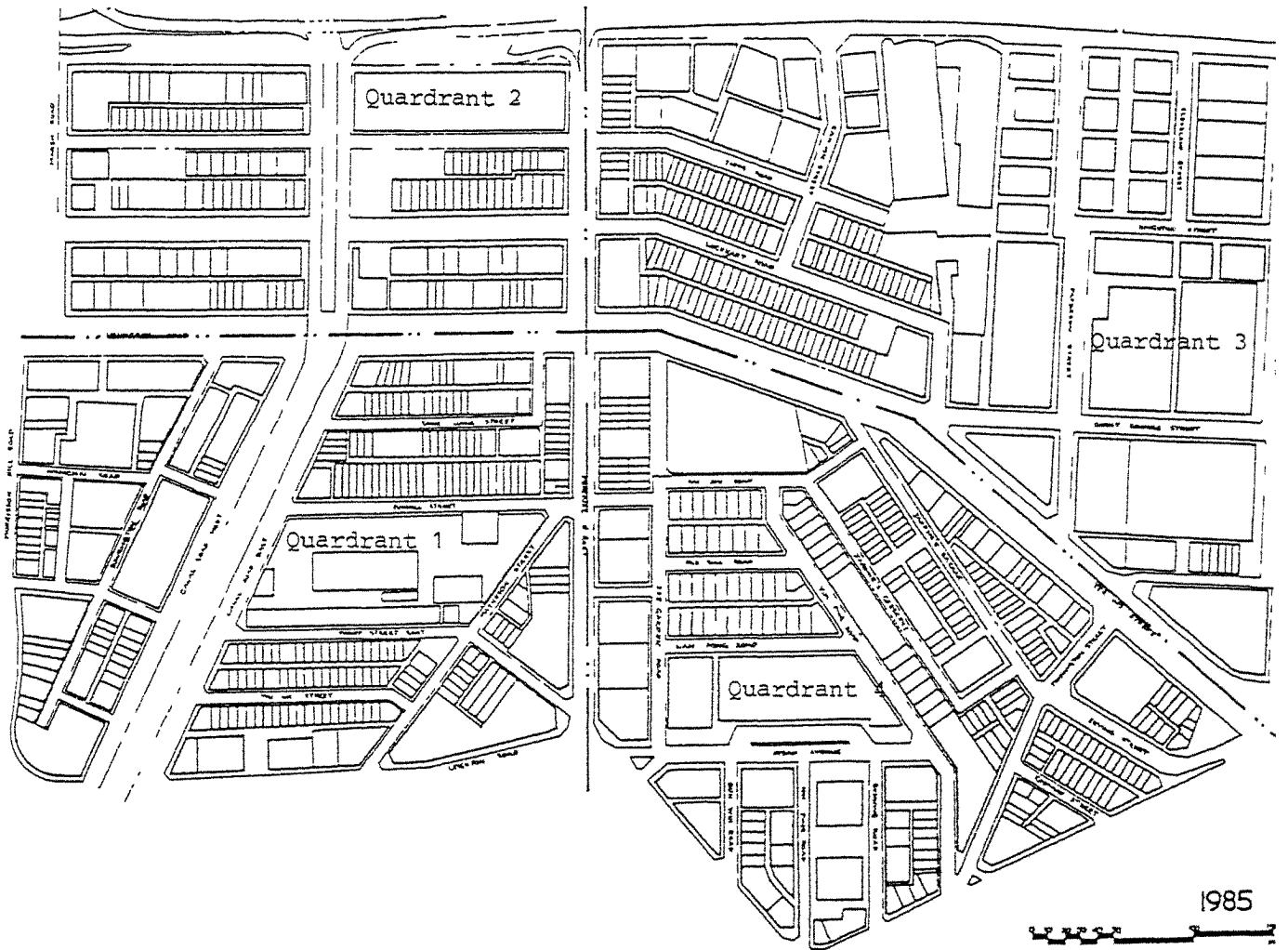


Fig. 5.2: The Study Area Divided into Four Quadrants

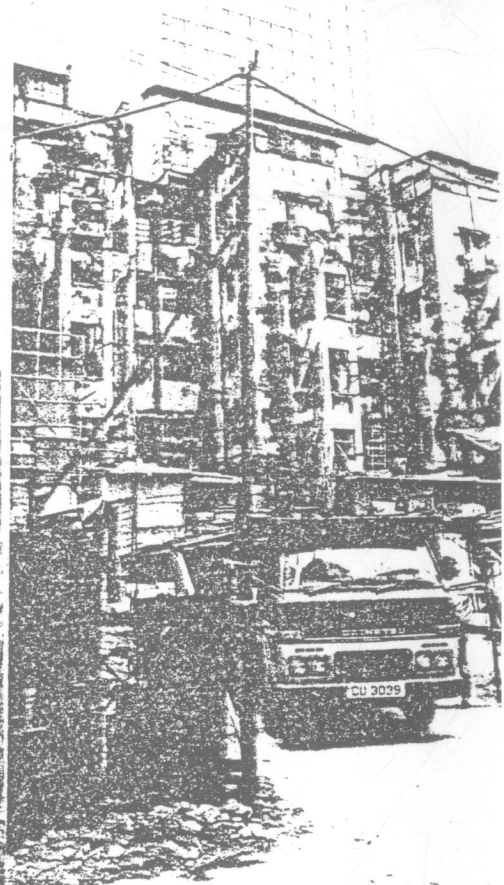
