

AFTER TEN YEARS OF TRANSFER OF SOVEREIGNTY: POLITICAL STABILITY AND REFORMS IN HONG KONG

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Background

Year 2007 is significant to Hong Kong as it marks the tenth anniversary of the return of sovereignty from Britain to China in 1997. The 1984 Sino-British Joint Declaration emphasized the maintenance of political stability in Hong Kong on the one hand and, on the other, the Basic Law (a mini constitution for Hong Kong) promised a democratic development in Hong Kong with the direct election of the Chief Executive and the whole Legislative Council as an ultimate goal after the handover. The maintenance of political stability and the progress of democratic development therefore have become key yardsticks for measuring whether the political handover has been successful or not. The aim of this article is to review relevant political developments in Hong Kong and to gauge the Special Autonomous Region's (SAR) future direction.

Hong Kong has been facing political challenges and governance problems since the handover of its sovereignty from Britain to China in 1997, under the "One Country, Two Systems" formula.² The first Chief Executive of Hong Kong, Tung Chee-hwa, was forced to resign after seven years' poor governance. The new Chief Executive, Donald Tsang, initiated a series of political reform proposals in 2005, immediately after his assumption of office in July of that year. These include: the re-organization of the Executive Council, the expansion of the Commission on Strategic Development, the re-definition of the role of ministers, the re-structuring of the composition of the Legislative Council, amendments to the method of election for the Chief

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² The "One Country, Two Systems" formula means that the market economy and independent legal system in Hong Kong will be allowed to co-exist with the state-dominated economy and party-controlled legal system found in mainland China.

Executive, and the reform of the District Councils. These proposals create a number of new political opportunities which touch on a wide range of issues related to democracy: the executive-legislative relationship, political accountability, the legitimacy of the Chief Executive, the representation of the Legislative Council, party politics, and a road map and timetable for implementing universal suffrage in Hong Kong.

Tsang's political reform proposals provoked intense debate among various political actors in Hong Kong. Some criticized the proposals as being too conservative in advancing democracy in Hong Kong, while others thought the proposals were bold steps towards democratization. The matter was further complicated by the China factor, as politics and democracy in Hong Kong are closely monitored by its sovereign master. In fact, China has set the parameters for the extent to which democracy can be developed, and how politics can operate in Hong Kong. The political reform proposals related to the composition of the Legislative Council and the election of the Chief Executive were, unfortunately, defeated. The political atmosphere in Hong Kong became confused and the direction of political development seemed increasingly uncertain. Doubts have grown about the effects on governance of the re-organization of the Executive Council, the redefinition of the role of ministers, the expansion of the Commission on Strategic Development, and the reforms of the District Councils. Consequently, a sense of political crisis has been the result.

The major theme of this paper is to evaluate the implications of this series of political reforms for the politics and democratization in Hong Kong from the perspective of political governance. This perspective will examine the legitimacy, political accountability, stability, the executive-legislative relationship, and the integration of the political system. This article argues that Hong Kong is facing a governance crisis in the absence of a consensus on a commonly acceptable political model. In the coming years, governance and political leadership in Hong Kong will be extremely difficult, if not unstable, for the Chief Executive.

Political Reforms and Opportunities

In his maiden Policy Address, on 12 October 2005, Chief Executive Tsang announced that he was committed to pursuing "strong governance" during his term of office. By "strong governance," Tsang meant that "Hong Kong will practice executive-led government" and that "the Chief Executive is the head of Hong Kong and leader of the Hong Kong government."³ There are two implicit messages that Tsang intended to convey through his emphasis on "strong governance." The first message is that Tsang wanted to get rid of the

³ Donald Tsang, *Policy Address by the Chief Executive*, Hong Kong: Hong Kong Government, 2005, p.3.

tarnished image of the Hong Kong government that was left by former Chief Executive Tung Chee-hwa. Tung announced his resignation in early 2005, two years earlier than the official end point of his term in 2007. Former Chief Executive Tung had long suffered a negative popularity rating. The rating exercise conducted by the Chinese University of Hong Kong showed that Tung's popularity had been below 50% (widely considered a failing mark) since July 2002.⁴ The President of China, Hu Jintao, during the fifth anniversary of the Macau handover, publicly asked Tung to improve governance by identifying the inadequacies of its rule since the handover. Hu reminded Tung "to summarize your experience and identify inadequacies, and constantly raise the standard of administration and improve governance."⁵ Although Tung was hard-working, he lost political credibility due to his weak leadership and governance. Tsang's statement that "pursuing excellence in governance is the most pressing public demand on the Hong Kong government today" is no surprise.⁶

The second implicit message is that Tsang wanted to consolidate his political power by strengthening his control over the legislators, major political parties, and ministers. Under former Chief Executive Tung's governance, these politicians were so strong that Tung found it difficult to deal with them. During Tung's governance period, the executive-legislative relationship was tense. The two branches of government competed for power and distrusted one another. The major political parties, from both the conservative and the democratic factions, bargained with Tung, as the former Chief Executive had no choice but to rely on their support to pass his policies and bills in the Legislative Council. Moreover, the ministries were so independent that overall policy-coordination in the Executive Council was difficult. By introducing reforms in the governing machinery, Tsang hoped that he could regain power and control over the politicians through emphasizing the principle and practice of executive leadership.

