

Narrowing Wealth Gap Is Hong Kong's Priority

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Hong Kong's wealth gap has widened steadily since the handover. But government officials insist that income disparities have remained largely unchanged. As a result, a widening gap between the rich and the poor has been a root problem in Hong Kong.

The main reason behind the widening gap between the rich and the poor is Hong Kong's low-tax policy, which attracts a lot of investments to the city. However, our competitive advantage should not and cannot be based only on low taxes. Many countries with high tax rates like South Korea have a sound economic development. If we rely on a low-tax policy, we risk losing our competitive advantage very soon. For example the establishment of a free trade zone in shanghai has turned this city into a strong competitor of Hong Kong. Consequently, I think we should invest strategically in human resources to make Hong Kong more creative and competitive.

Nowadays, a lot of citizens are blaming tycoons for the widening gap between the rich and the poor. However, some tycoons have donated generously to charities, so it is not reasonable to blame them.

What are the best ways to solve the problem of wealth inequality? I think big businesses in Hong Kong can be more socially responsible. For example, by reducing rent rises, small businesses will not be forced to close down. By doing so, a healthier environment for business developments can be created. Such an outcome would actually provide more direct support to the needy in the community.

Also, the government should not ignore public interest and simply concentrate on facilitating big business and profitability. Without doubt, the overall economic growth of Hong Kong is important. But the current economic system that enriches the rich and impoverishes the poor will gradually tear apart our social fabric if we do nothing to change it.

In conclusion, we should spend more time understanding the livelihood of the poor. If we want to solve the problem of wealth inequality and help the poor, we need to understand poverty first. It is rather unfortunate that we know little about the poor. Education is the key in dealing with the lack of wealth equality. I think nothing will change poverty immediately, but perhaps by raising public awareness of this problem, we can all start to think about how we can help.