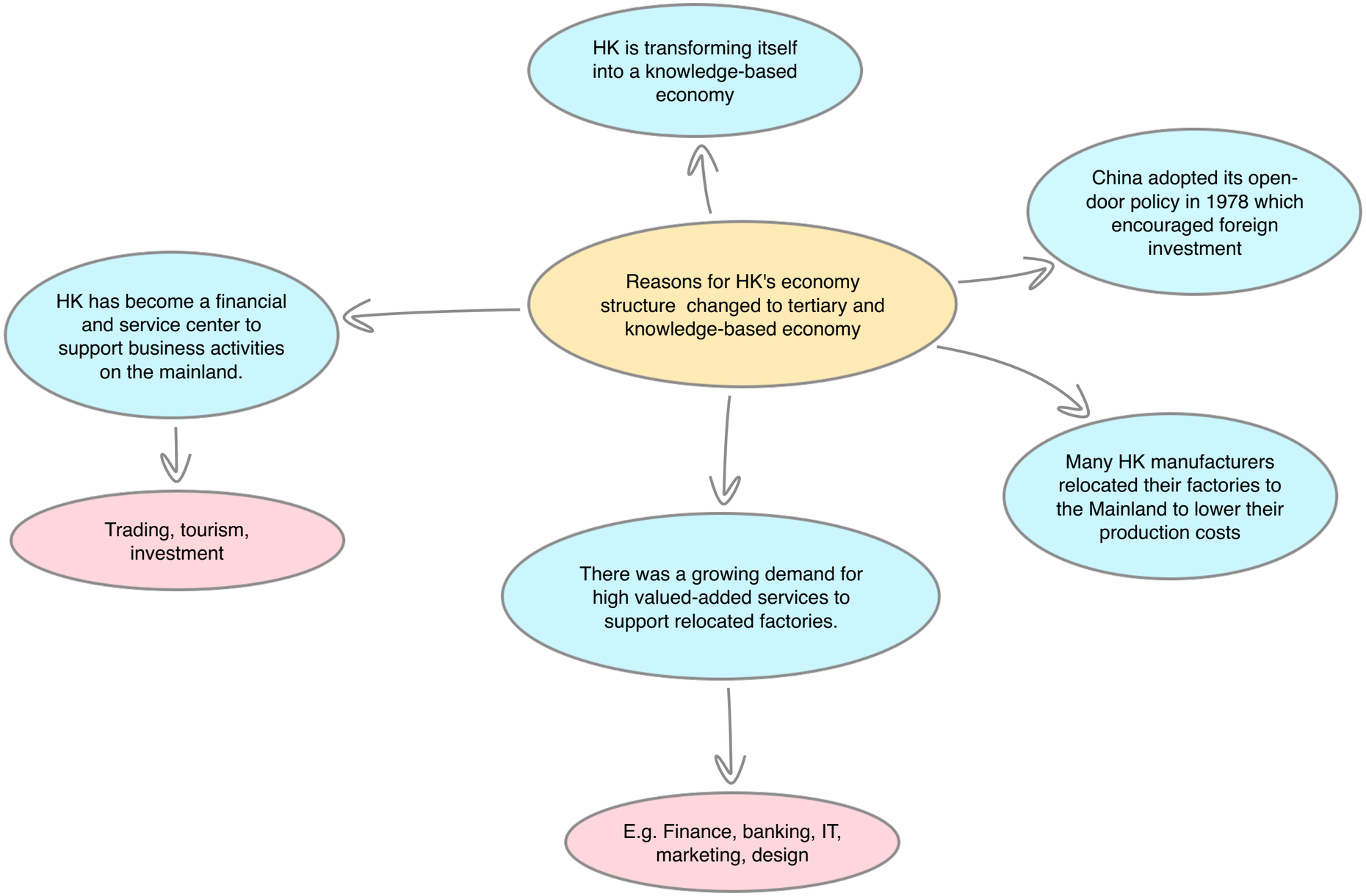
HK is transforming itself into a knowledge-based economy
China adopted its open-door policy in 1978 which encouraged foreign investment
Reasons for HK's economy structure changed to tertiary and knowledge-based economy
HK has become a financial and service center to support business activities on the mainland.
Many HK manufacturers relocated their factories to the Mainland to lower their production costs
Trading, tourism, investment
There was a growing demand for high valued-added services to support relocated factories.
E.g. Finance, banking, IT, marketing, design