Expanding the Executive Council

Tsang expanded the Executive Council by appointing more non-official members into the highest executive decision-making body. The number of non-official members increased from seven to fifteen, and they were chosen from among the leaders of various economic and social interest groups within society. The official rationale for the change was to secure a broader and firmer support base in order to achieve strong governance.⁷ The underlying reason for the change was to allow Tsang to bring men loyal to him into the

⁴ *South China Morning Post*, 30 March 2004, p.A2.

⁵ *South China Morning Post*, 21 December 2004, p.A1.

⁶ Donald Tsang, *Op cit.*, p.3.

⁷ *Ibid.*, p.6.

Executive Council, in order to dilute the influence of the seven incumbent non-official members who had been appointed by former Chief Executive Tung. These incumbents were conservative and business-oriented, while the eight new members were relatively neutral in their political orientation. More political opportunities now seem open to community leaders from various sectors, not just only for the conservative political camp.

Re-defining the Role of Ministers

Tsang decided that only the top three principal secretaries (Chief Secretary, Financial Secretary, and Secretary for Justice) were to attend all the Executive Council meetings as official members. All other bureau ministers were to attend meetings only when items on the agenda concerned their portfolios. In the past, under Tung, all bureau ministers were regular members of the Executive Council and attended all meetings. The official explanation of this new arrangement was that this would allow more time and opportunity for non-official members to express their views and to put forward proposals. Non-official members would also “play a more active role in assisting the government to explain and promote policies to the public, and to enhance communication between the government and different sectors of the community.”⁸ The intended or unintended outcome of this change, however, is that the decision-making power of the ministers has been decreased, as they can only put forward proposals which are then accepted or rejected by the Executive Council, which is composed of non-official members, who hold specific portfolios like housing, welfare, education, and transport. Furthermore, all bureau ministers have to report to the Chief Secretary and Financial Secretary, whose policy-coordination role is underlined. The Policy Committee of the Executive Council, co-chaired by the Chief Secretary and Financial Secretary, is the main platform for policy coordination among various bureau ministries. Bureau ministers now can no longer behave as chiefs of independent fiefdoms, as often occurred in the past under Tung.

Reactivating the Commission on Strategic Development

The inactive Commission on Strategic Development was re-activated to serve as the most important advisory body to the Chief Executive. It provides a platform for all sectors of the community to explore major issues pertaining to long-term development with the government. The Commission is expected to be able “to gauge a wide range of community views to help forge a consensus on important issues, thereby laying the foundation for formulating

⁸ *Ibid.*, p.7.

specific policies.”⁹ Chaired by the Chief Executive, the Commission has expanded its appointed membership size to 153. As such, political opportunities have been opened up, in order to enable community leaders to participate in the advisory body. It is intended to work as a United Front organization, to win over the hearts and minds of leaders of various sectors. If it works successfully, the Commission can be a powerful tool to be used by the government to check on, and balance the influence of, the Legislative Council on important policy matters. In other words, the government wants a large-scale advisory body which is fairly representative, to act as a counter-weight to the Legislative Council.

Enlarging the Composition of the Legislative Council in 2008

In addressing the demand for more democracy in Hong Kong, Tsang proposed to expand the number of seats of the Legislative Council from 60 to 70. Directly-elected seats from geographical constituencies will be increased from 30 to 35, while indirectly elected seats from functional constituencies (various social and business sectors) will also be increased from 30 to 35. The 5 additional functional-constituency seats will all go to the District Council Functional Constituency. In other words, the number of seats returned by the District Council Functional Constituency will increase from the present 1 to 6. As District Councils are composed of local community leaders, it is hoped that the increase of District Council Functional Constituency seats in the Legislative Council will enhance the degree of representation of the legislature. Tsang thought that the increase of 5 directly elected seats and 5 District Council Functional Constituency seats in the Legislative Council was a reasonable step towards advancing the process of democratization, by creating more opportunities for politicians to participate in the governance process.