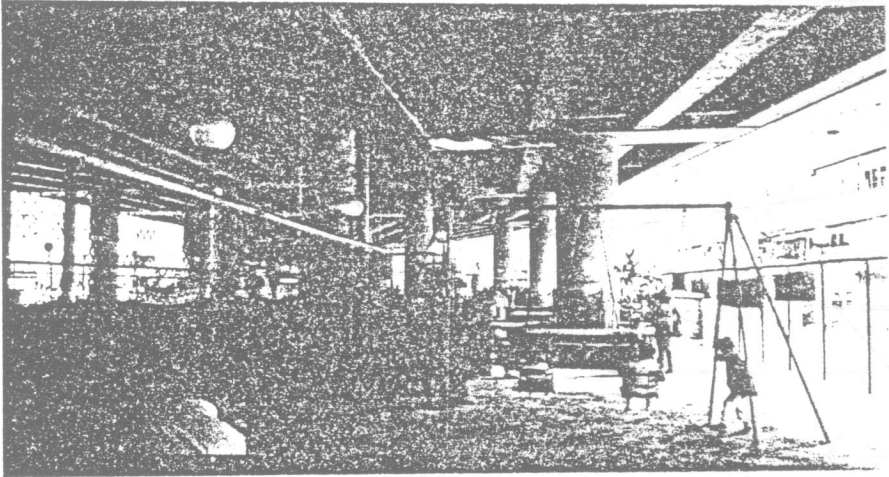
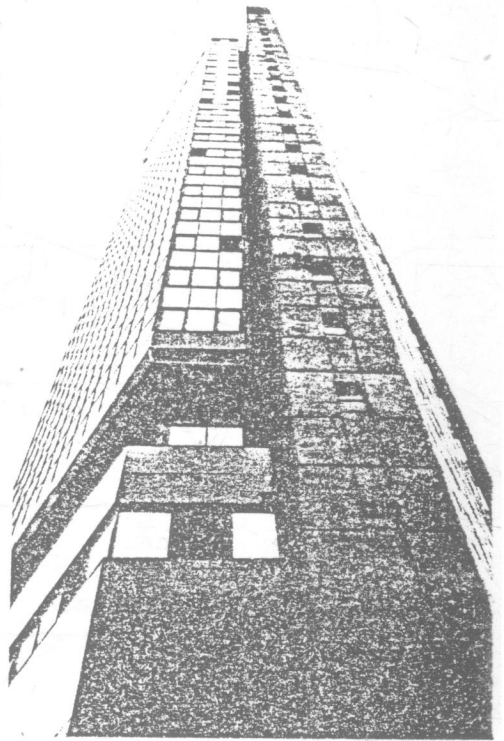
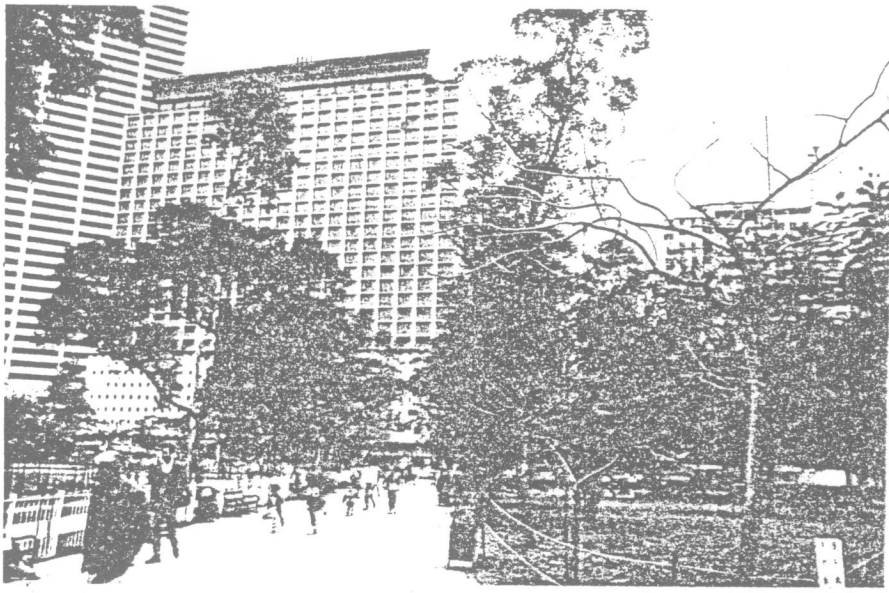


