

**THE PROMISE OF
DEMOCRATIZATION IN HONG KONG
THE 2007 CHIEF EXECUTIVE ELECTION**

NDI Hong Kong Report #11

April 30, 2007



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Autonomy and the Rule of Law, NDI Hong Kong Report No. 3, May 1, 1998.

The May 24, 1998 Elections – A Pre-Election Report, NDI Hong Kong Report No. 4, May 15, 1998.

The May 24, 1998 Elections, NDI Hong Kong Report No. 5, July 30, 1998.

The 2002 Chief Executive Election and the Transition Five-Years after Reversion, NDI Hong Kong Report No. 6, March 11, 2002.

Accountability without Democracy? The Principal Officials Accountability System in Hong Kong, NDI and Civic Exchange, October 16, 2002.

The Impact of July's Protest Demonstrations on the November 23 District Council Elections – A Pre-Election Report, NDI Hong Kong Report No. 8, November 17, 2003.

The September 12, 2004 Legislative Council Elections – A Pre-Election Report, NDI Hong Kong Report No. 9, August 31, 2004.

The 2005 Chief Executive Election, NDI Hong Kong Report No. 10, June 21, 2005.

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NATIONAL DEMOCRATIC INSTITUTE FOR INTERNATIONAL AFFAIRS

The National Democratic Institute for International Affairs (NDI) is a nonprofit organization working to strengthen and expand democracy worldwide. Calling on a global network of volunteer experts, NDI provides practical assistance to civic and political leaders advancing democratic values, practices and institutions. NDI works with democrats in every region of the world to build political and civic organizations, safeguard elections, and promote citizen participation, openness and accountability in government.

Democracy depends on legislatures that represent citizens and oversee the executive, independent judiciaries that safeguard the rule of law, political parties that are open and accountable, and elections in which voters freely choose their representatives in government. Acting as a catalyst for democratic development, NDI bolsters the institutions and processes that allow democracy to flourish.

Build Political and Civic Organizations: NDI helps build the stable, broad-based and well-organized institutions that form the foundation of a strong civic culture. Democracy depends on these mediating institutions – the voice of an informed citizenry, which link citizens to their government and to one another by providing avenues for participation in public policy.

Safeguard Elections: NDI promotes open and democratic elections. Political parties and governments have asked NDI to study electoral codes and to recommend improvements. The Institute also provides technical assistance for political parties and civic groups to conduct voter education campaigns and to organize election monitoring programs. NDI is a world leader in election monitoring, having organized international delegations to monitor elections in dozens of countries, helping to ensure that polling results reflect the will of the people.

Promote Openness and Accountability: NDI responds to requests from leaders of government, parliament, political parties and civic groups seeking advice on matters from legislative procedures to constituent service to the balance of civil-military relations in a democracy. NDI works to build legislatures and local governments that are professional, accountable, open and responsive to their citizens.

International cooperation is key to promoting democracy effectively and efficiently. It also conveys a deeper message to new and emerging democracies that while autocracies are inherently isolated and fearful of the outside world, democracies can count on international allies and an active support system. Headquartered in Washington, D.C., with field offices in every region of the world, NDI complements the skills of its staff by enlisting volunteer experts from around the world, many of whom are veterans of democratic struggles in their own countries and share valuable perspectives on democratic development.

The Promise of Democratization in Hong Kong:

The 2007 Chief Executive Election

From March 11-16, the National Democratic Institute for International Affairs (NDI) conducted an assessment mission to Hong Kong in the lead-up to the Chief Executive election scheduled for March 25. The assessment team comprised: Peter Manikas, NDI Senior Associate and Regional Director for Asia programs; Ivan Doherty, NDI Senior Associate and Director of Political Party Programs; and Eric Bjornlund, Co-Founder and President of Democracy International. The team's meetings included: current and former government officials; political party leaders and legislators; nongovernmental organization representatives; academics; journalists; diplomats; and others. Eric Bjornlund is the principal author of this report, to which each of the other team members also contributed. Peter Manikas served as the principal editor.

This report of the assessment mission is the eleventh in a series prepared by NDI about the promise of democratization in Hong Kong. Since early 1997, NDI has monitored the status of autonomy and the prospects for democratization in the Hong Kong Special Administrative Region (HKSAR) in light of international standards and benchmarks outlined in Hong Kong's Basic Law. NDI has also organized study missions and issued periodic reports on political developments in the region. These reports have assessed: the development of Hong Kong's post-reversion election framework; the political environment on the eve of reversion to Chinese sovereignty; the status of autonomy, rule of law and civil liberties under Chinese sovereignty; the various elections in the HKSAR under Chinese sovereignty; the Principal Officials Accountability Systems; and the prospects for democratization beyond the 10-year period set forth in the Basic Law. The Institute hopes that its efforts will contribute to better understanding of the ongoing transition process and provide support to those interested in advancing democratization in Hong Kong.

Kenneth Wollack
President

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I. EXECUTIVE SUMMARY

The recent selection of a new Chief Executive (CE) and the upcoming anniversary of Hong Kong's reversion to Chinese sovereignty make this an appropriate time for the international community to reexamine the status of democratization and autonomy in Hong Kong. Resolving the current debate about political institutions and constitutional reform, including proposals for elections with universal suffrage for the Chief Executive and the Legislative Committee (LegCo), will determine when the promise of democracy in Hong Kong will be realized.

On March 25, an 800-member Election Committee (EC) elected Hong Kong's new Chief Executive. Incumbent Donald Tsang, Beijing's favored candidate, won with 649 votes, or 82 percent of the 789 Election Committee members who voted. Challenger Alan Leong, of the pan-democrat camp which demands universal suffrage for executive and legislative elections in Hong Kong, finished with 123 votes. There were 11 blank ballots. Given the closed, "small circle" election process, the outcome was never in doubt. The process did not meet international democratic standards, nor did it achieve the selection of a Chief Executive through universal suffrage—the ultimate aim of the Basic Law—China's national law that serves as Hong Kong's constitution. However, the election attracted a challenger from the democratic camp who received enough support to be formally nominated and force a formal balloting process within the Election Committee. In addition, despite the limited electorate, campaigning included public debates and each of the candidates appealed to the entire Hong Kong community for support.

July 1, 2007 will mark the tenth anniversary of Hong Kong's reversion to Chinese sovereignty. It is also the date which many believed would mark the beginning of elections through universal suffrage under Hong Kong's Basic Law, China's national law that serves as Hong Kong's constitution. While the Basic Law unambiguously establishes the "ultimate aim" of direct elections based on universal suffrage for both the Chief Executive and the Legislative Council, the Basic Law does not specify a date by which Hong Kong will introduce democratic elections for the Chief Executive. However, there was a broad expectation in Hong Kong that democratic elections would be introduced in 2007. Many in Hong Kong and the international community continued to hope that this promise of democratic elections would be fulfilled this year.

Until a new process is adopted, an 800-member Election Committee elects the Chief Executive. Only half of the seats in the Legislative Council are directly elected, and neither the Chief Executive Election Committee nor the LegCo are broadly representative.

In elections for the 800-member Election Committee held in December 2006, the pan-democrats had considerable success electing supporters among the functional constituencies, which comprise 550 members. A pan-democratic working group endorsed 137 candidates in these subsector elections, of whom 134 were elected, more

than enough to nominate a second candidate who would pledge to fight for democratic elections in the future.

To be on the ballot for Chief Executive, a candidate needed to receive public nominations from at least 100 of the 800 members of the Committee. Donald Tsang received nominations from 641 Committee members. Alan Leong of the Civic Party received nominations from 132 members. This was the first time that a candidate from the pan-democratic camp had managed to get the 100 nominations required to force the Election Committee to hold a formal ballot to choose between the candidates.

There have been several recent proposals for constitutional reform, which would result in fully democratic elections for Chief Executive and the Legislative Council. Under the proposal agreed to by 21 of the 25 legislators from the democratic camp, the 400 elected district council members would be added to the existing 800-member Election Committee to constitute the nominating committee for Chief Executive. A candidate would need 50 nominations from the Election Committee to be eligible. For the legislature, the pan-democrats propose a mixed electoral system, with half the seats elected directly from single-member constituencies and half elected through territory-wide proportional representation. Another proposal, offered by former Chief Secretary Anson Chan, is similar, although she appears more willing to accept delays in achieving the goal of full universal suffrage than do the pan-democrats in the LegCo.

