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Micky Lee

Suffolk University, mlee@suffolk.edu

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Political Economy Section

**Reconfiguring social relations through time in a financialised economy and a rise of nationalism
(#164)**

Micky Lee (Suffolk University, Boston)
mickycheers@yahoo.com

This paper offers a feminist political economic critique of social relations through examining time in a financialised economy and a rise of nationalism by using Hong Kong as an example. Known as a global financial centre, Hong Kong accommodates a flow of global capital, allowing China-based companies to generate capital from abroad. However, some believe that the pandemic and China's tighter grip on Hong Kong's government threaten the city's global status. The Hong Kong government has one of the strictest border control during the pandemic: it heavily restricts who can enter the border and requires visitors to quarantine for a lengthy period of time. In addition, the Chinese government has increased its political control of Hong Kong, threatening the political freedom enjoyed by Hong Kong citizens.

The belief that Hong Kong is losing its global city status reflects a neoliberal ideology where maximum human movement and political freedom will bring economic freedom and vice versa. This ideology has been used by international organizations such as the World Trade Organization to force countries to open up the domestic market. When former U.S. President Bill Clinton advocated for China to join the WTO, he harboured an illusion that economic freedom will bring democracy to the country. This neoliberal ideology also implies that the market should have minimal state intervention. This is particularly the case of a financialised economy where a large amount of money can change hands within a short period of time. This ideology further implies that economic freedom in the global market will benefit all participants, from business owners to underemployed workers because foreign investment could stimulate a country's economy.

Anti-globalization theorists and activists have widely written how this neoliberal ideology of the global economy only benefits a few while further marginalizing the disadvantaged population. For example, when foreign money goes into a country, it searches for the cheapest labor and commodifies the commons. For the purpose of this paper, I will critique this ideology for ignoring the lived experiences of residents in a global financial city, in particular how a flow of global money disciplines their sense of time, such as forming a collective memory of public history, a sense of immediate and long-term futures, as well as the rhythm of life. To delineate, when a place identifies itself as global financial center, it narrows the number of stories that can be told about it; the perception of global finance bringing quick profits subjects residents to a faster pace of life and urges them to focus on short-term financial goals; the financial market is oriented towards the future rather than about the past. This sense of time constitutes a specific kind of social relations in a global city: one that privileges those based on market exchange and money transaction. The subject of this sense of temporality is that of an (financial) *homo economicus*.

In the case of Hong Kong, the financial market's temporality is further complicated by the imposed Chinese nationalism from the Chinese Communist Party via the local government. The CCP's tightened grip of Hong Kong political freedom is part of the China Dream project: the government is eager to regain territories claimed by colonialism and western domination. Hong Kong embodies this national priority: ceded to the British Empire after two opium wars, the territory was returned to China in 1997. Even though the Sino-British Declaration stated that Hong Kong would continue its way of life until 2047, the Chinese government has reduced political freedom of Hong Kong people, endangering their freedom

of speech and assembly. In this sense, the locals' collective memory is subsumed to an official Chinese history penned by the Party; the Hong Kong project fits into the scheme of China Dream in re-building China's domination. This sense of time also constitutes a specific kind of social relations: Hong Kong people are seen as national subjects who share the grand narrative of Chinese History and are discouraged from seeing themselves as historical beings whose sense of citizenry and citizenship have been shaped by a colonial and post-colonial past.

Even though the temporality of the financial market is future-oriented and with a quick turnover and that of nationalism is past-oriented and slowly evolving, these two senses of temporality do not contradict each other in the Hong Kong context. In fact they reinforce each other because of two reasons. First, generating finance capital in Hong Kong for China-based corporations would mean potential growth, thus an expansion of the Chinese economy. State-owned enterprises were pioneers in listing themselves in the Hong Kong Stock Exchange (HKEX). From 1972 to 2017, close to 80% of Chinese-based companies listed in HKEX are state-owned enterprises (Wang-Kaeding, 2020). The financial well-being of these companies would achieve the China Dream of world domination. Second, both temporalities discourage Hong Kong residents from demanding for democracy because they already prescribe for residents they can only play the role of a neoliberal economic being and a national subject; they are not seen as citizens who enjoy political and economic rights in the city where they reside.