Revising the Method for Selecting the Chief Executive in 2007

As prescribed in the Basic Law (constitution of Hong Kong), the Chief Executive was elected by an Election Committee composed of 800 members, indirectly-elected from four sectors (business circles, professional bodies, labour unions, and the political sector). In response to the public demand that the Chief Executive be elected on a more democratic basis, Tsang proposed to increase the membership size of the Election Committee from 800 to 1,600, while the four original sectors and the election methods of each sector remained unchanged. The number of members for each of the business, professional and labour sectors was increased from 200 to 300. The number

⁹ *Ibid.*

of members for the political sector was increased from 200 to 700, with the inclusion of all appointed and elected District Council members. It was also proposed that where only one candidate was nominated, election proceedings should continue. The existing requirement that the Chief Executive should not have any political affiliation remained. Tsang considered that such amendments could broaden the electoral base of the Election Committee, increasing the degree of representation of the Chief Executive.

Expanding the Role of the District Councils

District Councils were originally designed mainly as advisory bodies, whose main area of concern was local community affairs. In order to groom political talent and provide more opportunities for activists to participate in district affairs, Tsang proposed that each District Council assume responsibility for the management of specified district facilities, such as libraries, community halls, leisure grounds, sport venues, and swimming pools. Executive departments would follow the decisions of the District Council in managing such facilities, within the limits of their existing statutory powers and the resources available. In relation to the increased political role of District Councils, the number of District Council Functional Constituency seats in the Legislative Council was to be increased from 1 to 6, as specified in the proposed 2008 Legislative Council composition.

In formulating the above proposed package, Tsang said he considered the following principles:

1. The proposed package must be consistent with the relevant provisions of the Basic Law and the Decisions of the National People's Congress Standing Committee of 26 April 2004, which stipulated that: the election of the third term Chief Executive in 2007 should not be by means of universal suffrage; that the election of the fourth term Legislative Council in 2008 should not be by means of an election of all the members by universal suffrage; and that the ratio between members returned by functional and geographical constituencies who shall respectively occupy half the seats is to remain unchanged.¹⁰
2. The proposed package should provide more opportunities for the public to participate in the elections of the Chief Executive and the Legislative Council, and broaden the representative qualities of these two electoral systems.
3. The proposed package should take into account views received from different sectors of the community and respond to the community aspirations for constitutional development.

¹⁰ *The Fifth Report of the Constitutional Development*, Hong Kong: Hong Kong Government, October 2005, p.38.

4. The proposed package should move substantively towards the ultimate aim of universal suffrage.
5. The proposed package should be acceptable to the Chinese central government, the Chief Executive, the Legislative Council, and different sectors of the community.¹¹

Political Tensions in Hong Kong

Although Tsang thought that his reform package considered and integrated different views within society, the proposed reforms of the Legislative Council composition and the method of election for the Chief Executive were defeated in the Legislative Council on 21 December 2005. As the reform package touches on the political structure, it required a two-thirds majority vote in the Legislative Council for approval, as stipulated in the Basic Law. Although backed by all of the pro-government conservative political forces in the Legislative Council, the political reform bill was still defeated by failing to obtain the required two-thirds majority. All 34 pro-government conservative legislators voted for the bill, while the 24 pro-democracy legislators voted against it. One non-affiliated pro-democratic politician abstained, and the chairman of the Legislative Council did not vote.

The pro-democratic legislators gave two reasons for having opposed the bill. The first reason was that the proposed package did not include a road map and timetable to implement universal suffrage in electing the Chief Executive and the whole Legislative Council. A ‘road map’ refers to the steps or stages through which the Chief Executive and the Legislative Council will be elected by universal suffrage, as promised in the Basic Law. A ‘timetable’ refers to the time frame for implementing various stages for achieving universal suffrage. Tsang indicated that “views on the issue of universal suffrage remain diverse in the community, and that it would be difficult to reach a consensus in the near future.”¹² The refusal of Tsang to include a timetable in the reform package was seen by the democrats as revealing his insincerity about introducing democracy in Hong Kong.

The second reason is concerned with the increased political influence of appointed members of District Councils. To reform the composition of the Legislative Council, Tsang proposed allocating all five of the new functional constituency seats of the Legislative Council to the District Council Functional Constituency. The democrats opposed this, because District Councils would have 102 appointed members in addition to 427 directly elected members from 18 districts. Appointed membership is regarded by the democrats as an undemocratic practice and, thus, deserving of abolition. As the number of seats for the District Council Constituency in the Legislative

¹¹ *Ibid.*, pp.26-27.

¹² *Ibid.*, p.39.

Council would be increased from 1 to 6 under Tsang's proposal, there would be a strong possibility that appointed members of District Councils could enter into the Legislative Council, which is supposed to be a truly representative body of people. In the election of the Chief Executive, Tsang proposed to include all District Council members (both elected and appointed) on the Election Committee. The democrats again perceived this as problematic, because appointed members are themselves not representative of the people; they are merely appointed by the Chief Executive, and yet would have the right as members of the Election Committee to vote for the Chief Executive.