The four dissenting LegCo members from the democratic camp argue that nothing short of immediate universal suffrage is democratic or acceptable, and they reject the idea of a nominating committee for Chief Executive candidates, although they acknowledge that their proposals would require Beijing to amend the Basic Law.

The government of Hong Kong states that its policy is to promote democracy and encourage community consensus on constitutional reforms. The Chief Executive has appointed a Commission on Strategic Development, with a term to June 2007, to come up with proposals for constitutional reform. Tsang has announced plans for a public consultation document, or Green Paper, to be circulated this year. This process provides an important opportunity for the Hong Kong community to agree on its future political system and to negotiate for that system with the central government in Beijing.

II. BACKGROUND

NDI and Hong Kong

From March 11 to 16, 2007, the National Democratic Institute for International Affairs (NDI) conducted an assessment of the political environment in Hong Kong in the period leading up to the election for Chief Executive on March 25. The team included Peter Manikas, NDI Senior Associate and Asia Regional Director; Ivan Doherty, NDI Senior Associate and Director of Political Party Programs; Gordon Davis, NDI Hong Kong Resident Country Director; and Eric Bjornlund, principal of Democracy International and former NDI Asia Regional Director. The team also included NDI Program Officer Belinda Winterbourne and Program Assistant Stephen Tong.

While in Hong Kong, the assessment team held extensive interviews with government officials, political party leaders, civil society and business representatives, and members of the international community. This report states the team's findings.

Eric Bjornlund is the principal author of this report, to which each of the other team members also contributed. Peter Manikas served as the principal editor.

This report is the eleventh in a series prepared by NDI about the promise of democratization in Hong Kong. Since early 1997, NDI has monitored the status of autonomy and the prospects for democratization in the Hong Kong Special Administrative Region (HKSAR) in light of international standards and benchmarks outlined in Hong Kong's Basic Law. NDI has organized study missions and issued periodic reports on political developments in the HKSAR. These reports have assessed a series of elections and the election process, including the development of the post-reversion election framework, elections to the Legislative Council and District Councils, and the selection of the Chief Executive; the political environment before and after reversion to Chinese sovereignty; the status of autonomy, rule of law and civil liberties under Chinese sovereignty; the Principal Officers' Accountability System introduced in 2002; the impact of pro-democracy demonstrations in 2003; and the state of the transition and prospects for democratization.¹ These efforts are intended to contribute to better understanding of the ongoing transition process and to provide support to democratization in Hong Kong.

NDI maintains a field office in Hong Kong and conducts programs that assist Hong Kong NGOs and political parties on a nonpartisan basis to build capacity. NDI's Hong Kong office also supports programs in Mainland China that emphasize public participation and transparency in governance.

¹ See http://www.accessdemocracy.org/NDI/usr_search.asp?SearchType=bas&DocURL=both&RC=34&TS=0&Date=0&keywords=&submit1=Search%21

Interest of International Community in Hong Kong

July 1, 2007, will mark the tenth anniversary of Hong Kong's reversion to Chinese sovereignty. It also marks the earliest date that changes to the method of selecting the Chief Executive and the LegCo prescribed in the Basic Law, could be introduced. Observers suggested that 2007 would see a transition to election of the Chief Executive by universal suffrage.

The international community remains interested in political developments in Hong Kong. Hong Kong is effectively the financial capital of Asia and the gateway to economic investment in mainland China. Moreover, the international community is monitoring Hong Kong's experience as part of China, the most populous country in the world and an emerging world power, with a government controlled by the Chinese Communist Party.² The U.S. Hong Kong Policy Act requires American attention to Hong Kong's prosperity and freedoms. In addition to its annual global Human Rights Report, the U.S. government prepares a semiannual report specifically about the status of Hong Kong. The British government prepares similar reports every six months.

Basic Law

Since 1997, Hong Kong has been a special sub-national unit of the People's Republic of China (PRC). The legal framework of the Hong Kong Special Administrative Region is largely based on the Basic Law, enacted by China's National People's Congress (NPC) in 1990 to serve, in effect, as the constitution of Hong Kong. The Basic Law, in turn, is grounded on the Sino-British Joint Declaration—an international agreement between the PRC and the United Kingdom—which provided for Hong Kong's reversion to Chinese sovereignty.

The Basic Law unambiguously established the "ultimate aim" of direct elections based on universal suffrage for both the Chief Executive and the Legislative Council.³ However, the Basic Law also established a 10-year period during which electoral reform could not be introduced, beginning with reversion to Chinese sovereignty in 1997. During that period and until a new process is adopted, a "broadly representative" Election Committee (EC) elects the Chief Executive.⁴ The elected Chief Executive also must be approved by the central government in Beijing.⁵ Likewise, during the transition period, the Basic Law provided for incremental increases in the number of directly elected seats in the Legislative Council.⁶ Thus, in the most recent legislative elections held in 2004, in accordance with the schedule established in the Basic Law, Hong Kong citizens directly elected, based on universal suffrage, only one-half of the 60 seats in the Legislative Council (LegCo).

² NDI has reported on these issues previously. See, e.g., National Democratic Institute, *The Promise of Democratization in Hong Kong: The 2002 Chief Executive Election and the Transition Five Years After Reversion*, NDI Hong Kong Report #6 (March 11, 2002), p. 4.

³ Basic Law, Arts. 45 and 68.

⁴ Basic Law, Annex I.

⁵ Basic Law, Art. 45.

⁶ Basic Law, Annex II.

The Basic Law does not commit Hong Kong to reaching the goal of universal suffrage immediately at the end of the 10-year transition period. Nor does it answer other questions about the nature of the HKSAR's governing institutions after the transition. To amend the method of choosing the Chief Executive, the Basic Law requires a two-thirds vote of the LegCo, the consent of the Chief Executive and the approval of the Standing Committee of the National People's Congress.⁷ Amendments to the method of forming the Legislative Council likewise require a two-thirds vote of the LegCo and the consent of the Chief Executive but need only "*be reported to the Standing Committee . . . for the record.*"⁸ As discussed below, Hong Kong is currently debating the election process for Chief Executive and the LegCo to be used in the future.

Events of 2003

A series of events in 2003 greatly affected Hong Kong's political future and the central government's views of Hong Kong. On July 1, 2003, more than half a million people marched to protest proposed national security legislation and in support of democracy. This protest was the largest demonstration in Hong Kong since demonstrations in 1989 in support of the protest in Tiananmen Square. Both the magnitude and suddenness of the July 1 demonstration seemed to take Beijing by surprise.⁹

Article 23 of the Basic Law requires that Hong Kong pass laws that address treason, secession, sedition, subversion and theft of state secrets. In 2003, the Government introduced legislation on these subjects. But leading lawyers and many Hong Kong people opposed the proposed legislation on the grounds that it was overly broad and would threaten civil liberties in Hong Kong.

Conventional wisdom attributed the public's disaffection at the time to serious economic problems that affected the livelihoods and mood of Hong Kong's population. Unemployment had reached a record high and property values had fallen, resulting in negative equity for many middle-class homeowners.

The eruption of political discontent and demonstrations in 2003 also reflected fundamental unhappiness with the government's performance—not only with the government's handling of national security legislation itself, but also its management of the public health crisis of Severe Acute Respiratory Syndrome (SARS) and the perceived failure of the new accountability system. The SARS crisis in the first half of 2003 in particular seriously disrupted professional and social life and brought Hong Kong's tourist economy practically to a standstill. While SARS was principally a public health

⁷ Hong Kong Basic Law, Annex I, Sec. 7.

⁸ Hong Kong Basic Law, Annex II, Sec. II (emphasis added).

⁹ See, National Democratic Institute, *The Promise of Democratization in Hong Kong, The Impact of July's Protest Demonstrations on the November 23 District Council Elections, A Pre-Election Report*, NDI Hong Kong Report #8 (November 11, 2003)

phenomenon, many Hong Kong people felt immense frustration with the government's slow response to the crisis.

According to some observers, there was a window of opportunity for democratic reforms in late 2003 and early 2004, when some important business interests seemed open to democratic elections for the Chief Executive, before Beijing closed off the option in April 2004. But, in this view, the pan-democrats missed the opportunity.