Fig. 5.3: Images from the Study Area

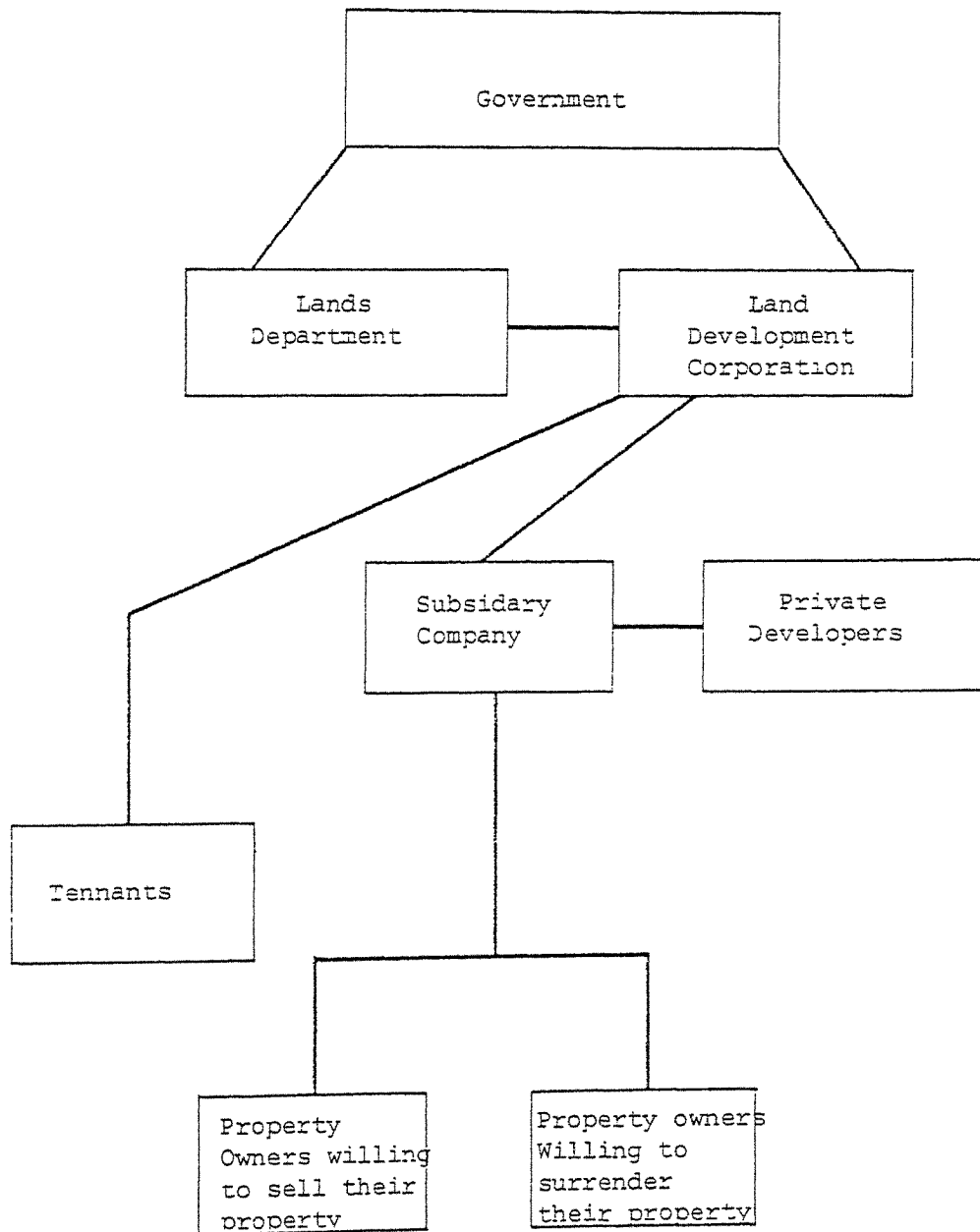


Fig. 6.3: Diagram Showing Land Development Corporation Process of Redevelopment

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Appendix 1: Sources of data for the maps of Causeway Bay

Because of the lack of land use and similar information about Hong Kong before the 1960's, the sequential maps of Causeway Bay (1845, 1901, 1949, 1970 and 1985) included in this Report had to draw on a number of different sources, listed below.

Fig.4.1: Land Use, 1845. Base map (including building outlines) extracted from the Ordinance Survey Map of 1845 by Lt. Collinson, obtained from the City Hall Urban Council Library. Land use data derived from historical accounts of the period.

Fig.4.3: Land Use, 1901. Base map (including detailed building outlines) extracted from the PWD 1901 Survey Map, obtained from the Map Library, Department of Geography and Geology, Faculty of Arts, University of Hong Kong. Land use data for the eastern part of Causeway Bay was available from historical accounts but the western part was more problematic. However, residential buildings can be easily distinguished on plan, although the distinction between warehouses and industrial buildings (in the western part only) is not so certain.

Fig.4.6: Land Use, 1949. Base map derived by altering the 1970 map to conform with the aerial photograph taken in 1949 (Fig.4.24), which shows excellent detail. Once again, historical accounts combined with an analysis of building forms on plan filled in most of the gaps, the only uncertainty (as for 1901) being over whether certain structures in the western part of Causeway Bay were warehouses or industrial buildings.

Figs.4.8 to 4.10: Building Age, Land Use, G/F Land Use, 1970. Base map extracted from the PWD 1969 Survey Sheet 196-SE. Building Age data obtained from the Town Planning Division, Lands Department. Land Use and G/F Land Use data obtained from Cheung (1970) and Lau (1970).

Figs.4.12, 4.18 to 4.20: G/F Land Use, Land Use, Building Age, Building Heights, 1985. Base map extracted from the PWD Survey Sheets 11-SW-15A to D. G/F Land Use data obtained through fieldwork. Land Use, Building Age and Building Heights data obtained from the Town Planning Division, Lands Department.

