

4. In your view, what is the most important development issue facing this region (Hong Kong and southern China)? Justify your answer with examples.

Over the past several years, Hong Kong and southern China has experienced an explosive economic growth, however, both place shows little concerns on the environmental sustainability especially towards air pollution. The market-driven, regulation-free approach left environment unprotected. There are countless examples of failed sustainability in Hong Kong and southern China.

Environmental well-being affects human health, Hong Kong's poor air quality is the main topic of conversation in town. Hong Kong has been facing two air pollution issues. One is local street-level pollution. The other is the regional smog problem. Hong Kong's main emission sources are power plants and vehicles. Diesel vehicles are the main source of street-level pollution. Smog, however, is caused by a combination of pollutants from motor vehicles, industry and power plants both in Hong Kong and in the Pearl River Delta region. 70% of our roadside pollution is put there by dirty diesel vehicles and 50% of Hong Kong people live or work near a busy road. By the Environmental Protection Department, air pollution was rated "high" or worse over 42 per cent of the year at general testing stations and 77 per cent of the year at roadside testing stations. Vehicular pollution is exacerbated by the "street canyon effect" in which the density of high-rise buildings prevents the dispersal of emissions. Recent research shows that the prevalence of respiratory diseases associated with air pollution in Hong Kong, resulting in medical costs of over 185 million U.S. dollars. This also includes direct and indirect costs such as medical expenses, productivity loss, compensation schemes, and awards.

There is no single source of pollution to blame. The air pollution from our neighbours, Shenzhen SAR and the province of Guangdong, mostly affects Hong Kong in the winter. In Sep 2004, the Environmental Protection Department claimed that 80% of our pollution comes from China. Today, the Pearl River Delta is one of the world's major manufacturing centres, producing a large variety of goods for export. However, much of the investment which is turning the delta into an export production powerhouse is from Hong Kong.

Pollution has become a key political issue in Hong Kong as smog levels have raised to often dangerous levels. Survey results from a variety of sources show air pollution is a key concern for local citizens. Concern is mounting that the city's pollution woes are ruining its attraction as a place to live and work. Hong Kong's polluted air is driving away foreign professionals and threatening international investment. One fear is that multinational firms that have made Hong Kong their Asian base will increasingly decamp for cleaner locales. Deteriorating air quality in

Hong Kong will drive away potential investors and thus threaten the city's competitiveness as Asia's free trade center. A survey conducted by Hudson on the effect of pollution in Hong Kong on relocation decisions found that more than one-third of businesses are experiencing difficulties in persuading talent to move to here. The survey also indicates that 44% of executives state that expatriates are leaving as a direct result of air pollution in Hong Kong. Tourists may also lose their desire for shopping when they are walking in Causeway Bay and Mongkok because of the choking air, making Hong Kong no longer a shopper paradise.

Air pollution poses a serious threat to the HKSAR's economy and the well-being of its citizens. This not only affects the health of citizens but also tarnish the image of the HKSAR as an international city, affecting its tourism industry and economic status. Pressures are then mounting from a broad range of stakeholders for the government of the territory to do something about it.

First of all, the largest stakeholder is the government. Well-enforced regulations have yet to emerge in response to both ample and growing public concerns about environmental issues. Government usually take concern of the effect of pollution on economic growth and citizen's health. As air pollution is expected to cause serious long-term respiratory diseases which reduces citizen productivities and increases the medical cost which will increase the economic burden of the government. Another reason is that pollution always threaten foreign investments or tourists to come to Hong Kong and will result in a great decrease in overall gross profit. Therefore, in order to reduce unnecessary expenses, government would eager to solve the pollution problem. Moreover, air pollution not only affect the citizen's health and economic growth but also international images. However, when dealing with pollution problems, there is usually lack of political will as the greatest obstacle because the cost of reducing pollution is very high and could not be seen in a short time, followed by a lack of information and knowledge at the decision-making level. Sharing knowledge and lessons from international experience and assisting sectors that influence air quality were the most important support government agencies could provide.

There is a growing realization that sustainable business practices, this implies a broadened concept of business performance than is the current norm in most countries. Pollution problems also drive away foreign professionals and threatening international investment. Thus stakeholder pressures are increasingly brought to bear on business firms for more sustainable practices and these broader expectations are emerging at a time when corporate legitimacy increases.

The local community also concern about the air pollution problem because of the hazardous disease caused by unsatisfactory air quality and also many people are now searching for a better living condition and air quality is the main concern.

Legislators, businesses and green groups recently urged to tackle pollution problems for example, it suggests the government should prohibit vehicles from carrying into Hong Kong any fuel that emits more sulfur dioxide than local diesel. It also suggests the government to limit the number of delivery vans in congested areas as it is estimated that 30 percent of the pollutants come from running engines.