The political tumult of 2003 demonstrated the overwhelming public desire for democracy and good government in Hong Kong. It also apparently shook the central government's confidence in the Hong Kong government and reinforced Beijing's concern about instability and uncertainty in Hong Kong. The reverberations of these crises of governance and public demands for further democratization are still felt in Hong Kong today.

Resignation of Tung Chee-hwa and Election of the New Chief Executive

Tung Chee-hwa became the HKSAR's first Chief Executive upon reversion in 1997. A 400-member Election Committee had chosen Tung by secret ballot from among three candidates.

In 2000 and 2001, legislation increased the size of the Election Committee to 800 members, established that prospective nominees for Chief Executive would have to secure public nominations from at least 100 EC members, and provided for a secret ballot if there were more than one such nominee.¹⁰ For the Chief Executive election in 2002, Tung Chee-hwa secured 714 nominations, making him the sole candidate. Accordingly, there was no actual election or further action required by the Election Committee, and Tung was declared re-elected.

After the political upheaval of 2003, criticism of Tung's leadership and calls for him to step down increased. Tung announced his resignation for health reasons in 2005. Donald Tsang, then the government's Chief Secretary for Administration, became acting Chief Executive upon the central government's acceptance of Tung's resignation on March 12, 2005.

Controversy soon arose over whether the next Chief Executive should serve a full five-year term or should simply serve the two years remaining in Tung's term. After Tung's resignation, upon consulting with the Central Government, Acting Chief Executive Donald Tsang declared that the new Chief Executive's term of office should be only two years.¹¹

¹⁰ Chief Executive Election Ordinance, Arts. 16, 18 and 23.

¹¹ National Democratic Institute, *The Promise of Democratization in Hong Kong: The 2005 Chief Executive Election*, NDI Hong Kong Report #10 (June 21, 2005).

Election of New Chief Executive, 2005

Born in 1944, Donald Tsang Yam Kuen was the son of a police officer. He joined the civil service in 1967 and became Financial Secretary in 1995, becoming the first ethnic Chinese to hold the position in the British colonial administration. Known for his trademark bow tie, Tsang received a degree at Harvard in 1982 and a knighthood in 1997 for his service during British colonial rule. After the resignation of the popular Anson Chan Fang On-sang in 2001, Tsang became Chief Secretary for Administration, Tung Chee-hwa's second-in-command. He was seen as an experienced government official with deep understanding of economic policymaking.

Tsang resigned as Acting Chief Executive on May 25, 2005, to become a candidate for Chief Executive. On June 15, he submitted his nomination form endorsed by 674 members of the Election Committee. Because no other candidate garnered the 100 nominations necessary to compete, Tsang was officially unopposed and was declared the winner on June 16, 2005. The central government formally appointed him Chief Executive on June 21.

Founding of the Civic Party, 2006

The moderate pro-democratic Civic Party has its roots in the Article 23 Concern Group, a group of lawyers and other professionals that led the successful challenge to proposed national security legislation in 2003. This group later transformed itself into the Article 45 Concern Group to press for changes in the method of electing the Chief Executive. However, many of these leaders were reluctant to join party politics.

In late 2005, some of the same pro-democracy lawyers and professionals opposed the government's proposed constitutional reform package, discussed below, because they felt it would consolidate functional constituencies and make achieving genuine democracy more difficult. But they felt that continued resistance to change could be misunderstood and that they needed to present an alternative and to develop a long-term strategy. They worried that, as the 10-year anniversary approached, people were going to be demoralized. These professionals and activists wanted, as one of them put it, to send a message that "We are here to fight," but they wanted to pursue that fight "in an organized way." They credited the pan-democrats for being "street fighters" for 20 years, but saw room for a "relatively moderate democratic party" to complement existing democrats because, in the words of one, "street fighting alone can't get us there."

Accordingly, a group of professionals and activists founded the Civic Party in March 2006. The Civic Party sought to fill the void and fight within the system by attracting professionals, academics, NGO activists and others to fight for the cause in a "disciplined, reasoned way." The new party may have attracted people that had not previously been supportive of the democracy movement. According to one party activist, "we speak for a slightly different sector of the community."

One Civic Party leader suggested that consolidation of the pro-democracy movement will come eventually. As discussed below, the Civic Party and the Democratic Party have cooperated recently on electing members of the Election Committee and have agreed on a major constitutional reform package.

III. CHIEF EXECUTIVE ELECTION, 2007

On March 25, 2007, Donald Tsang was re-elected as Chief Executive for another five year term. The central government left little doubt that Tsang was its preferred choice, and Beijing effectively had set the rules for the process. While the process did not meet international democratic standards, or achieve the Basic Law's ultimate aim of choosing a Chief Executive through universal suffrage, it did attract a challenger from the democratic camp who, for the first time, was formally nominated and forced the Election Commission to hold a formal ballot.

Process under Basic Law for Election of Chief Executive

The Chief Executive is the head of the HKSAR and is accountable to both the central government of the PRC and to the HKSAR.

The Basic Law provides that the Chief Executive "shall be selected by elections or through consultations held locally and be appointed by the Central Government." It continues:

The method . . . shall be specified in the light of the actual situation in the [HKSAR] and in accordance with the principle of gradual and orderly progress. The ultimate aim is the selection of the Chief Executive by universal suffrage upon nomination by a broadly representative nominating committee in accordance with democratic procedures.¹²

Thus, the Basic Law unambiguously establishes the ultimate aim of democratic elections, based on universal suffrage, for the Chief Executive.

The Basic Law does not specify a date by which Hong Kong will introduce democratic elections for the Chief Executive. However, it established a 10-year period, which runs through 2007, after which changes to the method of selecting the Chief Executive and LegCo could be introduced. Thus, there was a broad expectation in Hong Kong before and after reversion to Chinese sovereignty that democratic elections would be introduced in 2007.¹³

On April 26, 2004, however, the National People's Congress Standing Committee (NPCSC) issued an interpretation of the Basic Law, which was not requested by the HKSAR government. The interpretation ruled out universal suffrage for the 2007 Chief Executive election and for the election of all members of the LegCo in 2008. By issuing an unsolicited interpretation, the NPC sent a clear message that it would act to limit the pace and scope of democratization in Hong Kong. The NPCSC's statement reiterated the

¹² Hong Kong Basic Law, Art. 45.

¹³ See, e.g., National Democratic Institute, *The Promise of Democratization in Hong Kong: The May 24, 1998 Elections* (May 15, 1998) (section on "Toward a Democratic Future – Attitudes Toward Full Democracy).

“final goal” of general elections using universal suffrage to elect the Chief Executive (after nomination by a “broadly representative” nominating committee) and all LegCo members, but did not propose any timeline for achieving this goal.

Constituting the Election Committee (EC)

According to the Basic Law and Chief Executive Election Ordinance, an Election Committee’s term is five years. The 800-member Election Committee comprises 664 members elected from various business, professional and social groups, known in Hong Kong as “functional constituencies”; 40 members nominated by six designated religious bodies; and 96 members of the Legislative Council and the NPC who are *ex officio* members.

The 35 subsectors or functional groups eligible to elect members of the Election Committee include, for example, agriculture and fisheries, insurance, education, lawyers, accountants, medical professionals, hotels, catering, finance, social welfare, and real estate and construction. The six designated religious bodies are the Catholic Diocese of Hong Kong, the Chinese Muslim Cultural and Fraternal Association, the Hong Kong Christian Council, the Hong Kong Taoist Association, The Confucian Academy, and the Hong Kong Buddhist Association. The *ex officio* members consist of the 60 LegCo members and the 36 Hong Kong deputies to the National People’s Congress.

These functional groups hold their own elections to allow eligible members of the relevant professional, social and religious organizations to choose members of the Election Committee. The voters for the Election Committee from some subsectors are individuals while other subsectors use corporate voting or a mix of corporate and individual voting. A corporate voter represents an organization, such as a professional association or a company, rather than an individual.