0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9

From Vol. XXIV, Pl. 54

CROWN LEASE REGISTER

0170

CARD NO. 1

RECORD OF OWNERS

Annual Rental: \$254.54

LOCALITY	COMMENCEMENT DATE OF LEASE	TERM OF YEARS	MEASUREMENTS				CONTENTS, SQUARE FEET	DATE OF PAYMENT OF FIRST HALF YEAR'S RENT
			N.	S.	E.	W.		
North, Close I., 524, South, King William Street, East, Close I., 781, West, Pennington Street.	24.12.1865	999	110'	110'	150'	150'	16,500	24.6.1866

On the Part of the Crown
 By **SIR R.G. MACDONNELL, KT. O. B.**
 Lessee
THOMAS WALLACE

LOCALITY	AMOUNT OF RENT PAID	DATE OF PAYMENT	REMARKS
<i>Thomas Wallace</i>			
<i>William Mc Gregor Smith</i>	5124	17 December 1890	
<i>Thomas James Sains</i>			
<i>Thomas James Sains</i>	5060	6 March 1872	
<i>Thomas James Sains</i>	6030	24 August 1874	
<i>Thomas James Sains</i>	8036	21st June 1880	
<i>Thomas James Sains</i>	12647	6 August 1921	

CONTINUED ON CARD NO. 2

1 2 3 0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9

CROWN LEASE REGISTER
RECORD OF OWNERS

8000

CARD NO. A		Annual Rental \$ 4.00		Contents Square Feet 25,391	
INLAND LOT NO. 955		Term of Years 999	Measurements S.E. 278'11" N. 29'11" W. 217'0"	Date of Payment of First Half Year \$ Per	
LOCALITY (AT THE JUNCTION OF FENNINGTON STREET & KESHICK STREET & THE JUNCTION OF DESWICK STREET & CAROLINE ROAD, VICTORIA		Commencement of Term 25.12.1884	Lease executed on 24.2.1939		
LEASEHOLDER (SIR JOHN WILLIAM BUCHANAN JARDINE (DAME ESTHEL MARY PIRCY OR JARDINE & JAMES STEUART* (Trustees)		By (SIR GIFFORD ALEXANDER STAFFORD (NORTHCOTE K.C.M.G.)		Date of Payment of First Half Year \$ Per 24.6.1939	
LEASER (SIR JOHN WILLIAM BUCHANAN JARDINE (& DAME ESTHEL MARY PIRCY OR BUCHANAN JARDINE & JAMES STEUART BY THEIR DULY AUTHORISED ATTORNEY JOHN THOMPSON-PHIBSON)		On the Part of the Crown		Date of Payment of First Half Year \$ Per	
INSTRUMENTS REGISTERED					
Memorial No	Date of Instrument	Date of Registration	Consideration	REMARKS	
19122	11.7.1941	2.9.1941		(As Trustees of the Will of Sir Robert William Buchanan Jardine deceased *Died vide Death Certificate registered (by Mem.166525 on 20.8.1940 R.F.	
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> Above entries transferred from Volume 189 folio 51. </div>					
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> 18 / 2 / 74 P. Land Officer </div>					

CONTINUED ON CARD NO B

81 211

0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9

CROWN LEASE REGISTER

5344

CARD NO		RECORD OF OWNERS		Annual Rental		Measurements		Contents Square Feet
A		128		128		128		
LOCALITY		Commencement of Term	Term of Years	N.E.	S.W.	N.W.	S.E.	Date of Payment of First Half Year's Rent
INLAND LOT NO. 461		24.12.1865	999	25'0"	179'10"	138'10"	14,623	
PENNINGTON STREET, VICTORIA.		On the Part of the Crown		Lease executed on		31.12.1938		
By		SIR GEOFFREY ALEXANDER STAFFORD NORTHCOOTE K.C.M.G.		Lessee		By The Affixion of the Common Seal of the Lessee with the authority of the said Lessee by the hand of John Johnstone Paterson the person exercising such authority & signed by the said John Johnstone Paterson		24.6.1939
LEASEHOLDER		Memorial No	Date of Instrument	Date of Registration	Consideration	INSTRUMENTS REGISTERED		
JARDINE MATHESON & COMPANY LIMITED		183,093	28.3.1948	20.3.1948	R.F. as per plan	C.R. \$66.39		
WONG FUK HONG		Above entries transferred from Volume 187		15 JAN 1973	<div style="border: 1px solid black; padding: 5px;"> Building Ord (Chapter 123) Sec 42 Modification/Exemption granted by Building Authority's Permit No. HK 15/84 dated 27/3/84 L O No 10686 P 10 B/A/84 </div>			