The general public in Hong Kong was seriously divided on the reform package and their views were ambiguous. Hong Kong's people marched for universal suffrage on 4 December 2005, with an estimated 250,000 demonstrators taking part. One day after the march, Chinese Premier Wen Jiabao said that he was "very concerned" about the situation in Hong Kong.¹³ Subsequently, the pro-Beijing camp launched a campaign to back the reform package. Leftist Union leader Cheng Yiu-tong said that "There are people who support a timetable as well as the government package. Such views should also be fully reflected."¹⁴ A week before the reform package was discussed in the Legislative Council, opposition to the reform package without a timetable had been strong. A survey showed that 52% of the respondents wanted the government to incorporate a timetable for universal suffrage in the reform package.¹⁵ However, 43% of the respondents said they supported the reform package.¹⁶ Another survey found that 37.7% of the respondents thought the legislators should pass the reform package, if the government proposed a gradual reduction in the number of appointed District Council seats, but did not set out a timetable for universal suffrage; while 35.1% of the respondents said "no."¹⁷ Another interesting figure was that 44.3% of the respondents thought the pace of progress towards universal suffrage would be slower if the Legislative Council vetoed the package.¹⁸ It was clear that the reform package without a timetable for universal suffrage did not receive strong support within the community, and that there was no broad consensus on the contents of the reform package.

In response to the strong opposition from the democrats and the indecision of a divided public, Tsang delivered some counter-proposals to "perfect" the reform package just two days prior to the deliberations of the Legislative Council. Under these government concessions, appointed District

¹³ *South China Morning Post*, 6 December 2005, p.A1

¹⁴ *South China Morning Post*, 12 December 2005, p.A2.

¹⁵ A survey conducted by the Public Opinion Programme of the University of Hong Kong. *Apple Daily News*, 15 December 2005, p.A13.

¹⁶ *Ibid.*

¹⁷ A survey conducted by the Public Opinion Programme of the University of Hong Kong. *South China Morning Post*, 19 December 2005, p.A6.

¹⁸ *Ibid.*

Council seats would be reduced by one-third from 102 to 68 from 2008. The government would reconsider the situation in 2011, to decide whether to abolish the remaining seats the following year, or to cut the number to 34 before abolishing them in 2016.¹⁹ These concessions would only affect the 6 seats in the Legislative Council to be returned by District Councillors in 2008, while the present 102 appointed District Councillors would still be members of the enlarged Election Committee to choose the Chief Executive in 2007. On the issue of a timetable for universal suffrage, Tsang reiterated that it would be impossible to initiate a timetable at this stage,²⁰ repeating only that the reform package dealt with the electoral arrangements for the 2007 election of the Chief Executive and the 2008 election of the Legislative Council.

Tsang's concessions came across as 'too little and too late' to win the support of the democrats in the Legislative Council. Legislators in the democratic camp stood firm on demands for a timetable for universal suffrage and the scrapping of all appointed District Council seats in exchange for support for the reform package. Democratic legislator Chan Wai-yip said, "No matter whether appointed District Council seats are abolished in two or three phases, or are completely scrapped today, I will oppose the proposal. The present proposal violates the principle of balanced and universal participation, as the majority of the public are not able to elect the Chief Executive."²¹ Legislator Albert Cheng said that "It was difficult to accept a gradual phasing out of appointed District Council seats, especially as this would only come after the package was passed."²² Legislator Kwok Ka-ki criticized Tsang for failing to specify when universal suffrage could be achieved: "The revised proposal does not respond to the 250,000 people who marched on 4 December ... It is not getting any closer to universal suffrage; it's moving away and expanding the small circle election."²³ Legislator Audrey Eu of the Civic Party said "The changes are pathetic because the government asks us to pass the reform package before reducing the number of appointed seats. How can this be called a step towards democracy? It is contempt of the public."²⁴ The then chairman of the Democratic Party, Lee Wing-tat, said that "The revised proposal is worse than what we expected. The concessions fell far short of demands."²⁵ If the government takes ten years to abolish all the appointed seats of the District Councils by 2016, then it is reasonable to presume that the government will take at least twenty years or more to introduce universal suffrage for the election of the Chief Executive and the whole Legislative Council. The government's

¹⁹ *South China Morning Post*, 20 December 2005, p.A1.