In elections for the 800-member Election Committee held in December 2006, the pan-democrats had considerable success electing their supporters. Historically, the political parties have not had much success in organizing within the functional constituencies. Nevertheless, the pan-democrats thought they could attract Election Committee voters to their cause or could register new voters, and indeed they encouraged registration of EC voters in May 2006. Some professionals, such as lawyers and accountants, are registered by virtue of their membership in professional associations. The right to vote for Election Committee members from other sectors is more complicated. Individuals working in the IT sector, for example, are eligible to register if they have certain levels of education and experience. Some individuals are eligible to register in different professions and must choose one. In all, there were about 200,000 registered voters for the Election Commission.

In 2006 the Civic Party, the Democratic Party, the Hong Kong Democratic Foundation and others formed a working group to elect supporters of democracy to the Election Committee. The working group endorsed 137 candidates in these subsector elections, and advertisements in the newspapers listed the names of these nominees. All

of these nominees supported a competitive Chief Executive race and democratic elections in the future. They came in particular from the professional sectors, including lawyers, accountants, engineers, information technology professionals, and teachers and education professionals, among others. The working group chose one or two coordinators for each sector. While there was little overall coordination beyond the newspaper advertisements on the campaign for pro-democratic representatives on the Election Committee, some sectors organized active, energetic campaigns, including sending emails, organizing discussions, etc. The Higher Education sector, for example, held a debate between the two camps at Hong Kong University.

According to some involved in these efforts, in November the Democratic Party and the Civic Party estimated they could win approximately 95 seats on the Election Committee, five short of the threshold of 100 necessary to nominate a candidate. But the pro-democratic camp voted as a block for the pro-democratic candidates and ultimately obtained 134 seats on the Committee, more than enough to nominate a second candidate who would pledge to fight for democratic elections in the future.

The total turnout for the EC elections was relatively low, estimated at around 20 percent of registered voters. Of about 5,000 eligible voters in the IT sector, for example, about 2,200 voted, but all nine of the nominees in the IT constituency endorsed by the pan-democratic camp were elected. Some functional groups have corporate rather than individual voting. Pan-democrats did especially well in functional constituencies with individual rather than company voters.

The results took even many of the pan-democrats who were involved by surprise. They had underestimated the level of discontent. The victory of virtually the whole slate of pro-democracy candidates evidently reflected a strong desire for change, or at least for a public airing of views. Many observed that, in a number of professions, relatively unknown, often younger candidates defeated much more well-known figures. One analyst called this a “professional revolt,” a protest vote by younger, better educated members of the functional groups. Rather than voting for the special interests of their professions they voted instead for competition and universal suffrage. Professionals in effect voted to sacrifice their own privileges—against their own interests—in favor of what they perceived as the public interest.

This success demonstrated a unity of purpose among the pan-democrats, including the Civic Party. It also succeeded in establishing a precedent for competition for the post of Chief Executive. Although criticized by some in the pan-democratic camp for providing legitimacy to an undemocratic process, as discussed further below, pan-democrats argue that they have managed to achieve a change in the culture of elections.

Political Affiliation

The Chief Executive is not permitted to have a political affiliation under local legislation, and there is no governing party in the legislature. This has presented a serious challenge to effective governance. Some commentators say the current ban limits

the role legislators can play and hinders development of political talent. They argue improvements must be made to enhance participation and the quality of governance.

In March 2006, Legislative Council President Rita Fan rejected a move by the Liberal Party leader James Tien to amend the Chief Executive Election and Legislative Council Election (Miscellaneous Amendments) Bill to remove the ban on the Chief Executive belonging to a political party. Fan said the proposed amendment was "irrelevant to the government's electoral bill."¹⁴

The Hong Kong public is split on the question of whether the Chief Executive should have a political affiliation, according to a recent opinion poll conducted by the University of Hong Kong's Public Opinion Program at the behest of NDI. About 42 percent of the poll's respondents agreed that the Chief Executive should have a political affiliation, while 41 percent said he should not.¹⁵

Some analysts suggest that Chief Executive Tsang has attempted to build an alliance with the pro-Beijing Democratic Alliance for the Betterment of Hong Kong and the pro-business Liberal Party. However, the government cannot necessarily count on the unconditional support of either party.

Nominations

To be on the ballot for the Election Committee, a candidate must receive public nominations from at least 100 of the 800 members of the Committee. Donald Tsang received nominations from 641 Committee members. Alan Leong Kah-kit of the Civic Party received nominations from 132 members, including 19 of the 25 pan-democrats in the LegCo. This was the first time that a candidate from the pan-democratic camp had managed to get the 100 nominations required to compete.

Alan Leong is a senior barrister, member of the Legislative Council and former Chairperson of the Hong Kong Bar Association. Because he was not associated with the June 4 movement against the Communist Party, some said he was seen in Beijing as "clean." But he failed Beijing's litmus test when he did not support the constitutional reform package in 2005. Most activists and analysts feel he has performed a great service as the movement's candidate for Chief Executive.

The successful nomination of Alan Leong was a considerable achievement. It demonstrated the depth of support for a more democratic process and made necessary an actual Election Committee ballot. It forced the incumbent Chief Executive to seek the support of the general public rather than just the voters in the small-circle election. As one observer put it, "This has changed Hong Kong: now it isn't possible to imagine an uncontested election in the future or one where a candidate refuses to debate with a rival."

¹⁴ Michael Ng, "Fan rejects CE poll amendments", *The Standard*, May 5, 2006.

¹⁵ The University of Hong Kong's Public Opinion Programme, "CEE Rolling Poll 2007", March 13, 2007. See Appendix III.

Campaign

Candidate Debates and Policy Platforms

After initially declining to debate, Donald Tsang agreed in the face of public pressure to do so. Ultimately, the two candidates for Chief Executive met in two public debates. Their participation in the debates suggests that, even though the outcome of the process was never in doubt, both candidates were concerned with public opinion. The mere fact these public debates took place suggests that the candidates were targeting their campaigns to the public rather than just to the members of the Election Committee. While the election would be decided by the 800-member Election Committee, the candidates and the people of Hong Kong seemed to feel that genuine legitimacy was based on public opinion. This seems to be a notable change from the past and a significant precedent for the future.

The venue for the first debate, on March 1, was not open to the public. But more than 2 million people watched the debate live on television. Most observers agreed that Alan Leong won the first debate. He proved to be well-informed, and his well-thought-out policy positions revealed vagueness and imprecision in his opponent's platform. Nevertheless, polls after the debate suggested that a substantial majority of the Hong Kong public would have voted for Donald Tsang if given the chance.

Tsang refused to attend a forum on March 7 organized by more than 100 Election Committee members from the pan-democratic camp. Leong appeared alone and responded to questions, which served as an important public showcase of his views and positions.

Eight media organizations sponsored a second debate held on March 15. Members of the public were invited at random to attend and to ask questions, and the debate was again televised. Leong attacked Tsang for his failure to commit to a date for universal suffrage, among other things. Both candidates received positive reviews for their performance from the media. Once again, however, the debate did not change the public's choice of candidates, as reflected in a subsequent poll and based on anecdotal evidence.

Alan Leong's policy platform included proposals for a "fair society," strong economy, education reform, improved air quality, and urban planning. Leong's platform also demanded "double universal suffrage," that is, fully democratic elections for both the Chief Executive and the legislature, in 2012. The presence of a competitor may have encouraged Donald Tsang to make campaign promises and policy statements on such issues as the minimum wage, competition and the environment.

Controversy over Blank Ballots

In the final weeks before the Chief Executive election, there was controversy about the possibility that some Election Committee members might cast blank ballots, which would be seen as protest votes. James Tien of the pro-Beijing Liberal Party warned that his party members might cast blank ballots rather than vote for either candidate, and there was a perception that some “hard-core leftists” also might not want to support Tsang.

So-called casino mogul Stanley Ho seemed to threaten Election Committee members when he warned that authorities would be able to find out which members cast blank ballots. “You thought nobody would know you had cast blank votes? They will know,” he said.¹⁶ Qiao Xiaoyang, deputy secretary-general of the National People’s Congress Standing Committee, said it would be inappropriate for Election Committee members to cast blank votes.¹⁷ Other officials in Beijing said they did not expect a large number of blank votes.