A feminist political economy as a critique of temporalities

A feminist political economy will be useful to resist the temporalities of a prescribed (financial) economic man and a national subject because of three reasons: first, it examines how gender (and other social factors) legitimizes an inequitable production, distribution, and consumption of resources and explains this inequity with gender ideology; second, it adopts a standpoint from where critique of power structures formed by gender, race, class, and other social factors can occur; third, it emphasizes relations that produce positive social goods rather than market-based transactional relationships that produce commodities.

To expand, the financial market and nationalism use gender to legitimize an inequitable production, distribution, and consumptions resources while explaining inequities with gender. Profits generated in the financial market overwhelmingly benefit populations who already enjoy economic power; major individual shareholders in the U.S. tend to be older, whiter, and belong to the upper class. In turn, gender ideology such as “women are bad with money” justify why there are so few women in high finance. Nationalist ideology also reinforces inequities. For example, many countries discourage girl children from having a formal education because they are believed to be marry off to become mothers and wives, whom are needed for nation-building purpose (Lee, 2012).

Feminist political economists advance standpoint theory to illuminate power structures formed by gender, race, class and other social factors. From the standpoint of some disadvantaged people, these inequities are maintained in order to reinforce existing power structures. For example, the financial market indirectly de-values labour: public companies need to generate profits to maintain investors' interest; labour cost is one area where public companies heavily control because investors are turned off by companies who have too many workers. Those who accept lower wages tend to be women, people of colour, migrant workers, or workers abroad. Debilitated power of labour unions and the race to power reduce the bargaining power of many white, working-class males. Instead of blaming politicians, company executives, and shareholders for driving down wages, this population instead use nationalist ideology to assault women, people of colour, migrants workers, and workers abroad. The Trump presidency had effectively used xenophobia, racism, and sexism to rally white, working-class males to embrace policies and politics that promote white supremacy.

Lastly, a feminist political economic approach will show how a focus on producing social goods will challenge the temporalities of the financial market and nationalism. Feminist political economists highlight the role that reproductive labour plays in creating and maintaining social goods in a community (Cavallero and Gago, 2021). Any activities that contribute to the well-being of the social world as well as the environment require reproductive labour: from giving birth and raising the youths; maintaining family, community, and social relationships; ensuring the physical and mental well-being of family and community members; teaching and educating others; putting natural resources into good use and protecting the environment. These activities are essential to human lives yet tend to be unpaid or poorly paid because of their invisible nature.

Most reproductive labour is invisible because it is not exchanged in the market. It also contains many “unseen” backroom activities such as helping the young and the old to maintain personal hygiene (Glenn, 1992). Traditionally, in most societies women were tasked with invisible labour. Exploitative labour systems such as slavery and indentured labour were (and continue to be) used to perform reproductive labour. The rise of two-income households among the middle-class gave rise to many industries that produce reproductive labour. Some examples are childcare, senior care, pet care, tutoring, house-cleaning, food preparation, and so on. Women, especially women of colour, recent immigrants, and migrant workers tend to overwhelmingly dominate these industries.

By making reproductive labour visible, feminist political economists will challenge the temporalities of the financial market and nationalism. The temporality of the financial market is about short-term profits. Perception of IPOs creating millionaires overnight makes the financial market look like a magic tree that grows money out of nothing. The time to produce useful social goods, however, takes much longer. For example, in some countries it takes 18 years to become adults. The temporality of nationalism is about unchanged core national values throughout time. Reproductive labour, on the other hand, is about producing changes: from infancy to adulthood, from old age to death.

Case study: Hong Kong 2018-2020

In this paper, I use the case of Hong Kong from 2018 to 2020 to illustrate how the temporality of reproductive labour challenges those of the financial market and nationalism. The three turbulent years were marked with major political, economic, and social events from a city-wide protest against the reduced political freedom to an imposed Chinese nationalism on the local populations. The pandemic then followed also affected lives of the residents. Throughout the three years, although the Chinese and local governments have imposed arbitrary laws and policies to limit political freedom and restrain residents' movement around the city, the locals have organized small-scale efforts to produce social values when both the state and the market failed to deliver.