²⁰ *Ibid.*

²¹ *Ibid.*

²² *Ibid.*

²³ *Ibid.*

²⁴ *Ibid.*

²⁵ *Ibid.*

intransigence over the abolition of appointed seats will deepen doubts about its commitment to universal suffrage.²⁶ Former Chief Secretary, Anson Chan (widely known as Hong Kong's conscience), challenged Tsang by asking, "Is Tsang prepared to pledge that he will propose to the Beijing government to implement universal suffrage in Hong Kong by 2012?"²⁷

Governance Crises in Hong Kong

The defeat of the reform package in the Legislative Council was the most severe blow to Tsang's governance since his assumption of the leadership in June 2005. Ever since Tsang assumed office, he emphasized strong leadership and effective governance. However, he experienced his first major defeat only six months after he had become the Chief Executive. The defeat of the reform package signified not only a success for the democratic camp, but also alienated the conservative camp that had firmly supported the government's position. It was a double loss to Tsang. In fact, Hong Kong has been facing governance crises of varying degrees since the handover of sovereignty in 1997. The defeat of the reform package triggered a new wave of political crises that included the issue of governance in Hong Kong.

Governance, as a political concept, emphasizes the role of government in steering and regulating society. From this perspective, the basic role of government is to make policy and to influence situations in the surrounding society.²⁸ The theoretical emphasis of governance is to move away from the institutions and powers of government towards the task of public regulation, a function which government may share with other actors involved in regulating modern societies.²⁹ Governance, then, refers to the various ways through which political life is coordinated.³⁰ Understood to be the task of managing a complex society, governance involves the coordination of both public-sector and private-sector networks to get things done without having to command that they be done.³¹ Governance, therefore, implies persuasion exerted through a network, rather than direct control over a hierarchy.³² Another important theoretical element of governance is the focus on government activities, policies, and achievements in regulating the polity, rather than on the internal organization or its direct provision of goods and

²⁶ Chris Yeung, "A Baby Step that's Too Little, Too Late to Convince Critics," *South China Morning Post*, 20 December 2006, p.A3.

²⁷ *South China Morning Post*, 20 December 2005, p.A2.

²⁸ A. Ball & G. Peters, *Modern Politics & Government*, N.Y.: Palgrave, 2005, p.18.

²⁹ J. Pierre & G. Peters, *Governance, Politics and the State*, N.Y.: St Martins, 2000, p.7.

³⁰ A. Heywood, *Key Concepts in Politics*, N.Y.: Palgrave, 2000, p.18.

³¹ R. Rhodes, "The New Governance: Governing without Government," *Political Studies*, Vol. 44, 1996, pp.652-667.

³² R. Hague & M. Harrop, *Political Science: A Comparative Introduction*, N.Y.: Palgrave, 2004, p.6.

services. On this theoretical basis, 'governance' refers to the activity, process or quality of governing.³³ In this context, governance implies what governments do and how well they do it. The concept of governance is, therefore, an important one when examining the activity and effectiveness of government.

From the governance perspective, the defeat of Tsang's political reforms proposal exposes a fundamental problem with Tsang's governance: his administration cannot be an effective regulator in the political arena at present or in the near future. Specifically, Tsang faces political crises in various respects: with legitimacy, stability, political accountability, the executive-legislative relationship, and integration.

The legitimacy of the political system in Hong Kong is facing severe pressure, as it is not regarded as a truly representative system by democratic politicians, nor by the general public. Both democratic politicians and the general public express a strong demand for universal suffrage to be implemented in Hong Kong, as evidenced by the 2003, 2004, 2005, 2006, and 2007 mass rallies and regular opinion surveys. One survey showed, for example, that nearly 70% of people wanted universal suffrage by 2012 and 60% said that the government must set a timetable for reaching full democracy.³⁴ People have always criticized the way that the Chief Executive and half of the legislators are elected by small-circle elections, which are restricted to a small number of conservative social and business elites. As Tsang insisted on not setting a timetable for full democracy, the legitimacy of the Chief Executive and the Legislative Council remain at a low level in the perception of the population. It can be counter-argued that universal suffrage is not the only basis for the legitimacy of the government, and that high legitimacy can derive from government performance. Kuan and Lau have argued that "people in Hong Kong already treasure the rule of law, freedom, and civil society. They are content with a government that is willing to consult the people. Democracy in the sense of electoral democracy is a luxury."³⁵ However, Tsang's performance index is not high enough to earn him great respect and recognition from the general public and the politicians of the democratic camp. One survey showed that only 23% of people were satisfied with the political environment and only 33% of people were satisfied with the social environment.³⁶ A barely legitimate leader will face tremendous difficulties in persuading and coordinating the various actors in the political arena to support his policies and to regulate the polity. The

³³ *Ibid.*

³⁴ A survey conducted by the Chinese University of Hong Kong. *South China Morning Post*, 4 November 2005, p.A2.

³⁵ H.C. Kuan & S.K. Lau, "Political Learning and Elections in Hong Kong," in Kuan H.C. & Lau S.K. (eds), *Out of the Shadow of 1997*, H.K.: Chinese University Press, 2002, p.333.