CONTINUED ON CARD NO B

0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9 0

348

CROWN LEASE REGISTER

RECORD OF OWNERS Annual Rental: \$ 349.75

CARD NO. C .

INLAND LOT NO. 457

Commencement of Term _____ Term of Years _____ Measurements _____ Contents Square Feet _____

LOCALITY _____

Lease executed on _____ By _____ Lessee _____

On the Part of the Crown _____

INSTRUMENTS REGISTERED				REMARKS
Memorial No.	Date of Instrument	Date of Registration	Consideration	
89,459	17. 1.24	22. 1.24	(Part) (\$3,850,960.35)	<div style="border: 1px solid black; padding: 5px;"> Above entries transferred from Volume X folio 168 291/2 1996 p. Land Officer. </div>

CONTINUED ON CARD NO. D

0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9

0163

CROWN LEASE REGISTER

CARD NO	LOCALITY	RECORD OF OWNERS		Annual Rental	Measurements	Contents Square Feet
		Commemoration of Term	Term of Years			
VI	THE REMAINING PORTION OF INLAND LOT No. 29			\$ 208.00	(whole lot)	
		By	On the Part of the Crown	Lessee		Date of Payment of First Half Year's Rent
	LEE HIXSON ESTATE CO., LTD.	Memorial No.	Date of Instrument	Date of Registration	Consideration	REMARKS
		89,459	17. 1. 21	22. 1. 24	£3,850, 960. 85	(The Old Lease of I. 29 was cancelled and Inland Lots Nos. 457 & 471 were incorporated with it, in the present lease, at the aggregate amount of Rental vide Col. Sec's Letter No. 687 of 3rd Aug. 1860. (Sd.) J. C. Power)
						(Subject to Mortgage Mem. No. 111,598, Further (the Mem. No. 132,550, Mortgage Mem. No. 200,138, Further Charge Mem. No. 206,159 re Secs. G, J and the R.I. Building Agreement and Lease Mem. No. 182,347 and Assignments thereof Memos. Nos. 193,910 & 193,911 re Subsection I and the R.I. of Sec. J abt supra
						<div style="border: 1px solid black; padding: 5px;"> Buildings Ord. No. 687 of 1951, Section 2 Modification/Completion of 85% of 1951 Authority to Permit No. R.I. 03 dated 9/5/61 re 500.1 (Sd.) J. C. Power P. 165 / 61. L. O. 2398 </div>

CONTINUED ON CARD NO. N

448917 H.C. 221A

0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9 0

CROWN LEASE REGISTER

RECORD OF OWNERS ϕ Annual Rental \$ 400.00 Measurement

COMMITMENT OF TERM Term of Years

LOCALITY THE REMAINING PORTION OF INLAND LOT 'O', 29

By On the Part of the Crown Lease executed on By Lessee

MEMORIAL NO.	DATE OF INSTRUMENT	DATE OF REGISTRATION	CONSIDERATION	REMARKS
89,459	17.1.24	22.1.24	Part of £3,850,960.00	THE OIA LEASES OF I.29 WAS CANCELLED AND INLAND LOTS NOS. 457 & 471 WERE INCORPORATED WITH IT, IN THE PRESENT LEASE, AT THE AGGREGATE AMOUNT OF RENTAL VIDE COL. SEC'S LETTER NO. 687 OF 3rd AUG, 1960.
				(Sd.) J.C. Power

DATE OF PAYMENT IN FIRST HALF YEARS

CONTINUED ON CARD NO I

MSMII R F 217A