To proceed, I will examine how time was perceived in two case studies: the Alibaba IPO in HKEX during the protests and the Chinese National Security Law passed after the yearlong protests. I will also show how the locals resist the temporalities of the financial market and nationalism through performing reproductive labour during the protests and the pandemic. In the following, I briefly summarize the background of the extradition bill protests.

In March 2019, the Hong Kong Government proposed the Fugitive Offenders and Mutual Legal Assistance in Criminal Matters Legislation (“extradition bill” hereafter) after a Hong Kong citizen killed his girlfriend in Taiwan and fled to Hong Kong (“The Murder Behind the Hong Kong Protests”, 2019). Since there was no agreement to extradite criminal suspects between the two places, the Hong Kong Government proposed this bill to transfer fugitives between Hong Kong, Taiwan, Macau, and mainland China. The bill attracted wide public attention and was seen as a smokescreen for the Chinese government

to silence political dissidents in Hong Kong (“Hong Kong-China Extradition Plans Explained”, 2019). In early summer 2019, up to a million people joined a street protest against the bill in Hong Kong. The protests then became weekly and took place in different districts. The refusal of the government to withdraw the bill and its use of police violence against protestors led to a call for “five demands”: bill withdrawal, an independent investigation into police misconduct, the release of all arrested protestors, the retraction of using the word “riots” to describe the protests, and the resignation of Hong Kong Chief Executive Carrie Lam (“Hong Kong Protests”, 2019).

The government eventually withdrew the bill but did not respond to the other four demands. Therefore, protests continued in different forms, including airport sit-ins, college campus occupations, and arsons of storefronts and public transportation. Protestors added more demands: some protests called for universal suffrage in Hong Kong, some wanted it to become an independent city-state, yet others called for the involvement from the United Nations, the United Kingdom, and the United States (“The Dream of Genuine Universal Suffrage”, 2021).

Alibaba IPO in the midst of the protest

In November 2019, the China-based e-commerce company Alibaba went IPO in the Hong Kong Stock Exchange (HKSE). It raised US\$ 1.1 billion on the first day, making it the largest IPO in HKSE that year (“Alibaba smashes record”, 2019). Even though a number of China-based companies—especially those in the hi-tech industry—have chosen HKSE as the primary or secondary listing, this IPO in Hong Kong took place during the midst of the anti-extradition protests, thus attracted much attention and interpretation.

In 2014, Alibaba chose between HKEX and NYSE for an IPO. Even though Hong Kong appeared to be the obvious choice because China-based companies have listed on HKEX, regulators were wary that Alibaba allowed the core executives to nominate a majority of board positions (Gough, 2014; Wassener, 2013). Alibaba then looked into the New York Stock Exchange (NYSE) and NASDAQ. When it was listed in NYSE, it was then the largest China-based company listed in that exchange. On the first day, the shares were valued at US\$93.89, giving the company a market value of US\$231 billion. The majority of the stocks were sold to U.S. investors (Demos and Osawa, 2014). Not only did some shareholders become millionaires overnight, but investment banks that underwrote the IPO also pocketed a huge fee. The top five banks (Credit Suisse, Deutsche Bank, Goldman Sachs, J.P. Morgan Chase and Morgan Stanley) each pocketed US\$45 million (Demos and Osawa, 2014). Online platform for retail investors (such as TV Ameritrade) also witnessed a surge of interest on the first day (Demos and Osawa, 2014). The IPO moment epitomizes a creation of wealth for Alibaba's founders and major employees, investment bankers, as well as retail investors. All the frenzy shows that the perceived time to make money during IPO is short, giving an illusion that a huge moment of money is made overnight.

Another discourse about Alibaba's listings in New York and Hong Kong illustrates the quick change in Chinese capitalism. Commentators believed that Alibaba IPO signals a more “western” style of public companies. It was not the “first-generation” public companies that were mostly state-owned enterprises in “old-economy” sectors such as utilities and banking. It is an entrepreneur-started project that directly copied from Amazon.com (Guerrera, 2014). Even though the change in the business models of Chinese companies is not as quick as profits in the financial market. The change of business models took place in a mere three decades after China re-opened its door to the world in late 1970s.