³⁶ A survey conducted by the University of Hong Kong in December 2005. *Apple Daily News*, 21 December 2005, p.A4.

subsequent withdrawal of the government's large-scale West Kowloon Cultural District plan in early 2006, owing to strong opposition from political parties, the general public, and the Legislative Council, is a case in point.

The continuous struggle for universal suffrage will arouse opposition within the community, thus jeopardizing the political stability of Hong Kong. Wong observed that Hong Kong has been divided over two contrasting movements: "mainlandization" versus democratization.³⁷ Democrats organized to promote a democratic government that can resist the trend towards mainlandization which stands for "a Chinese economic, ideological, judicial, and cultural hegemony at various levels of society so that Hong Kong will ultimately be transformed into a Chinese society."³⁸ Annual mass rallies in support of universal suffrage and a more open and democratic government have been organized since the handover. Tens of thousands of people were mobilized and went to the streets to express their dissatisfaction with the government. Small-scale protests and demonstrations have also been organized and held on a near-weekly basis, leading to Hong Kong's recent nickname of "the demonstration city." Although the anti-government feeling is not at a dangerous level at the moment, it nevertheless creates some under-currents that will topple the government. The Hong Kong government has been facing several deep-level conflicts that have divided society since the handover, including: restructuring to a knowledge-based economy, which created unemployment and salary cuts; the government's privatization initiatives, which resulted in the reduction of social welfare and health care services and the shifting of the financial burden to the general public; and the legislation of the national security bill, which has endangered the basic freedoms and rights of citizens. All of these deep-rooted conflicts can be easily exploited and manipulated under the name of the demand for more representative leaders and a more democratic government. Populism can be an attractive ideology to destabilize the government, when society is suffering from intensive social and economic problems. The successful election of outspoken and radical politicians, such as Leung, into the Legislative Council are signs that voters in Hong Kong now prefer and accept political leaders who sternly challenge the government on every occasion, firmly stand on the side of the disadvantaged, insistently demand universal suffrage, and bravely adopt radical measures to oppose the government. Tsang made it clear that he would not re-start the political reform initiative immediately after the defeat of his reform package: "There will be no new proposal. I will have more time to deal with economic and livelihood issues."³⁹ Such a defensive attitude on Tsang's part neither helps alleviate the

³⁷ B. Wong, "Mainlandization Vs Democratization," in Kuan H.C. & Wong T. (eds), *The 2004 Legislative Council Elections in Hong Kong*, H.K.: Chinese University Press, 2006, pp.241-273.

³⁸ *Ibid.*, p.271.

³⁹ *South China Morning Post*, 22 December 2005, p.A1.

demand for universal suffrage from the general public, nor enhances the political stability of Hong Kong.

Reforming the Executive Council by adding more non-official members and asking the bureau ministers only to attend those meetings with items on the agenda that directly concern their portfolios neither increases any degree of political accountability to the Legislative Council, nor eases tensions between the legislative and executive branches. The whole theme of Tsang's executive revamp is to underline the importance of the executive-led principle. At a post-policy-address press conference, Tsang said that "It is important to remember that it is now an executive-led government. The Basic Law does not mention power-sharing."⁴⁰ In Tsang's mind, sharing more power with the Legislative Council is not the main objective of his executive reforms. On the contrary, enhancing the power of the executive vis-à-vis the legislature is the real motive behind the revamp. The appointment of non-official Executive Council members and bureau ministers remains the business of the Chief Executive solely, without the need to seek approval from the Legislative Council. A vote of no-confidence from the Legislative Council with respect to any bureau minister is also merely a non-binding resolution. There is no new arrangement to increase the degree of political accountability of the executive to the Legislative Council, or to increase the policy-making and supervisory powers of the legislature. Under the Basic Law, the Legislative Council is subject to various constraints in the areas of legislation and supervision. Ma is right to point out that the post-1997 Legislative Council is relatively more successful than the pre-1997 legislature in increasing the transparency and responsiveness of the non-elected Hong Kong government.⁴¹ However, this may be due to the strong determination of the elected members of the Legislative Council, rather than the efforts of the administration. There was no attempt by Tsang to elevate the political status of the Legislative Council in his policy address, let alone to remove any of these constraints.

As members of the Legislative Council are elected by their own geographical or functional constituencies, they are accountable to their own political parties or constituents. As such, they behave independently and they have to prove both their performance and their existence. As the executive and the Legislative Council become competitors for power and influence, legislators are reluctant to cooperate with the executive authorities. What makes the situation worse is that the Chief Executive himself does not have a ruling party with members loyal to him sitting on the Legislative Council to support government bills. The political system of Hong Kong does not operate on a ruling party basis, making the Chief Executive's powers difficult

⁴⁰ *South China Morning Post*, 13 October 2005, p.A1.