Many viewed Ho’s threat as inappropriate, if not a violation of the law, and there was consternation about the comments from Beijing as well. In response, the chairman of the Electoral Affairs Commission, Pang Kin-kee, issued a statement that assured voters that no one would be able to determine for whom they voted. He said the ballots would not have any identifying numbers or marks and that polling station staff members would take an oath of secrecy and would not record details of ballots handed out to voters.¹⁸

The brief controversy over blank ballots provides a reminder that people in Hong Kong are often trying to ascertain the views of officials in Beijing. Many worry that Beijing will punish Hong Kong if it pushes too hard for democracy.

Demonstrations

There were several public demonstrations of opposition to the small circle election. On March 10, police cordoned off more than 100 protesters in Victoria Park and prevented them from marching. Leaders of the League of Social Democrats and The Frontier organized the demonstration, which the police refused to allow. On March 18, an estimated four to five thousand people marched to demand democratic elections.¹⁹

¹⁶ Ambrose Leung, Campaign Notebook: Mogul’s not-so-secret-ballot claim creates quite a stir,” *South China Morning Post*, March 13, 2007.

¹⁷ Ambrose Leung and Albert Wong, “Blank ballots not on: Beijing,” *South China Morning Post*, March 13, 2007.

¹⁸ Klaudia Lee, “Judge gives secrecy vow on votes for next chief,” *South China Morning Post*, March 14, 2007.

¹⁹ Organizers claimed 5,000 people had taken part, while police estimated there were 1,800. A University of Hong Kong study found there were 4,000 to 4,700 people taking part. This was considerably less than pro-democracy marches in the past. The University of Hong Kong’s Public Opinion Programme, “CEE Rolling Poll 2007”, March 13, 2007. See Appendix III.

Public Opinion

As noted above, polls and anecdotal evidence suggest a substantial majority of the Hong Kong public would have voted for Donald Tsang if given the chance. At the same time, according to one poll, most people believe Alan Leong's involvement in the Chief Executive poll had been positive for Hong Kong's election culture.²⁰

According to survey research, there is a broad and ingrained sense across all income levels that the political system should be more directly accountable to the public. This is despite the relative strength of Hong Kong's economy, including four years of more than 5 percent economic growth.²¹

According to some observers, much of the public supports Donald Tsang because of his support in Beijing. Many people may fear that if a candidate without Beijing's support were to win, there would be trouble in Hong Kong. There is also a widespread view that Donald Tsang is a competent administrator whose qualifications for Chief Executive were superior to Leong's. Nevertheless, many pro-democracy observers argue that Hong Kong would do better by telling Beijing what Hong Kong wants rather than trying to gauge what Beijing will allow.

Election Process and Results on March 25

Polling of the members of the Election Committee took place on March 25 for two hours at Asiaworld Expo on Lantau Island under the glare of broad media attention. Election officials announced the results soon thereafter at the same venue.

The process on polling day drew a few protestors. About 40 activists outside the Chief Executive election venue protested the small circle election and demanded universal suffrage.²² Inside the venue, legislator "Long Hair" Leung Kwok-hung, of the League of Social Democrats, took to the stage and criticized those who helped with Leong's campaign for providing legitimacy to a small-circle election.²³

Also on election day, one civic group conducted a public mock-poll with polling booths at various public locations around Hong Kong. A majority of the 8,271 voters

²⁰ Denise Hung, "Alan Leong a positive force for election culture, poll finds," *South China Morning Post*, March 12, 2007.

²¹ For example, 64 percent of residents with incomes over HK\$ 60,000 per month support or strongly support direct election of the LegCo, while only 36 percent of this group (including just 8 percent who strongly oppose) it. This does not vary greatly from the general population, including upper income levels, where 76 percent of Hong Kong residents support or strongly support direct election of the LegCo, and 24 percent oppose or strongly oppose it. Likewise, 70 percent of even eligible functional constituency voters support direct election of the Chief Executive by 2012. The joint HK Transition Project and NDI report will be released in late June 2007. Please refer to <http://www.hkbu.edu.hk/~hktp/> or www.ndi.org for more information.

²² Lai Ying-Kit, "Democracy activists cry foul," *South China Morning Post*, March 25, 2007.

²³ Albert Wong and Ng Kang-Chung, "Hundreds on march in poll protest," *South China Morning Post*, March 19, 2007.

taking part in the mock poll supported Alan Leong as the city's leader and wanted full democracy by 2012. A majority also supported minimum wage legislation.²⁴

To no one's surprise, Donald Tsang was the winner of the March 25 election. He received 649 votes, or 82 percent of the 789 Election Committee members who voted. This was eight more votes than the number of nominations he received from members of the Committee. Challenger Alan Leong finished with 123 votes, which was nine fewer than the number of nominations he received. There were 11 blank ballots, and six Election Committee members did not vote.

²⁴ Agnes Lam, Ambrose Leung and Joshua But, "Electors in mock poll back Leong as leader," *South China Morning Post*, March 26, 2007.

IV. PROSPECTS FOR FUTURE ELECTIONS UNDER UNIVERSAL SUFFRAGE

Government's Proposed Constitutional Reform Package, 2005

In 2005, the Hong Kong government proposed revisions to the method for electing the Chief Executive and Legislative Council. The government proposed increasing the size of the Election Committee from 800 to 1600 members by including district councilors (most of whom are directly elected) and increasing the size of the LegCo by 10 members, including five more to be elected directly from geographical constituencies and five from functional constituencies.

The pan-democrats opposed the government's proposed revisions, because they believed the increases to the number of functional constituency seats violated the Basic Law, set a bad precedent, and the package did not commit to or provide a roadmap or timetable for universal suffrage. A large public demonstration on December 4 called for universal suffrage. On December 21, 2005, the government's reform package failed to receive the required two-thirds vote, as 24 LegCo members voted against it and one abstained.

Some pro-democracy analysts have criticized the opposition of the pan-democrats because the reform package would likely have increased the number and proportion of pan-democrats in the LegCo. One analyst argued that pan-democrats would have been able to gain seven or eight functional seats as well as additional directly elected seats, which would have strengthened their position in the LegCo. Nevertheless, the pan-democrats demonstrated their ability to block the government's proposals in this area.

Current Proposals for Institutional Reforms and Democratic Elections

The pan-democrats and Anson Chan have recently made important proposals for constitutional reform, which would result in fully democratic elections for Chief Executive and the Legislative Council. On March 2, 2007, 21 of 25 pan-democrats in the LegCo agreed on a proposed package of constitutional reforms. On March 5, Anson Chan and her Core Group released their own detailed proposal. There are relatively small differences between the two proposals.

Under the proposal agreed to by 21 legislators from the democratic camp, the 400 elected district council members would be added to the existing 800-member Election Committee to constitute the nominating committee for Chief Executive. A candidate would need 50 nominations from the Election Committee to be eligible. For the legislature, the pan-democrats propose a mixed electoral system, with half the seats elected directly from single-member constituencies and half elected through territory-wide proportional representation.

The pan-democrats' proposal for the nominating committee is a considerable concession. They see it as a transitional measure, to be in place until the Basic Law is amended to remove the requirement for a nominating committee. That 21 of the 25 pan-democrats in the LegCo have agreed on a single constitutional reform package seems like a considerable achievement. The four dissenting LegCo members—the representatives from the League of Social Democrats and Frontier and Unionist Leung Yiu Chung—argue that nothing short of immediate universal suffrage is democratic or acceptable, as discussed further below, and they reject the idea of a nominating committee for Chief Executive candidates. However, they acknowledge that their proposals would require Beijing to amend the Basic Law.

Former Chief Secretary Anson Chan became the “conscience of Hong Kong” after 1997. She retired as Chief Secretary in 2001. Some critics see her today, however, as an opportunistic supporter of democracy because she did not appear to be a strong supporter when she was in government.

Under the proposal of Anson Chan and her Core Group, the Chief Executive would be elected by universal suffrage in the next election. They also propose fully democratic elections based on universal suffrage for the LegCo beginning in 2012, but, if Beijing does not agree, they propose that functional seats should be cut to no more than 15 in 2012 and then scrapped altogether in 2016. In such circumstances, the functional constituencies would be regrouped into 10 multi-member constituencies. They also propose changes in functional constituencies for legislative elections next year; specifically, they propose to expand the franchise within existing functional constituencies by replacing corporate voting with votes by the individual members of corporate boards. These changes, they argue, are consistent with the NPC Standing Committee's interpretation of the 2008 elections. In her willingness to consider the possible continuation of functional representation, Anson Chan appears more willing to accept delays in achieving the goal of full universal suffrage than do the pan-democrats in the LegCo.²⁵

In addition, Civic Exchange leader and former legislator Christine Loh, who is also a member of Anson Chan's Core Group, has made her own proposal of a bicameral legislature that would accommodate functional constituencies in an upper house and have a lower house elected through universal suffrage. This proposal would require the NPC to amend the Basic Law.