Even though Alibaba bypassed Hong Kong in its debut listing in 2014, the city still played an instrumental role to connect Alibaba executives to NYSE executives by serving as a physical meeting place (Hope, 2014), illustrating the city's self-appointed roles as “gateway to the world” and an “east-meets-west place”. The Hong Kong Stock Exchange also serves as a platform for Chinese companies to generate global

capital from abroad. Since 2020, the exchange has been listing in the exchange. China-based hi-tech companies are particularly attracted by HKEX (Noël, 2019) because it has of more relaxing regulations, diversified investors, and exposure to international investors. A number of Chinese companies, including Alibaba, use HKEX for their second listings in addition to NYSE or NASDAQ. The rising tensions between China and the U.S. mean Chinese stocks are subject to more scrutiny from U.S. politicians. For example, in 2020, three China-based companies were delisted from NYSE when they were found to be owned or controlled by the Chinese military (“NYSE starts process of delisting three Chinese telco companies”, 2020). It also did not help when a NASDAQ-listed company Luckin Coffee was found fabricating financial data (Garcia, 2020). HKEX is then seen as a backup plan for Chinese companies in this escalating tension. HKEX then is seen as a safe haven for Chinese companies to generate global capital without state constraint. It is also seen to be more insulated from political struggle. Both perceptions illustrate that the flow of global capital should be relatively unhindered by politics.

There is also a hint that the Alibaba listing signals a long-term national project where sojourners, such as Alibaba listing, will one day come back to the “mother”land. Charles Li Xiaojia, chief executive of the Hong Kong Stock Exchange, said the listing of Alibaba in Hong Kong is like “a family member finally coming home” (“Alibaba smashes record”, 2019). Even though Hong Kong is a Special Administrative Region of China, having a Chinese company listed in Hong Kong is perceived as a Chinese national, who went abroad for study or work, finally returns to the motherland for good. It is also like Hong Kong, a former British colony, returned to Hong Kong after its concession for 150 years. This sense of long is similar to that of nationalism which will be turned to next.

The passing of the National Security Law after the protest

Anti-extradition bill protests mostly quieted down in early 2020 when the pandemic spread through the city. On the eve of the twenty-third anniversary of Hong Kong’s return to China, the Central Chinese government drafted and passed the National Security Law of Hong Kong behind closed doors. This law was criticized to limit political freedom, including the right to protests. This law will criminalize secession, subversion, terrorism, and collusion with foreign or external forces. This law prosecutes Hong Kong citizens and residents who break away from the country, undermine the power or authority of the central government, and use violence or intimidation against people (“Hong Kong security law”, 2020). This law quickens the integration of Hong Kong into the mainland by undermining the autonomy of the city. The Chinese text of the National Security Law illustrates the desire to reclaim Hong Kong as a lost territory to a foreign force.

Article 6 of the National Security Law states that all Chinese nationals, including Hong Kong “fellows from the motherland”, have the responsibilities to maintain the country's autonomy, unification and territory. Article 29 warns against activities that involve foreign countries or “out of the border” organizations, institutions, and people. Some listed activities are sharing intelligence, committing conspiracy, waging war, obstructing election.¹

The law highlights the absolute authority of the state over the people in Hong Kong. The Chinese state over-rides that of the authority of Hong Kong government. People in Hong Kong, regardless of them being citizens or not, will be subject to the Chinese state's authority. The law also spends some length to condemn the collusion with foreign entities, including institutions and individuals. Foreign entities are seen to endanger national security within the territory and thus the country.

Since the National Security Law explicates the state has the absolute authority over the territory and the people reside there, the state has control over the meanings of space and the residents in this space. Since the meaning of space is relative to time, the emphasis on the national boundary and foreign entities signals a strong sense of nationalist ideal: that Chinese nationals will define the nation against foreign influence.

The condemnation of outside influence can also be found during the Civil War period when part of China was colonized and annexed by foreign countries. The protection of the border from foreign power helps the nation to redeem the humiliation that it suffered during the Qing dynasty and the Republic period.

