



The bell tower on the coastline at Haikou, Hainan Province

Conclusions:

Prospects for the future of Hainan Province

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INTRODUCTION

First, let us critically position ourselves in relation to the subject at hand.

Those in Hainan are best positioned to reflect on past accomplishments and to speculate on their island's future. Both of us, on the other hand, are outsiders, having had the privilege of visiting Hainan on a few occasions and for short sojourns in each of these. However, it is sometimes useful to get input from 'islanders from away'; to turn their gaze on an island with which they have started to become more familiar as a result of a growing partnership. And the islanders, of Hainan in this case, can reap the benefits of such outsiders looking in, making the familiar strange and looking at their world and its challenges with fresh pairs of eyes.

Rather than summarize the chapters in this Annual Report, we have therefore opted to conclude this book by undertaking this exercise of introspection, asking ourselves two central questions: (1) what are the key development successes and problems currently facing Hainan? and (2) what are the prospects for the future development of this island? We reflect on these powerful questions from our assessment of island studies literature generally, and from what we have learned of Hainan's own development trajectory.

KEY DEVELOPMENT SUCCESSES AND PROBLEMS

It is perhaps fitting and timely that we are exploring these issues just after the 30th-anniversary celebrations of the establishment of Hainan as a province of China, in 1988. On that occasion, Hainan became (and remains) China's smallest province, as measured by both population and land area. In addition, although there are many islands that play important development roles along the coast of China, Hainan is its only tropical island with full provincial status. Of course, these two statements are connected. In fact, we would make the argument that Hainan is a province because it is an island. But this was not always the case. In fact, Hainan was formerly administered as an integral part of Guangdong province. The separation was deliberate, a strategic move of the central government: since then, Hainan has been catapulted on its own specific development trajectory. At around the same time as its emergence as a fully fledged province, the island of Hainan was officially assigned the status of a special economic zone, the largest such zone established by Deng Xiaoping as part of an ambitious economic reform and modernization program. By designating the new province as a *special economic zone*, the central government in Beijing was clearly expressing its intent to allow and encourage Hainan maximum flexibility in devising programs to facilitate foreign investment and economic growth.

According to many traditional indicators, Hainan's development has been a model of success. It has transformed its economy from one dominated by agriculture and state-owned rubber and iron ore industries to have a much more diversified profile, led by trade, investment from the rest of China and abroad, and infrastructure development. As an indicator of this change, the share of the island's GDP derived from tertiary services increased from 26.2% in 1982 to 46.1% in 2010 and the corresponding proportion of the GDP derived from primary industries declined from 60% to 26.3% over the same period (Hong, 2011). The island province registered 5.8% annual growth in its GDP in 2018: this fell short of its 7% target, but fell within official expectations after measures were taken to rein in the overheating real estate sector (China Daily, 2019). The latter was a probable side effect of the tourism boom on the island (Tie et al., 2018).

Hainan has seen significant land use change from farmland and forestry to urban use, especially along its coast, the main beneficiary of a massive campaign to market the tropical island as an attractive domestic and international tourist destination. In

popular media, Hainan has been referred to as ‘the Hawai’i of China’ or even ‘the Hawai’i of the Orient’ (Li & Liu, 2011). Back in 2008, the province of Hainan ranked a lowly 23rd in China in terms of the number of inbound tourists (Travel China Guide, 2009). Then, in December 2009, China’s central government announced a national policy to promote Hainan as a first-rate international tourist destination (Yamori et al., 2017). Already by 2012, 21% of overnight visitors to Hainan were international (Yang et al., 2015). The island, with its splendid beaches, clean air, and salubrious climate, is doing well—perhaps too well?—in attracting millions of tourists annually. The mark of one million international visitors to Hainan was reached in 2017 (Xinhua, 2017). Direct air routes between Sanya (the only beachfront tropical city in China) or Haikou (the provincial capital) and international cities (such as London, Melbourne, and Sydney) are being added every year, and visas for stays of up to 30 days have now been waived for visitors holding passports from 59 countries (China Daily, 2018).

The economic spurt is not only thanks to tourism. The completion of a state-of-the-art, high-speed rail line encircling the island, cutting down travelling time dramatically and boosting economic growth, is a further indicator of this transformation (Li et al., 2018). The ultimate attempt to improve the island’s connectivity and reputation is evident in the expansion of the Wenchang national spacecraft launch station. Given its location closer to the equator than any other Chinese space port, this launch pad is now better suited to carry heavier payloads, including manned flights (The Economist, 2018).

But: the extent of Hainan’s development may be more modest when you compare it to other regions in China. For example, Shenzhen, a city elevated to near provincial status at around the same time as Hainan, and also part of Guangdong province, has done extremely well for itself and is now acknowledged as China’s ‘Silicon Valley’ (Lindtner et al., 2015). If Hainan is to make a strong name for itself, it is likely that the thrust must come from the marine and maritime sectors: as also acknowledged by the Central Government.

THE FUTURE IS MARINE

The maritime and outward thrust of the Central Government, in the form of reforms and ‘opening up’, continues unabated. Hainan has seized on a series of opportunities to guide its future, this time with the designation of free trade port status, especially in the context of the 21st Century Maritime Silk Road, part of the ‘Belt and Road Initiative’, launched by President Xi Jinping (Lam et al., 2018; Straits Times, 2018). Many of the chapters in this book speak to the attempt by Hainan to become a more central and strategic link within the network of Maritime Silk Road ports, islands, and regions. Hainan is also central to any plans by China in the South China Sea, including the development or conservation of its various islands and islets (Grydehøj et al., 2017).

For maritime initiatives to be successful, and perform better than when the island first gained provincial status, Hainan needs to consider its ability to attract and maintain both domestic and international capital and talent. Hence, it will be critical for Hainan to invest in suitable human resource management and development. Expertise will be required to plan, set up, and run efficient and effective marine and maritime-related activities, in both the public and private sectors. Developing competences in languages other than Mandarin will also be important. Since the island is slightly off the main Asia-Pacific shipping lines, in expanding its maritime port facilities, Hainan must also convince the major international shipping companies that it is in their best interests to include the island as a preferred port of call.

The prospects are good for a strong alliance between the central and provincial governments to learn from the experiences of the past three decades. As has been the case with other subnational island jurisdictions, Hainan has used political entrepreneurship to its advantage in negotiating opportunities for development. There is enormous room and unparalleled opportunity for both scope and manoeuvre as Hainan continues to flex its newly found competences in the region and become the expression of the maritime turn of the People's Republic of China. This 'turn' has been a long time coming; but its unfolding and implementation will be a significant feature in island development, nationally, regionally, and internationally.

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