Consistent with their criticism of any participation in the small circle election for Chief Executive, the Frontier and League of Social Democrats oppose any reform package that they believe compromises democratic principles, including the principle of one person, one vote. In particular, they oppose a Chief Executive nominating committee that could screen out candidates deemed unacceptable to China's central government.

²⁵ Anson Chan and Her Core Group, *The Road to Universal Suffrage - A Proposed Roadmap and Timetable for Elections to the Post of Chief Executive and the Legislative Council on the Basis of Universal Suffrage* (March 5, 2007).

As discussed above, the Basic Law provides a mechanism for amending the method for choosing the Chief Executive and for constituting the LegCo. As one Hong Kong opinion leader put it, to enact such amendments, the Basic Law does not establish any preconditions about the patriotism of Hong Kong politicians, the passage of national security legislation, the maintenance of a capitalist system or the existence of continued economic growth. Because both Beijing and the Hong Kong government are likely to resist fully democratic elections on the grounds that there is no consensus about details, building as much consensus as possible on the details of proposed reforms is critically important. Thus, it would be better if the democratic community spoke with one voice.

Government's Approach to Possible Reforms: "Green Paper" Process, 2007

The government of Hong Kong says its policy is to promote democracy and encourage community consensus on constitutional reforms. The government argues there is no consensus on universal suffrage. Specifically, the government says it seeks consensus on universal suffrage within the business, professional, religious and trade union, and political communities. The government has appointed a Commission on Strategic Development, with a term to June 2007, to come up with proposals for constitutional reform.

Shortly before his re-election, Donald Tsang repeated his argument that Hong Kong can never achieve universal suffrage if pan-democrats and Beijing loyalists do not reach a compromise. He also said for the first time that proposed changes to the election system for the Legislative Council advocated by former chief secretary Anson Chan were not feasible.²⁶ The Secretary for Constitutional Affairs told the NDI team that the government ultimately does not have the power to decide the formula, roadmap or timetable for changes to the election system, because the Standing Committee of the National People's Congress must agree.

Nevertheless, Donald Tsang has committed to trying to resolve the issue of the future of universal suffrage within his term. Critics see this as stalling. They say he is unwilling to stand up to Beijing on the issue and does not know what the central government thinks. One prominent political observer told the NDI team that Tsang is "in a stronger position than he thinks" but "lacks the courage to take on the central government." The Chief Executive's actions in connection with the "Green Paper" process, may give indicators of how committed he is to resolving the issue.

²⁶ Jimmy Cheung, "Tsang calls for compromise," *South China Morning Post*, March 20, 2007.

The principal issues for institutional reform are (1) the size and composition of the nominating committee for the Chief Executive elections, (2) the threshold for nominations for Chief Executive, and (3) the future of functional constituencies. The government and others have said that it may be easier to achieve consensus on a model for electing the Chief Executive with universal suffrage than one for electing the LegCo. Some analysts argue Hong Kong does not have to consult the central government on changes to the franchise for the Election Committee, as that is an internal matter.

The Hong Kong government established the Commission on Strategic Development in late 2005 to address Hong Kong's long-term challenges, including social issues and the economy as well as government and political developments. Chief Executive Tsang has declined to meet with the pan-democratic members of the LegCo to discuss constitutional reforms and has instead referred them to the Commission. The Commission comprises 40 people, including representatives from the democratic camp. The government says it hopes this process will narrow differences between various constitutional proposals and achieve general agreement on a package in the Hong Kong community and a majority in the LegCo. As NDI has long reported, any constitutional change leading to full universal suffrage will require representatives of functional constituencies in the LegCo to vote themselves out of existence.²⁷

The government has announced plans for a public consultation document as the basis for constitutional development for the next five years. The government promises to circulate this Green Paper sometime in the middle of this year. The day after the Chief Executive election, the Secretary for Constitutional Affairs promised that the Green Paper would include the proposal of the 21 pan-democratic legislators.²⁸ The real challenge ahead for the Chief Executive is to take account of the views collected during the consultation process and then come up with something that is acceptable to the majority.

Role of Political Parties and Government Political Appointments

In July 2002, the government introduced one of the most substantial structural changes to the system of governance in Hong Kong with the Principal Officials Accountability System (POAS), a kind of ministerial or cabinet system. The new system established an additional class of government officials appointed by the Chief Executive with the approval of the central government to make government policy and oversee government activities. The government argued that the new system would protect the permanent civil service, allow the Chief Executive to have a political team, give the Chief Executive essential power to hire and fire top officials, and improve policy-making. But the new system failed to address the fundamental problem that there still is an essential absence of a democratic mandate for executive-branch policy making. Moreover,

²⁷ E.g., National Democratic Institute, *The Promise of Democratization in Hong Kong: The 2002 Chief Executive Election and the Transition Five Years After Reversion*, NDI Hong Kong Report #6 (March 11, 2002), p. 11.

²⁸ Albert Wong, "Green Paper to include pan-democrats' poll plan," *South China Morning Post*, March 27, 2007.

political parties are still limited to a relatively marginal role in the executive branch, and under the current system there is no real governing party in the legislature.

Hong Kong's political parties are still struggling to gain the support of the broader public. Hong Kong's parties did not play a role under British colonial rule until after the British decided to withdraw. NDI has previously reported on the low participation in and public support for Hong Kong's parties.²⁹

Many observers agree that the lack of a governing party, including the lack of a party base for the Chief Executive in the LegCo, leads to problems of governance. The requirement that the Chief Executive not be a member of a political party comes from local legislation, the Chief Executive Election Ordinance, rather than from Beijing.

Despite the dysfunctions of the existing system, the government currently wants to expand the political appointment system to have two more levels of political appointments, as undersecretaries and political assistants. Undersecretaries would be able to speak for the government in the legislature, and political assistants would provide political analysis and liaison. The government argues this would enable it to appoint people from outside the civil service, such as from political parties, civil society and think tanks.³⁰

The basic flaw with the proposed expanded political accountability system remains that, unlike ministerial systems in parliamentary democracies, the executive in Hong Kong is not itself accountable through elections to the public. Neither does the system increase accountability of the executive to the legislature. Some analysts claim the existing political appointments system has hurt morale in the civil service and that there is little trust between political appointees and the civil service. Thus, it seems doubtful that, even if enacted, the expanded political accountability system will solve Hong Kong's governance problems.

Views of Hong Kong's Principal Political Actors

Views of Central Government

Chinese President Hu Jintao recently acknowledged that the advancement of democracy was one of the clear desires and fundamental interests of the people of Hong Kong, but insisted that it should progress in a "gradual and orderly manner." In the view of the central government, the real question is the time table by which direct elections can be introduced.

²⁹ See, e.g. NDI reports in its series, *The Promise of Democratization in Hong Kong*: "The 2002 Chief Executive Election and the Transition Five-Years after Reversion," NDI Hong Kong Report No. 6, March 11, 2002, pp. 15-16; "The Impact of July's Protest Demonstrations on the November 23 District Council Elections – A Pre-Election Report," NDI Hong Kong Report No. 8, November 17, 2003, pp. 10-16; "The September 12, 2004 Legislative Council Elections – A Pre-election Report," NDI Hong Kong Report No. 9, August 31, 2004, pp. 25-26. [No. 10, p. 13]

³⁰ See *Consultation Document on Further Development of the Political Appointment System* (Hong Kong Government document, March 2006).

The deal on future political institutions will ultimately be struck with the central government, not among political leaders holding different points of view within Hong Kong. Beijing's greatest influence in the HKSAR and on the Chief Executive election process may not be through obvious interference, but through the way in which people in Hong Kong try to anticipate Beijing's actions and reactions and adjust their own behavior accordingly.