⁴¹ N. Ma, "Executive-Legislative Relations: Assessing Legislative Influence in an Executive Dominant System," in Lau S.K. (ed), *The First Tung Chee-hwa Administration*, H.K.: Chinese University Press, 2002, p.367.

to exercise. As the Chief Executive himself is not directly elected by the general public, it is difficult for him to claim leadership over those legislators who are directly elected by the people. Tsang has the political power to govern, yet he lacks a popular mandate. On the contrary; the directly elected legislators have a popular mandate, yet they lack the political power to govern. P.K. Li has argued that there has been a “mis-matching of the operational logic” of popular elections in the Legislative Council with the non-elected Chief Executive.⁴² Tsang’s attempts at executive and political reforms have not helped to resolve the issues of political unaccountability and uncooperative executive-legislative relations in the quasi-democratic context of Hong Kong.

The defeat of Tsang’s reform package has led to the further disintegration of the political unity previously forged among such important political forces in Hong Kong as the Chief Executive, the pro-China leftist Democratic Alliance for the Betterment and Progress of Hong Kong (DABP), the pro-business Liberal Party, and the democratic camp. As the Chief Executive does not have a ruling party in the Legislative Council, he has to rely on the support of the pro-government DABP and the Liberal Party for votes. On the issue of political reform, the DABP and the Liberal Party firmly supported Tsang’s reform package, in sharp contrast to the public’s general aspiration for universal suffrage by 2012, as shown by various opinion surveys. In giving support to Tsang, the DABP and the Liberal Party bear the cost of defying public opinion, which may in turn affect their political popularity and seats in the next Legislative Council. The defeat of Tsang’s reform package signified a double loss to the DABP and Liberal Party: they lost the political battle to the democrats, and they also alienated the general public. Tsang may have difficulty in soliciting future support from the DABP and Liberal Party, neither of which want to form a coalition with the government.

In fact, there are signs that Chief Executive Tsang is not fully trusted and respected by the leftist DABP. Tensions between Tsang and the pro-Beijing party increased markedly after a DABP lawmaker criticized him: “There seemed to be a cultural gap and emotional distance between Tsang and the patriotic forces. He was viewed by some in the pro-Beijing camp as arrogant and disrespectful of the patriotic values they cherished over the decades and paid dearly for. His elevation alienated quite a few in this camp.”⁴³ Another sign of tension is that the vice-chair of the leftist Federation of Trade Unions (FTU) boycotted a meeting between Tsang and the FTU to discuss the 2005 Policy Address in September 2005.⁴⁴ The DABP’s support

⁴² P.K. Li, “The Executive-Legislative Relationship in Hong Kong: Evolution and Development,” in Cheng J. (ed), *Political Development in the HKSAR*, H.K.: City University Press, 2001, pp.85-100.

⁴³ *South China Morning Post*, 4 April 2005, p.A8.

⁴⁴ *South China Morning Post*, 14 September 2005, p.A2.

for the Chief Executive cannot be taken for granted; as the then DABP Vice-chairman Tam Yiu-chung stated, “We will not blindly support what Tsang says.”⁴⁵ The chairman of the DABP at the time, Ma Lik, said openly that “The DABP will only support the government willingly if Tsang pledges to share power with us.”⁴⁶ Ma also said that “The Chief Executive should appoint more Executive Councillors and bureau ministers from pro-government political parties.”⁴⁷ The pro-business Liberal Party takes a similarly distant stance vis-à-vis Tsang. The chairman of the Liberal Party, James Tien, said “There is no need for us to defend him ... there is no need for us to say anything for the government any more. I don’t know whether we are still considered a part of the ruling alliance.”⁴⁸ The political coalition among the Chief Executive, the leftist DABP, and the pro-business Liberal Party can hardly be perceived to be a firm and strong political alliance. The increased negotiating and bargaining power of the DABP and the Liberal Party, as a result of their expanded number of seats in the Legislative Council, make Tsang’s goal of strong governance difficult to achieve in practice.

The hostility between the government and the democratic camp came to its highest point after the defeat of the reform package. Twenty-four legislators of the democratic camp opposed the reform package and brought about its defeat. Former Democratic Party chairman Martin Lee had called for a veto of the proposal, which was criticised by the then Chief Secretary, Rafael Hui: “Their goal of marching on the spot has been attained. I hope they will accept the consequences.”⁴⁹ Hui continued to voice heated criticism of the democratic camp: “The democrats had defied public opinion and ignored the Basic Law’s prescription of gradual and orderly progress in rejecting the blueprint for electoral reform.”⁵⁰ The government also marginalized the democrats from the inner ruling circle. The pro-democracy camp accounts for just a tenth of the Commission on Strategic Development which maps out planning strategies for Hong Kong. There are only 14 democratic camp members selected by the Chief Executive to sit on the Commission, out of a total 153 members.⁵¹ The rest of the members are all recruited from the pro-China and pro-business sectors. Such an unbalanced membership will significantly undercut the credibility and neutrality of the Commission’s recommendations. Chief Executive Tsang further hardened his stance towards the democrats by saying that “There will be differential treatment for those who support the government from those who oppose the

⁴⁵ *South China Morning Post*, 19 March 2005, p.A3.