The protection of the national border and the elimination of foreign invasion are also observed during the pandemic in Hong Kong. When the pandemic first spread across the globe, Hong Kong, like the rest of the world, closed its border to visitors (defined as people who are not Hong Kong residents). For international students and business people returned to Hong Kong, they had to quarantine in a hotel for as most as 21 days. Even when the rest of the world slowly opened up the border for visitors, Hong Kong kept its border closed. More than two years after the pandemic, Hong Kong finally opened up its border to visitors but they are required to quarantine in a designated hotel for seven days and will be required to undergo regular testing during their stay. The stringent measure of the Hong Kong government draws a parallel to the National Security Law: that foreign bodies are not welcome because they may carry something harmful to the Hong Kong population. Even for the Hong Kong bodies who have been abroad, they have to be insulated from the rest of the population to be rid of potential foreign materials. All these measures reflect xenophobia.

Many have criticized the Hong Kong government for not following advice from the medical community in implementing the testing and quarantine policies. Some suggested that the government is more eager to please the Central Chinese government than accommodating international visitors. They further suggested that the strict measures will drive away international businesses that will be re-located to Singapore instead. While it is not yet known if border closing will have a long-term effect on Hong Kong's attraction to international business, it is already perceived as too unfriendly to the global community when it chose to follow the lead of China to closing itself to the world during the pandemic.

Reproductive labour performed during the protests and the pandemic

During the three turbulent years from 2019 to 2021, Hong Kong residents resisted the power imposed by the Chinese state and the Hong Kong government by engaging in many initiatives to ensure safety and provide support for other Hong Kong residents. Most of these efforts were small-scaled and based in intensely local neighbourhoods. The aid provided for others often take time. Those who stepped in to help also did not ask for monetary return. These initiatives illustrate reproductive labour: activities that maintain and sustain a community through providing care to each other.

Residents who provided aid for each other during the protests usually supported protestors and disagreed with police action against the protestors and the decisions made by the Hong Kong government. Even though they may not connect their actions to the financial markets, the reproductive labour that they provide has already challenged the temporality of these markets. The support networks formed during the protests have also provided a good basis for communities to take action during the pandemic.

During the anti-extradition protests, car owners transported protestors away from sites where they fought the police. Hong Kong residents with cars would post notes on an online site informing protestors where their cars are parked. These chaperons did not ask for any monetary return or sought any information. Car ownership in Hong Kong is not common due to the city's small size and the convenient public transportation network. Those who own cars usually belong to the middle class and above. In fact, in an interview, one driver told the journalist to specify the upper-class neighborhood where she lives in order to dispel the Hong Kong government's claim that the middle-class tend to be the silent majority. These drivers perform reproductive labour because they transport protestors whom are not known to them as if they were their own children who need a ride after the last train leaves. In fact, the drivers called themselves "parents" who drive their "sons and daughters" (Gaskell, 2019). The time it takes to drive close to a protest

site, post the location, wait for the protestors to jump in, and drive to another destination is significant, especially if some volunteered for a few days in a week.

These loosely-formed networks formed during the protests proved to be useful at providing resilience to residents at the beginning of the pandemic. When the rise of cases rose in Wuhan, there was a price hike of disposable medical masks in Hong Kong. A box of moderately priced masks was sold at five or six times the usual price. The demand for masks inspired theatre group volunteers to sew free masks for the vulnerable populations (Associated Press, 2020). In a news report, the volunteers are mostly women who sat in different corners of a room cutting fabric, sewing, and ironing masks; the scene reminisces home-factories in 1960s Hong Kong where working-class families made labour-intensive goods for exports. One volunteer wore a t-shirt that says, “I [yellow umbrella symbol] HK”, giving a nod to the pro-democracy protests that took place in 2004. In another example, a Hong Kong woman self-funded a trip to Japan to buy a large number of masks to give away for free in the streets in working-class neighbourhoods. In both cases, residents took actions to provide care in the form of making and acquiring masks for strangers. The actions of sewing clothing and acquiring goods overseas take time and care so are usually only performed for family members and friends. In these two cases, Hong Kong residents were willing to spend time and money to provide for strangers when the market has failed to provide a goods deemed necessary during a pandemic. In addition, they showed a willingness to step in when the Hong Kong government has failed to secure enough masks to protect the populations. The performance of reproductive labour resists the hegemonic forces of the financial market and nationalism because it shows the time and drudgery it takes to produce useful social goods.

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