Authorities in Beijing certainly wanted to ensure Tsang received as many votes as possible and had high approval ratings so the election would be seen as legitimate. By all accounts, they are concerned about how the Hong Kong public views the HKSAR government. Since 2003, according to many observers, the central government appears to be paying greater attention to Hong Kong.

Many pro-democracy leaders are not permitted to travel to Beijing or elsewhere in mainland China. According to some observers, however, the Civic Party is almost, although not yet, accepted in Beijing.

It is not clear how Beijing will react to the current reform proposals. The deputy head of the Hong Kong-Macau Office seemed to attack Anson Chan, saying "some want to be heroes" but then he seems to have retracted the attack.

Some observers argue that one cannot assume that views in Beijing and within the Chinese Communist Party will not change. Although the government remains authoritarian, analysts point out, Beijing cares about its international image, especially the views of the U.S., Britain and the European Union. Viewing itself as a rising world power, the central government, these observers argue, wants China to be seen as a responsible power. Leaders in Beijing are perhaps more liberal, pragmatic and potentially open to Hong Kong democracy than before. But Beijing likely sees universal suffrage as a threat to its hold on power since democratization in Hong Kong could lead to similar demands on mainland China. The central government cares about "sovereignty" which it equates to "loyalty." It is extremely concerned about foreign involvement.

Beijing also wants certainty and predictability in the election process in Hong Kong. Accordingly, the central authorities will need reassurance about the nominating mechanism. Not only must the Chief Executive be acceptable, leaders in Beijing want to ensure that the Chief Executive is capable of running the government, which is why they currently prefer a civil service background. Beijing wants a Chief Executive that is accountable to the central government.

Views of Hong Kong Business Elites, Interests represented by Functional Constituencies

According to many analysts, opposition to democratic elections within the Hong Kong community presents a greater barrier than opposition from Beijing. After 1997, the business sector, including the powerful Hong Kong Chamber of Commerce and the

Chinese Chamber of Commerce, built an alliance with the pro-China left wing, including the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB). There is an ongoing struggle between supporters of universal suffrage and vested interests. Such vested interests have both ideological and commercial reasons for trying to hold on against change. They see Beijing as a referee, which will protect those interests.

At the same time, given the pan-democrats success at building support within various professional communities for a competitive Chief Executive election, many professionals in Hong Kong appear committed to full democracy. The pan-democrats are looking to capitalize on the more liberal views of Hong Kong's professionals by consolidating an alliance with them.

Views of and Status of Relationship among Pan-Democrats

Most leaders of the democracy movement support the idea of "one China" and do not empathize with pro-independence sentiment or the Democratic Progressive Party in Taiwan. At the same time, the pan-democrats do not view China as synonymous with the Chinese Communist Party, but rather they identify with Chinese civilization, culture, history and people.

As discussed, there was no consensus among the pan-democrats on how to approach the 2007 election for Chief Executive. Some, including LegCo member Emily Lau and the members of the League of Social Democrats (LSD), argued for a boycott of the small circle election. Emily Lau argues that now is not the time to compromise, that the pan-democrats should hold firmly on to their principles. She does not publicly attack the other pan-democrats, however. The LSD, in contrast, has sharply criticized the pan-democrats for selling out.

Many others supported the idea of a competing candidate for the post. By focusing only on protest politics, according to some observers, the democratic movement runs the risk of marginalizing itself. But those so-called radicals see this as an issue of principle or a moral issue. One democratic leader said the pan-democrats need to learn to agree to disagree.

There is also a debate currently within the pan-democratic camp about whether to compete in elections for the National People's Congress in Beijing. Such an effort would run the danger of breaking up the movement. Calling the democratic movement "diffident," one political leader said that some democrats are afraid that compromise might discredit their efforts.

Continuing disagreements in the democratic camp, say some observers, are a handicap in negotiations with the so-called pro-Beijing camp. The group essentially must be unified to be able to veto conservative policies or to push for a better deal on constitutional reform. The pro-democracy community needs to be clear on its strategy and to try to resolve the longstanding problem in its relationship with Beijing.

By competing in the Chief Executive election and agreeing on a proposal for constitutional reform consistent with the Basic Law, most of the pan-democrats have agreed that, rather than just boycotting, they should join the game and work within the process, although they would do so in their own way. “Whenever there is an opportunity,” one democratic leader told the NDI team, “we must make use of it.”

According to one pro-democratic political leader, the views of the public have changed over the past decade. “They will give you support if they judge you worthy of support.”

Most observers agree as well that Hong Kong people are pragmatic and understand the need for Beijing’s approval on the Hong Kong government. Many people criticized Alan Leong, for example, when he argued that the Central Government should not have the authority to approve principal officials in Hong Kong, because that power is in the Joint Declaration.

V. CONCLUSIONS

By running a competing candidate in the Chief Executive election, Hong Kong's democrats may have broken a political taboo and ensured that the election was not just a show. They have challenged the system. Columnist Frank Ching writes, "There is little doubt that we are seeing before our eyes the transformation of Hong Kong's political culture."³¹

Some argue that the pan-democrats have helped to rewrite the "hidden rules" of the election. Since 1997, the Chief Executive election was seen as a process to endorse the decision of the central government. It was clear that Donald Tsang was Beijing's choice, both when he took over in 2005 and when he ran for re-election in 2007. So it was important for the pan-democrats to engage and bring public opinion into the process.

The participation of a democratic challenger has heightened the importance of public opinion. The establishment candidate has to be concerned with more than the views of the Election Committee members. He must now pay more attention to public attitudes and preferences on specific issues. Similarly, Beijing's apparent desire for a high turnout and high vote for its preferred candidate also brings public opinion into the process. Because leaders in Beijing said after the election that Donald Tsang had public support, they are endorsing the importance of public opinion for governmental legitimacy.

This process makes it harder for conservative interests to capture the incumbent. The Chief Executive has appealed to the broader public for support and has made particular campaign promises to the community.

Public opinion polls show that the people of Hong Kong believe it is important that the Chief Executive have a positive relationship with the central government in Beijing. That apparently was why Donald Tsang was the most popular candidate. Convincing the people of Hong Kong—and, of course, the 800 person electorate that actually selects the Chief Executive—that their candidate can effectively deal with the national government will be a continuing challenge for the pan-democrats.

In addition to the public discussion arising from the contested Chief Executive election, people in Hong Kong are now talking about constitutional reform. There is broad support for fully democratic elections, in accordance with the ultimate aim of the Hong Kong Basic Law. The coming months may well determine whether this promise of democratization will be realized in 2012.

³¹ Frank Ching, "Shows with a difference," *South China Morning Post*, March 20, 2007.

Appendix I

Election Committee Sub-sectors and Composition

Functional Constituencies - 550 members

1. Heung Yee Kuk (21)
2. Agriculture and Fisheries (40)
3. Insurance (12)
4. Transport (12)
5. Education (20)
6. Legal (20)
7. Accountancy (20)
8. Medical (20)
9. Health Services (20)
10. Engineering (20)
11. Architectural, Surveying and Planning (20)
12. Labour (40)
13. Social Welfare (40)
14. Real Estate & Construction (12)
15. Tourism (12)
16. Commercial (First) (12)
17. Commercial (Second) (12)
18. Industrial (First) (12)
19. Industrial (Second) (12)
20. Finance (12)
21. Financial Services (12)
22. Sports, Performing Arts, Culture and Publication (40)
23. Imports and Exports (12)
24. Textiles and Garments (12)
25. Wholesale and Retail (12)
26. Information Technology (20)
27. Catering (11)
28. The District Councils (42) - 21 from Kowloon and HK, 21 from New Territories

Special Constituencies - 114 members

1. Higher Education (20)
2. Hotels (11)
3. Chinese Medicine (20)
4. Chinese People's Political Consultative Conference (41)
5. Employers' Federation of Hong Kong (11)
6. Hong Kong Chinese Enterprises Association (11)

Government Bodies - 96 members (all ex officio)

1. National People's Congress (36)
2. Legislative Council (60)

Religious Organizations - 40 members

1. Catholic Diocese of Hong Kong (7)
2. Chinese Muslim Cultural and Fraternal Association (6)
3. Hong Kong Christian Council (7)
4. Hong Kong Taoist Association (6)
5. The Confucian Academy (7)
6. The Hong Kong Buddhist Association (7)

Appendix II

Hong Kong's Basic Law

Article 45

(1) The Chief Executive of the Hong Kong Special Administrative Region shall be selected by election or through consultations held locally and be appointed by the Central People's Government.