⁴⁶ *South China Morning Post*, 30 May 2005, p.A2.

⁴⁷ *South China Morning Post*, 19 April 2005, p.A2.

⁴⁸ *South China Morning Post*, 10 March 2005, p.A3.

⁴⁹ *South China Morning Post*, 22 December 2005, p.A1.

⁵⁰ *Ibid.*

⁵¹ *South China Morning Post*, 16 November 2005, p.A3.

government.”⁵² Such comments hint that the level of cooperation and trust between the Tsang-led government and the democratic camp will be even lower than originally expected. The democrats will be further marginalized and will react by assuming a more radical stance and mounting oppositional activities, through both institutional and non-institutional means. As such, the relationship between the major political forces will become more adversarial, while the integration of the political system becomes weaker. Loh and Cullen observed that “Hong Kong’s comparative lack of a strong governing capacity is significant and widely apparent.”⁵³ Extending Loh and Cullen’s analysis, the failure to build a strong political unity and a coalition across all political forces largely limits the governance capacity of the government.⁵⁴

The 2007 Chief Executive Election and Beyond

The political reforms initiated by Chief Executive Tsang brought some opportunities for enhancing the executive-led system and developing democracy in Hong Kong. Yet the introduction of some executive changes and the defeat of the reform package led to a deepening political crisis. From the governance perspective, which perceives government to be an effective regulator and coordinator in a complex and pluralistic political context, the proposed reforms and their subsequent defeat have not helped to enhance a strong, executive-led government in Hong Kong. The proposed reforms would not have increased the legitimacy of the Chief Executive or the representative capabilities of the Legislative Council. They would not have improved the degree of political accountability, or smoothed the tense relations between the executive and the legislative. They would not have stabilized the political system by responding to the general demand for universal suffrage and taking the necessary steps towards democratization. Neither would they have forged a stronger integration of the major political forces in the political arena. Consequently, Hong Kong continues to face a governance crisis in the absence of a consensus on an acceptable political model. The governance and political leadership of the Chief Executive in Hong Kong will be extremely vulnerable in the coming years. This argument is echoed by Cheung and Wong’s analysis that “further constitutional reform towards strengthening the political mandate of the executive, such as democratizing the election system, should shore up the legitimacy of the

⁵² *South China Morning Post*, 15 May 2006, p.A1.

⁵³ C. Loh & R. Cullen, “Political Reform in Hong Kong: The Principal Officials Accountability System. The First Year (2002-2003),” *Journal of Contemporary China*, Vol.14, February 2005, p.173.

⁵⁴ *Ibid.*, pp.153-176.

executive and dampen political opposition to their decisions and actions camouflaged as judicial challenges.”⁵⁵

The lack of progress in democracy and the frustration of hopes for better governance in Hong Kong set the background for the success of the democrats in getting an unexpectedly large number of seats in the 800-member Election Committee for selecting the 2007 Chief Executive. In the election held on 10 December 2006, the democrats won 114 seats out of 137 contested—a very high success rate. Alan Leung of the democratic Civic Party was therefore able to get the minimum required number of 100 nominations from the Election Committee to qualify as a Chief Executive candidate. Although the Election Committee (elected by mostly professionals and businessmen) was still dominated by conservative pro-China and pro-government members, a number of implicit messages were sent. Firstly, the democrats won a majority of seats in those professional sub-sectors of the Election Committee which practice the one-man-one-vote system (eg. Higher Education, the Legal Profession). The aspiration for democracy was strong in various professional sectors. Secondly, there was a strong indication that most professionals wanted a contested election for the Chief Executive. In the past two Chief Executive elections, there was only one candidate. Thirdly, professionals were tired of Tsang’s pro-Beijing approach on various policy issues. They wanted a stronger person to defend Hong Kong’s interests and to care more for the general public on issues that affect day-to-day life. Fourthly, Tsang was now under severe political pressure and subjected to challenges from the democrats and the general public, even though he was re-elected by the pro-government/China-dominated Election Committee for his second term. Tsang’s governance, therefore, will not be easy in the coming five years from 2007 to 2012. Specifically, Tsang will face political crises on a number of fronts, including legitimacy, stability, political accountability, executive-legislative relations, and integration.

⁵⁵ A. Cheung & M. Wong, “Judicial Review and Policy Making in Hong Kong: Changing Interface between the Legal and the Political,” *The Asian Journal of Public Administration*, Vol.28, No.2, 2006, p.137.