(2) The method for selecting the Chief Executive shall be specified in the light of the actual situation in the Hong Kong Special Administrative Region and in accordance with the principle of gradual and orderly progress. The ultimate aim is the selection of the Chief Executive by universal suffrage upon nomination by a broadly representative nominating committee in accordance with democratic procedures.

(3) The specific method for selecting the Chief Executive is prescribed in Annex I: "Method for the Selection of the Chief Executive of the Hong Kong Special Administrative Region".

Article 46

The term of office of the Chief Executive of the Hong Kong Special Administrative Region shall be five years. He or she may serve for not more than two consecutive terms.

Article 68

(1) The Legislative Council of the Hong Kong Special Administrative Region shall be constituted by election.

(2) The method for forming the Legislative Council shall be specified in the light of the actual situation in the Hong Kong Special Administrative Region and in accordance with the principle of gradual and orderly progress. The ultimate aim is the election of all the members of the Legislative Council by universal suffrage.

(3) The specific method for forming the Legislative Council and its procedures for voting on bills and motions are prescribed in Annex II: "Method for the Formation of the Legislative Council of the Hong Kong Special Administrative Region and Its Voting Procedures".

Appendix III

**Public Opinion Programme, The University of Hong Kong
CEE Rolling Poll 2007
Ride-on Questions by NDI
13-Mar-07**

Contact Information:

Survey period: 7-8/3/2007
 Sample size: 518
 Survey method: random telephone survey
 Response rate: 63.1%
 Standard error: less than 2.2% (+/-4/4% at 95% confidence level)

** all figures have been weighted according to provisional figures obtained from the Census and Statistics Department regarding the gender-age distribution of the HK population at the end of 2006.*

Q1. Do you think the CE should have any political affiliation?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	215	41.5	41.7	41.7
	No	209	40.3	40.5	82.3
	Doesn't matter	40	7.7	7.7	90.0
	Don't know/hard to say	52	10.0	10.0	100.0
	Total	515	99.5	100.0	
Missing	System	3	0.5		
Total		518	100.0		

Q2. Basic Law Article 45 stipulates that the Chief Executive should ultimately be returned by universal suffrage upon nomination by a broadly representative nominating committee in accordance with democratic procedures, "in the light of the actual situation in the Hong Kong Special Administrative Region and in accordance with the principle of gradual and orderly progress." By which year do you think this target should be achieved?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	As quickly as possible	79	15.3	15.3	15.3
	2007 (the CE elected in this year)	13	2.5	2.5	17.8
	2008-2012 (the CE elected in 2012)	198	38.2	38.2	56.0
	2013-2017 (the CE elected in the next next term)	59	11.4	11.4	67.4
	2018-2022 (the CE elected in the next next term)	22	4.3	4.3	71.7
	2023 or after	20	3.9	3.9	75.6

	Don't know/hard to say	127	24.4	24.4	100.0
	Total	518	100.0	100.0	

Demographic Background of Respondents

V1. Are you a registered voter?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes (including those who have just registered)	361	69.7	69.8	69.8
	No	156	30.1	30.2	100.0
	Total	517	99.8	100.0	
Missing	System	1	0.2		
Total		518	100.0		

V2. **【Only for registered voters】** Did you vote in the Legislative Council Election in 2004?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	247	47.7	68.4	68.4
	No	99	19.1	27.5	95.9
	Forgotten	15	2.9	4.1	100.0
	Total	361	69.7	100.0	
Missing	System	157	30.3		
Total		518	100.0		

V3. **【Only for registered voters】** Have you ever voted in the past Council elections in all tiers?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	77	14.8	67.1	67.1
	No	35	6.8	31.1	98.1
	Forgotten	2	0.4	1.9	100.0
	Total	114	22.0	100.0	
Missing	System	404	78.0		
Total		518	100.0		

V4. Which of the following political camps are you more inclined to align with?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Claimed to be pro-democracy camp	133	25.8	25.8	25.8
	Claimed to be pro-China camp	35	6.7	6.7	32.5
	Claimed to be moderate camp	188	36.3	36.3	68.8
	Other	3	0.6	0.6	69.4
	Claimed to have no political inclination	149	28.8	28.8	98.2
	Don't know/hard to say	9	1.8	1.8	100.0

Total	518	100.0	100.0
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Gender		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	242	46.8	46.8	46.8
	Female	276	53.2	53.2	100.0
	Total	518	100.0	100.0	

Age		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18 - 20	24	4.6	4.6	4.6
	21 - 29	79	15.3	15.5	20.1
	30 - 39	101	19.6	19.8	39.9
	40 - 49	119	23.1	23.3	63.2
	50 - 59	88	17.0	17.2	80.4
	60 or above	101	19.4	19.6	100.0
	Total	513	99.0	100.0	
Missing	System	5	1.0		
Total		518	100.0		

Education attainment		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Primary or below	89	17.2	17.3	17.3
	Secondary	272	52.5	52.9	70.3
	Postgraduate or above	153	29.5	29.7	100.0
	Total	514	99.2	100.0	
Missing	System	4	0.8		
Total		518	100.0		

The type of ownership of your house is:		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Self-purchased	304	58.8	60.2	60.2
	Rent?	201	38.9	39.8	100.0
	Total	506	97.6	100.0	
Missing	System	12	2.4		
Total		518	100.0		

House type		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Public housing estate	179	34.5	35.4	35.4
	Housing Authority subsidized sale flats	72	13.9	14.3	49.6

	Housing Society subsidized sale flats	10	2.0	2.1	51.7
	Private housing	221	42.6	43.7	95.5
	Village: villas / bungalows / modern village houses	10	1.8	1.9	97.4
	Village: simple stone structures / traditional village houses	6	1.2	1.2	98.5
	Private temporary housing	1	0.2	0.2	98.7
	Staff quarters	6	1.2	1.3	100.0
	Total	505	97.5	100.0	
Missing	System	13	2.5		
Total		518	100.0		

Occupation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Executives and professionals	120	23.3	23.8	23.8
	Clerical and service workers	111	21.5	22.0	45.8
	Production workers	56	10.8	11.0	56.8
	Students	39	7.6	7.8	64.6
	Housewives	78	15.0	15.3	79.9
	Others	102	19.7	20.1	100.0
	Total	507	97.9	100.0	
Missing	System	11	2.1		
Total		518	100.0		

Which class do you consider your family belongs to? (Interviewer to read out the first 5 options)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Upper class	3	0.6	0.6	0.6
	Upper-middle class	25	4.8	4.9	5.5
	Middle class	182	35.2	35.8	41.3
	Lower-middle class	153	29.5	30.0	71.3
	Lower class or grassroots	134	25.8	26.2	97.5
	Don't know / hard to say	13	2.4	2.5	100.0
	Total	509	98.3	100.0	
Missing	System	9	1.7		
Total		518	100.0		

Place of birth

	Frequency	Percent	Valid Percent	Cumulative Percent
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Valid	Hong Kong	331	63.9	64.8	64.8
	Mainland China	160	30.9	31.3	96.2
	Taiwan	2	0.5	0.5	96.7
	Macau	4	0.7	0.7	97.4
	Southeast Asia (e.g. Malaysia, Indonesia, Vietnam)	11	2.2	2.2	99.6
	America	1	0.2	0.2	99.8
	Don't know	1	0.2	0.2	100.0
	Total	510	98.6	100.0	
Missing	System	7	1.4		
Total		518	100.0		

How long have you been living in Hong Kong? (in years)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-6	7	1.4	4.4	4.4
	7-10	13	2.6	8.4	12.8
	11-20	31	6.0	19.4	32.3
	21-30	37	7.1	23.0	55.3
	31-40	14	2.8	9.0	64.2
	41-50	28	5.4	17.6	81.8
	50+	23	4.4	14.4	96.2
	Forgotten	6	1.2	3.8	100.0
Total	160	30.9	100.0		
Missing	System	358	69.1		
Total		518	100.0		